

International

The struggle to regulate tech giants like Facebook, Google and Amazon

Facebook to fix kids app flaw allowing chats with strangers

SAN FRANCISCO: Internet giants like Facebook, Google and Amazon have disrupted markets and culture in a lucrative rise to power that have regulators launching probes, imposing fines and even threatening to break the companies up. Government regulators are scrambling to collar the online giants, often having to update rules designed for an analog world as the digital behemoths grow in size and influence.

The European Union kicked off the regulatory assault, with the United States following by launching a sweeping probe into the practices of leading online platforms, social networks, search engines and e-commerce services. While the US Department of Justice did not specify targets, it appeared certain that it would be investigating Amazon, Facebook and Google.

Facebook

Facebook boasts more than 2.7 billion users monthly at its family of apps that include Messenger, Instagram, WhatsApp and the eponymous social network. The Silicon Valley-based company uses what it learns about users to target ads, raking in money from businesses with the promise of delivering ads that resonate with consumers. Critics say Facebook puts profit over privacy.

The social media giant remains under intense scrutiny following revelations that personal data on tens of millions of users was hijacked by political consultancy Cambridge Analytica, which was working on the Donald Trump campaign in 2016. Lambasting by politicians and dents to its reputation seem to have failed to hurt its business. Fear of a multi-billion dollar fine however did drag down earnings in a recent quarter. Facebook estimated that it will face a US Federal Trade Commission fine of \$3 billion to \$5 billion for "user data practices."

Analyst firm eMarketer expects Facebook this year to claim more than 20 percent of a \$333.25 billion global digital ad market. The social network continues to innovate, betting on virtual reality with Oculus gear. Facebook also has a version tailored for businesses, and is backing a project to launch a digital currency called the Libra. The company's efforts to better compete with Chinese virtual coin rivals could however be undermined by government regulators.

Alphabet/Google

Search engine Google remains the money-making engine for parent company Alphabet, routinely crushing any competition. Most of its revenue comes from digital ads, which accounted for \$116 billion of the \$136 billion the Silicon Valley-based company took in last year. Google dominates digital advertising, with 31 percent of the global total expected to go into its coffers this year, according to eMarketer. Google comes under fire for the way it protects — or fails to protect — user data, from online browsing histories to locations captured by software on smartphones.

In January, France's CNIL data watchdog slapped Google with a record 50-million-euro fine for failing to meet the EU's tough General Data Protection Regulation (GDPR), which came into force early last year. Google is appealing the fine. US regulators who say Google failed to protect children from harmful content and data collection on its YouTube platform could also fine the company. Europe has imposed fines on Google tallying billions of dollars for anti-competitive activity.

Alphabet continues to invest in advertising products as well as areas that include artificial intelligence, cloud computing, internet-linked household devices, and even a streaming video game service called Stadia. Google makes its Android mobile operating system available free to device makers, looking to make money from ads or offerings that users tap into. Alphabet's subsidiary Waymo, which specializes in autonomous cars, is considered one of the most advanced companies in the field.

Amazon

Amazon is an online commerce powerhouse that is also considered a leader in computing, content and online services hosted at its internet cloud data centers. Brussels has launched an investigation into whether Amazon has violated EU competition rules by taking advantage of data from independent retailers that use its online storefront. Cloud unit Amazon Web Services (AWS) continues to grow at a rate of 40 percent annually, said analyst Patrick Moorhead of Moor Insights & Strategy.

Amazon recorded historic sales this month for its "Prime Day" event. But eMarketer recently downgraded its assessment of Amazon's share of the US e-commerce market to 37 percent



NANTES: Photo shows the logo of the US online social media and social networking service, Facebook. —AFP

from 50 percent. "The story of Amazon's past few quarters has been continued supercharged growth in its more profitable business lines like cloud and advertising," said eMarketer principal analyst Andrew Lipsman. Amazon has also been investing big in original content for streaming television offered as a perk for people who subscribe to its Prime service.

Facebook to fix kids app

Meanwhile, Facebook acknowledged yesterday that a flaw in its Messenger Kids service allowed children get into group chats with people who were not approved by their parents. The leading social network said it has been shutting down the group chats involved and notifying thousands of parents that their children may have unintentionally connected with strangers.

"We recently notified some parents of Messenger Kids account users about a technical error that we detected affecting

a small number of group chats," Facebook said in response to an AFP inquiry. "We turned off the affected chats and provided parents with additional resources on Messenger Kids and online safety." Technology news website The Verge first reported on the development, publishing a copy of an alert informing parents that the flaw allowed a child's friend to create a group chat involving people who were not on their child's list of approved connections.

