## Piracy: The Next Industrial Revolution

As I write this paper on this day, June 5<sup>th</sup> 2014, I am reminded of a celebration soon to come as my birthday approaches. Yet in today's world I am reminded of the constant struggle for Civil Liberties that the Land of the Free as they, as the US Government is potentially passing a bill that allows Internet service providers, also known as ISPs, to be allowed to charge content providers for a faster conduit to consumers. In turn this will effectively end the neutrality zone called the Internet.

How does this pertain to the topic of Piracy? The answer is very complex but I will be narrowing it down to a few key components and events that lead to today's events. Piracy in itself is the embodiment of the movie and music industries failing to meet the needs of it's consumer on the technological level. This creates a whole new set of users on the World Wide Web (WWW) that reach out to this form of distribution rather than the store themselves. The industries standard way of distributing products across the globe is very flawed in today's technologically based society. When the consumer can download two 1080p Bluray quality movie from a given Torrent site in less than 28 minutes compared to the industries standard, iTunes taking 42 minutes. One can only wonder why people choose the alternative rather than the industries standard. Though this alternative is not legal in the United States and many other parts of the world. According to the RIAA; "Making unauthorized copies of copyrighted music recordings is against the law and may subject you to civil liability. A civil law suit could hold you responsible for thousands of dollars in damages. Criminal charges may leave you with a felony record, accompanied by up to five years of jail time and fines up to \$250,000. You may find this surprising. After all, compact discs may be easily be copied multiple times with inexpensive CD-R burning technology. Further, when you're on the Internet, digital information can seem to be as free as air. U.S. copyright law does in fact provide full protection of sound recordings, whether they exist in the form of physical CD's or digital files. Regardless of the format at issue, the same basic principle applies: music sound recordings may not be copied or distributed without the permission of the owner".

Though pirating is illegal, according to Computer Weekly, "Some 82% of people have downloaded content from the web illegally, according to a survey of more than 1,600 people". And according to that same survey;

## "The findings were:

- 82% of people who use the Internet have downloaded a file illegally in the past.
- 24% have watched streamed movies online
- 32% have downloaded films that were still on at the cinema.

Of those who said they had downloaded files illegally:

- 35% have used torrent websites
- 78% have used peer-to-peer programs
- 52% have tried streaming illegal video and music content".

As the result show, no matter how illegal it may seem to download illegal content, people are still able to do it and with ease. With the way information flows nowadays, one can easily and readily watch the new Godzilla (2014) movie at the comfort of their home rather than spend \$12 at the local movie theaters. The argument that follows this form of distribution is that it costs the industry billions when people do participate in piracy. Though the root of the problem has not been addressed, there is an obvious void between Consumer and the Producer of said entertainment goods. This void is being

filled by piracy and the movie and music industries are doing their best to destroy this form of distribution rather than learn from it and fill in that void that piracy fills in. Numerous new and innovative software applications such as Hulu Plus and Netflix only support a select portion of movies compared to the unlimited options online. Take for example, the website <a href="http://www.thepiratebay.se">http://www.thepiratebay.se</a>, according to their official site they have 6,234,355 torrents as of June 6, 2014 at 1:46 pm. In 2012, according the the Netflix API (Application Programming Interface), they had roughly 9,381movies, 4,555 TV shows both for instant streaming and delivery combined they offer 13,886 movies and TV shows which is roughly 0.002% of what Pirate Bay offers.

How does all of this tie into civil liberties, well as a counter measure for people using piracy as a means to get their movies and music the industries in the past thirty years has passed 15 'Anti-Piracy' laws to insure that their investments are safely secure. From the Piracy and Counterfeiting Amendments Act in 1982 which according to Mike Masnick, "Increased criminal penalties for infringing records, tapes, and films from \$25k & 2 years in jail to \$250,000 and 5 years in jail.

