

Technology

Zuckerberg's shine dims as guardian of Facebook users

Latest crisis raises the specter that he has lost control of his creation

SAN FRANCISCO: Mark Zuckerberg rose to wealth and fame with a mission of connecting everyone through Facebook, but now faces the wrath of users outraged he isn't doing more to defend their data.

The latest crisis laying siege to the leading online social network has raised the specter that he has lost control of his creation and been naive about the unintended consequences of people sharing so much about themselves. "If Facebook was a typical company, and Zuckerberg was the founder, he would probably be gone," said tech industry analyst Rob Enderle of Enderle Group.

"He looks like a guy who really doesn't know what he is doing. He is not the hero that a lot of people had viewed him as: his reputation and image are badly damaged."

Facebook has prospered on digital advertising that benefits from being able to use what people share about themselves to target ads. If Facebook was betting on people's better natures when it came to truthfully sharing, respecting others, and being able to connect with anyone, it wasn't always a winning wager. The California-based social network has been a flashpoint for controversies about bullying, harassment, free speech, extremist propaganda, election meddling, privacy, and more.

"They don't put enough effort into making sure the user is protected and the experience is assured," analyst Enderle said. "They only care about the advertisers, and the user is basically a digital slave."

Dropout to billionaire

A public apology by Zuckerberg failed to quell outrage over the hijacking of personal data from millions of people, as critics demanded that the social media giant go much further to protect user privacy.

Belatedly speaking out about the harvesting of Facebook user data by a British firm linked to President Donald Trump's 2016 election campaign,

Zuckerberg admitted Wednesday to betraying the trust of its more than two billion users, and promised to "step up."

Vowing to stop data leaking to application makers and to give users more control over their information, he also said he was ready to testify before US lawmakers following—which a powerful congressional committee promptly asked him to do. Zuckerberg has grown from a Harvard dropout who changed what it means to be social into a billionaire philanthropist bent on shaping a better world for his daughters. Zuckerberg and his doctor wife, Priscilla Chan, have pledged to give away their Facebook fortune to make the world a healthier, happier place for children.

"Having kids changes a lot," Zuckerberg said this week in an interview with CNN. "I used to think that the most important thing to me by far was having the

greatest impact across the world as I can; now I just really care about building something my girls are going to grow up and be proud of me for."

Zuckerberg cemented his fortune, and a place in Silicon Valley history, by leading Facebook to a historic Wall Street debut in 2012.

The \$16 billion IPO was structured to keep control of Facebook in the hands of Zuckerberg, who has been Time's "Person of the Year" and cracked the Forbes list of 20 richest people in the world.

The hoodie-wearing 33-year-old, depicted in the Hollywood drama "The Social Network" as a socially challenged computer geek, has evolved into a confident chief executive. Zuckerberg still favors t-shirts, jeans and sneakers, topped off by his trademark hooded sweatshirt and a mop of curly hair.

He is known for setting annual goals, which have included wearing ties every day; only eating meat of animals he kills himself; and learning to speak Chinese.

His personal goal this year is to fix Facebook, making sure it fosters real-world community.

“His reputation and image are badly damaged”



MOSCOW: A picture taken in Moscow on Thursday shows an illustration picture of the Russian language version of Facebook about page featuring the face of founder and CEO Mark Zuckerberg. —AFP

Thefacebook'

Born on May 14, 1984, Zuckerberg was raised in Dobbs Ferry outside New York, one of four children of a dentist father and a psychiatrist mother. He began writing computer programs at the age of 11, including one said to resemble Pandora's musical taste program which reportedly drew the interest of AOL and Microsoft. He went to high school at the prestigious Phillips Exeter Academy, where he was captain of the fencing team, before entering elite Harvard University.

Zuckerberg launched Thefacebook.com, as it was then known, from his dorm room on February 4, 2004 with some of his roommates and classmates.

Facebook's early years were not without controver-

sy, however. In 2008, a \$65 million settlement was reached with three Harvard classmates—twins Tyler and Cameron Winklevoss, and Divya Narendra—over their charges that Zuckerberg had stolen the idea for Facebook from them.

The conflict was at the heart of "The Social Network," the Oscar-winning film written by Aaron Sorkin and directed by David Fincher.