Group chat involvement was still limited by restrictions set by the parents of whoever got it going. Facebook in December 2017 introduced a version of its Messenger application designed to let children between six and 12 years old connect with others under parental supervision. No in-app purchases are allowed. The social media giant said at the time that it created the app as a safe environment because many children had been going online without safeguards. —Agencies

Turks welcome 'Ottoman grandson' Boris Johnson

ISTANBUL: Turkey celebrated incoming British prime minister Boris Johnson's Turkish heritage yesterday, with politicians and media proclaiming that the "Ottoman grandson" could strengthen ties between two countries on Europe's fringes. The former London mayor is the great-grandson of the Ottoman Empire's last interior minister, Ali Kemal, and his ancestry has been a source of pride for many Turks.

Despite his sometimes disparaging remarks about Turkey, including a crude limerick about President Tayyip Erdogan and demands in 2016 that Britain veto Turkey's accession to the European Union, Johnson is affectionately referred to as "Boris the Turk" by some Turkish media. "Ottoman grandson becomes prime minister," read a front-page headline of the opposition newspaper Sozcu. "For England, a prime minister with roots in Cankiri," it said, referring to Kemal's home province in central Turkey.

Like Johnson, his great-grandfather was a journalist who went into govern-

ment, a move that proved ill-fated. In the final days of the Ottoman Empire, Kemal was captured and lynched by nationalists fighting to establish the Turkish state. Erdogan congratulated Johnson on Twitter, adding that ties between Turkey and the United Kingdom were set to improve. Foreign Minister Mevlut Cavusoglu also congratulated him, sharing a video of Turkish reporters asking Johnson about his roots in Cankiri during a 2016 visit to Ankara.

Demiroren News Agency quoted a resident of Cankiri's Kalfat village as saying it was an honor that someone from their village had become prime minister, adding that Johnson owed his distinctive mop of blond hair to his Turkish forefathers. "They call his ancestors from this house 'Blond Boys'. Boris Johnson's blondness comes from this lineage," Mustafa Bal said.

Lucky charm

Johnson's own relations with Turkey have sometimes been rocky. Three years ago he won first prize in a British magazine competition which asked readers to compose limericks about Erdogan "as filthy and insulting as possible." He later said the Turkish leader had not brought up the verse when they met. Johnson, a leading campaigner for Brexit in Britain's 2016 EU referendum, wrote to then-Prime Minister David Cameron before the vote calling for the government to veto Turkish EU accession and



LONDON: Britain's new Prime Minister Boris Johnson (center) is clapped into 10 Downing Street by staff in central London yesterday, on the day he was formally appointed British prime minister. —AFP

stop a planned extension of visa-free travel to Turkey. Turkey's EU accession talks are now stalled, while Johnson has barely three months to meet an Oct. 31 deadline to negotiate Britain's exit from the bloc. Pro-government newspaper Aksam said Johnson, who succeeds Theresa May as prime minister after winning the leadership of the ruling Conservative Party, may have been helped by a bit of Turkish folklore. Receiving a Turkish award in 2012

for his work as London mayor, Johnson was told of a belief in the Black Sea province of Rize, where then-premier Erdogan's family hail from, that no one could become prime minister unless they could play the kemence, a traditional stringed instrument. Johnson had a go, video footage shows, and despite his limited skills the instrument appears to have worked its charm. "The kemence brought good luck," Aksam newspaper said. —Reuters

Soaring prices and rising anger in Pakistan

KARACHI: Nearly one year after the election that brought Imran Khan to power in Pakistan, the cricket-hero-turned-prime-minister faces growing anger as he chases an elusive target: how to right the South Asian nation's teetering economy. Pakistan has been staring down the barrel of a balance of payments crisis since before last year's July 25 vote, and analysts have long warned that the new government must act quickly.

In one of his earliest speeches, Khan — who led the cricket-mad country to World Cup victory in 1992, and campaigned on vows to build an Islamic welfare state — tried to reassure voters, telling them repeatedly: "Do not panic." But since then the rupee has lost nearly 30 percent of its value and inflation is running at nearly nine percent, and likely to continue rising. "The price of tomatoes is touching the skies," 30-year-old Shama Parveen, who walked several kilometers through Karachi's sweltering heat to find cheaper produce said. "Life has become hard."

"I need to earn at least 1,000 rupees (\$6.30) daily to meet my expenses," said 60-year-old Mohammad Ashraf, who sells henna dye. "Nowadays I can hardly save 500 or 600 rupees... I sometimes think if I fall ill, how could I afford the medicines and treatment? I would die, I think." Analysts warn that with Pakistan's galloping population increase far outstripping growth — set to slow to 2.4 per-

cent this year — the country will find no short-term relief, even after the International Monetary Fund approved its latest \$6 billion loan.

Pakistan has a rocky relationship with the IMF, which has bailed it out many times before, and Khan secured billions in loans and investment from "friendly countries" including China and Saudi Arabia before going to the Fund. But it was not enough. Pakistanis are facing the grimmest part of a seemingly endless economic cycle: austerity imposed on millions of poor people, and futile demands for deep-rooted structural reform.