Zuckerberg left Harvard in May 2004 for Silicon Valley, where he received his first major funding — \$500,000 — from PayPal co-founder Peter Thiel. He has been referred to by some as being struck in the mold of late Apple co-founder Steve Jobs. Zuckerberg has praised Jobs as a friend and a role model. —AFP

UK regulators search Cambridge Analytica offices

LONDON: British regulators on Friday began searching the London offices of Cambridge Analytica (CA), the scandal-hit communications firm at the heart of the Facebook data scandal, shortly after a judge approved a search warrant. Around 18 enforcement agents from the office of Information Commissioner Elizabeth Denham entered the company's London headquarters at around 8:00pm (2000 GMT) to execute the warrant.

The High Court granted the raid request less than an hour earlier, as Denham investigates claims that Cambridge Analytica may have illegally harvested Facebook data for political ends.

A full explanation of the legal ruling by Judge Anthony James Leonard will be issued on Tuesday, according to the court. "We're pleased with the decision of the judge," Denham's office said on Twitter. "This is just one part of a larger investigation into the use of personal data and analytics for political purposes," it added in a statement.

"As you will expect, we will now need to collect, assess and consider the evidence before coming to any conclusions." The data watchdog's probe comes amid whistleblower accusations that CA, hired by Donald Trump during his primary campaign, illegally mined tens of millions of users' Facebook data and then used it to target potential voters.

Fresh allegations also emerged Friday night about the firm's involvement in the 2016 Brexit referendum campaign. Brittany Kaiser, CA's business development director until two weeks ago, revealed it conducted data research for Leave.EU, one of the leading campaign groups, via the UK Independence Party (UKIP), according to The Guardian.

'I was lying'

Kaiser, 30, told the newspaper she felt the company's repeated public denials it ever worked on the poll misled British lawmakers and the public. "In my opinion, I was lying," she said. "In my opinion I felt like we should say, 'this is exactly what we did.'" CA's suspended chief executive Alexander Nix told MPs last month: "We did not work for Leave.EU. We have not undertaken any paid or unpaid work for them, OK?"

Nix was suspended this week following the Facebook revelations and a further media sting in which he boasts about entrapping politicians and secretly operating in elections around the world through shadowy front companies.

He has already been called to reappear before British lawmakers to explain "inconsistencies" in past testimony about the

Apple's Tim Cook calls for calm heads on China and US trade

BEIJING: Apple Inc's Chief Executive Tim Cook yesterday called for "calm heads" and more open trade, amid rising fears of a trade war between the United States and China. Trade tension between China and the United States flared this week when President Donald Trump unveiled plans on Thursday to slap tariffs on potentially up to \$60 billion in Chinese goods.

China's Commerce Ministry on Friday urged the United States to "pull back from the brink", saying it was not afraid to engage in a trade war. "I'm cognizant that in both the US and China, there have been cases where everyone



LONDON: Pedestrians cross the road near outside the shared building which houses the offices of Cambridge Analytica in central London yesterday. —AFP

firm's use of the data. Meanwhile Facebook founder Mark Zuckerberg has been forced to issue a statement outlining his firm's role in the scandal and apologized Wednesday to its billions of users for the breach. The company has seen its stock market value plunge by around \$75 million amid the crisis, as shares closed the week down 13 percent—their worst seven days since July 2012.

Cambridge Analytica denies any wrongdoing, and said Friday it was undertaking an independent third-party audit to verify that it no longer holds any of the mined data.

"As anyone who is familiar with our staff and work can testify, we in no way resemble the politically-motivated and unethical company that some have sought to portray," acting CEO Alexander Tayler said in a statement. He apologized for the firm's involvement, but said it had licensed the data from a research company, led by an academic, that "had not received consent from most respondents."

"The company (CA) believed that the data had been obtained in line with Facebook's terms of service and data protection laws," Tayler said.

hasn't benefited, where the benefit hasn't been balanced," Cook said.

Speaking at the annual China Development Forum in Beijing, Cook said he hoped "calm heads" would prevail. The sparring has cast a spotlight on hardware makers such as Apple, which assemble the majority of their products in China for export to other countries. Electrical goods and tech are the largest US import item from China.

In the past year, Apple and other foreign tech firms have grappled with a string of new regulatory requirements in China, including a controversial law requiring firms to house user data in data centers overseen by Chinese firms. Last month, Apple officially moved to store keys for its iCloud data in China, provoking intense criticism from rights groups who say the decision makes it easier for Chinese officials to tap and collect private data.

Despite challenges, the company has sought to expand its services in China, its third-largest market, where roughly 1.8 million developers use its platform.

"My belief is that businesses should be engaged with governments in countries where they are doing business, whether they agree or disagree," Cook said. Cook has come

New review

Aleksandr Kogan, a University of Cambridge psychologist, created a personality prediction app that harvested the data of 270,000 people who downloaded it—as well as scooping up the information of their friends. That was possible under Facebook's rules at the time, and Kogan this week claimed he was being unfairly blamed. "I'm being basically used as a scapegoat by both Facebook and Cambridge Analytica," he said in interviews Wednesday.

"We were assured by Cambridge Analytica that everything was perfectly legal and within the terms of service" of Facebook, he added.

However, Cambridge University announced Friday it was "undertaking a wide-ranging review" of the episode and had written to Facebook "to request all relevant evidence in their possession".

"Should anything emerge from this review, or from our request to Facebook, the University will take any action necessary in accordance with our policies and procedures," it said in a statement. —AFP



BEIJING: This photo illustration taken on Friday shows Apple logos on a computer screen in Beijing. —AFP

to China several times in the past year, and was among executives who met Chinese President Xi Jinping last October. —Reuters

FB crisis prompts Silicon Valley soul-searching

SAN FRANCISCO: With Facebook mired in its worst-ever crisis, the rest of Silicon Valley is looking to come to terms with the dark side of its data-driven business model where tech titans have mined fortunes from what people reveal online. There are signs the crisis could spread to other internet firms that have made no secret about using what they glean from digital data for targeted advertising.

That same personal data can be used effectively by those with malicious intent when it comes to influencing people. "It is Facebook this week, but it could be others," tech industry analyst Rob Enderle said of the crisis of confidence laying siege to the social network. "At the very least, this is the common problem across the tech industry."

The tumultuous week ended with Facebook losing 14 percent of its market value, wiping out more than \$50 billion from one of the biggest and most powerful companies. A public apology by Facebook chief executive Mark Zuckerberg failed to quell outrage over the hijacking of personal data from millions of people by Cambridge Analytica.

Belatedly speaking out about the harvesting of Facebook user data by the British firm linked to President Donald Trump's 2016 election campaign, Zuckerberg admitted to betraying the trust of its more than two billion users, and promised to "step up." But some point out that Facebook is just one of many firms which mine data for profit — albeit the most successful, along with Google—as digital lifestyles take root around the world.

"Phones, apps, and the web are so indispensable to our daily lives—a testament to the benefits they give us—that we've become a captive audience," the nonprofit Center for Humane Technology said. "With two billion people plugged into these devices, technology companies have inadvertently enabled a direct channel to manipulate entire societies with unprecedented precision."

Early Facebook investor Roger McNamee argued in a USA Today opinion piece that "Russia never would have been able to conduct information warfare against the United States" in 2016 without the social network as well as Twitter and Google.

Hard to quit?

What happens now? Some users are joining the #deletefacebook movement, but it remains unclear if advertisers will abandon the important platform.

High-profile entrepreneur Elon Musk joined the critical chorus on Friday, saying in an exchange on Twitter that he was shutting down the Facebook accounts of his Tesla and SpaceX enterprises.

"What's Facebook?" Musk quipped rhetorically in an exchange on Twitter. While it may seem tempting to join a movement to abandon Facebook, it does raise the question of where one will go to stay connected with friends, celebrities, or businesses that have become part of the fabric of the online community. Facebook is also intertwined in the fabric of the web, with its "like" buttons and communities which rely on its connections.

New York University marketing professor Scott Galloway said advertisers could have an impact if they left Facebook but said it was unlikely to lose many of its five million ad customers.

"Advertisers have just two platforms to market their products online," Galloway said in a blog post. "Advertisers need Facebook much more than Facebook needs any one, or thousand, advertisers." —AFP