Traders held a one-day strike earlier this month, and on Friday about 8,000 people marched through the city of Rawalpindi to protest against rising prices. "This government has completely failed... they are making the country poorer with each passing day," Ayaz Ahmed, a 32-year-old university graduate, told AFP at the protest. Mass demonstrations organized by opposition parties are planned for Thursday to mark Khan's one-year anniversary in office.

Worse than nuclear sanctions?

But while discontent is rising on social media, where viral TikTok videos mock Khan's promises, street protests remain a luxury for many. "I cannot afford to lose even one day of earnings," said Karachi spice vendor Naseem Akhtar. Asghar Ali, an associate economics professor at the University of Karachi, estimates that up to eight million people could slip beneath the poverty line in the coming days.

He singled out Khan's anti-corruption drive — which has seen opposition leaders jailed and businesses "harassed" — as



KARACHI: People eat charity food by a roadside in Karachi. Nearly one year after the election which brought Imran Khan to power in Pakistan, the cricket-hero-turned-prime-minister faces growing anger as he chases an elusive target: how to right the South Asian nation's teetering economy. —AFP

causing "havoc". For Shahid Hasan Siddiqui, chairman of the Research Institute of Islamic Banking, the situation is "worse than 1998, when the country survived international sanctions after nuclear tests".

Taxes are the issue, he argued. Just one percent of Pakistan's adult population is estimated to pay taxes. Khan's government is pushing hard to broaden the tax base but it remains to be seen whether the latest schemes rolled out by officials will make a difference. But a tax amnesty by Khan "allows the rich to get their black money whitened by paying a mere 1.5 percent tax", Siddiqui said. "On the contrary, every poor man who buys

essentials pay 17 percent in (sales) tax." Rarely do the poor "get to see the inside of a hospital or the schools built with those taxes", agreed Pakistani author Mohammed Hanif in a scathing New York Times opinion piece excoriating Khan's Pakistan recently. Umer Farooq, an investment analyst at AKD Securities, said the policies are "largely fair", however. "The real challenge for the government is how they will implement them," he said. In the meantime, despair is growing. Mohammad Imran, a 35-year-old vegetable seller in Karachi, said he can no longer pay his debts. "What should I do? I would commit suicide someday." —AFP

Crackdown and separatist uprising inflame Cameroon prisons

LIBREVILLE: Crushed inside disease-ridden cells, with no beds, little food and even less hope, inmates in Cameroon's prisons were already tense before an influx of political detainees and Anglophone separatists stirred up an explosive mix. At an overcrowded central prison in the capital Yaounde this week, hundreds of prisoners revolted against their poor conditions in an upsurge of violence broadcast on Facebook. On Monday, videos spread across social media of prisoners ransacking and burning the Kondengui jail library and a sewing workshop before security forces crushed the munity. Filming on their phones, inmates posted parts of their protest, chanting: "We want more to eat than porridge," and "We want to go to trial." A day later, security services had reestablished control.

But the riot highlighted the crisis in the central African nation's prisons, exacerbated by a crackdown on opposition parties, Boko Haram militants, and a separatist uprising that has rocked English-speaking regions since 2016. "Prison overcrowding is exacerbated by the socio-political crisis that began in 2016 in the Anglophone areas and the post-election crisis," said Maximilienne Ngo Mbe, director of the local REDHAC rights group. "The situation in Cameroonian prisons has become catastrophic... How is it that people languish in prison for two or three years without being tried?"

The Cameroon prison population has increased steadily from 23,500 in 2013 to almost 31,000 in December 2017, according to the last report published in 2018 by the National Commission for Human Rights and Freedoms of Cameroon. Kondengui prison, the scene of the riot, was built to accommodate 1,500 inmates but is estimated to house more than double. Some prison occupancy rates are three times over normal capacity, according to official data. Rights groups say prisons also suffer from a prevalence of tuberculosis, HIV, AIDS, cholera and scabies.

Growing numbers

Since 2017, fighting between government troops and English-speaking separatists demanding independence in two western regions has killed hundreds and forced nearly 500,000 people from their homes. The government has rejected the demands for autonomy and cracked down on English-speaking communities which chafe at what they see as discrimination from the French-speaking majority. Some prisons have been filled with English-speaking activists accused of militancy by the authorities, but who are yet to face trial.

In Buea, the capital of an English-speaking region, tensions erupted at a prison on Tuesday housing many separatist inmates a day after the revolt in Yaounde. Gunshots were heard around the prison and flame and smoke were seen rising from its roof, witnesses said. Prisons have increasingly become political incubators, according to analysts, also because the opposition MRC party has faced a crackdown. Party chief Maurice Kamto has been held in jail in Yaounde since January after claiming the 2018 presidential election results were rigged. —AFP