Also..made it so that first-time offenders could get the maximum" to the PRO-IP (Prioritizing Resources and Organization for Intellectual Property) Act, which Masnick puts plainly, "Increased civil penalties for infringement. Increased government seizure & forfeiture powers (which is how the government currently justifies its questionable domain seizures) and created a job in the White House to focus on greater enforcement". Simply put the laws that are being put in place are progressively becoming more strict with each new bill.

In 2012, Congress tried to pass the SOPA (Stop Online Piracy Act), and it was met with huge amounts of criticism from the online community. Sites like Wikipedia and Google created a mass

online protest through their website as shown in the image to the left. SOPA was a bill that would have had the government intervene and block and/or censor online content if they had copyright infringing material on the site. Censoring the Internet is why the bill itself was not passed, this bill serves a prime example of future bills that will infringe on our First Amendment rights. Censoring the sites will not solve the problem of piracy but rather the community itself will find new ways of bypassing the system similar to how bootlegging was seen as an alternative to the Alcohol Prohibition in the early 20<sup>th</sup> century. Julianne Pepitone at CNNMoneyTech put it best in her 2012 article, *SOPA explained: What it is and why it matters*. By stating, "It's a proposed bill that aims to crack down on copyright infringement by restricting access to sites that host or facilitate the trading of pirated content".

Luckily the bill was not passed but fast forward to 2014, now the FCC (Federal Communications Commission) proposed rules that would allow rampant discrimination online, according to <a href="http://www.savetheinternet.com">http://www.savetheinternet.com</a>. The rules being set by the FCC allow big corporations such as AT&T or Comcast throttle connections by creating a two-tiered Internet. As savetheinternet.com puts it, "...fast lanes for those who can afford it and dirt roads for the rest of us". This is not just limited to the connection speed of your Internet but also the applications such as Netflix that you use on your connection. If these new rules pass, competition and innovation will surely be destroyed as a result. Say for example that your a new IPO (Independent Business Owner) and you want to launch a new web application like YouTube, you would have to pay Comcast extra money for your users to use your application the way it was meant to be.

Though as a result of the Internet being such a wide and open environment, Governments fear the power of Internet communities and the Internet itself. Sites such as wikileaks.org deliver

incriminating evidence of world governments stepping out of bounds such as the NSA spying on your everything digital. Evgeny Morozov said it best, "The director of the FBI has been visiting Silicon Valley companies asking them to build back doors so that it can spy on what is being said online. The Department of Commerce is going after piracy. At home, the American government wants anything but Internet Freedom". All of these issues come in fruition due to the World's governments and large corporate entities trying to combat piracy rather than taking the time to understand them. What is presented as a solution can always seem like an convenient way to ignore the source of the problem. As history has taught us laws like this will never successfully take care of the issue rather it creates more issues that contribute to the overall problem. Take for example the Alcohol Prohibition in the early 19<sup>th</sup> century, though alcohol was prohibited it opened up a whole new series of issues including but not limited to racketeering, bootlegging, and causing the criminal underworld to strive. Luckily we live in different times in which the ones developing software for the use of distributing pirated material online, are not violent in any way shape or form. One prime example of this would be in case of the arrest of Kim Dotcom also known as Kim Schmitz founder of Megaupload.com. A brief summary of why Kim Dotcom was arrested was due to his site called Mega-Upload in which users are allowed to upload data and share data through the site. Unfortunately for Kim, plenty of his users where using MegaUpload as a way to share movies and music with one another which lead to his servers being seized and his site being shutdown as a result by the New Zealand Government As Huffington Post writer, Mantik Kusjanto, descriptively talks about the circumstances of Kim Dotcom's arrest, he states; "A police official said dozens of officers, backed by helicopters, forced their way into the mansion, nestled in lush, rolling farmland, after Dotcom refused them entry, a scene more reminiscent of a

high-octane spy drama than the usual policeman's lot in rural New Zealand."

All of that effort for one individual, wondering what that has to do with Piracy and Civil Liberties well essentially Kim Dotcom's incident serves as a warning to all those who participate in online piracy. Though the media portrays him as a villain, many people rose in support of the site MegaUpload including celebrities such as Kayne West, Christ Brown, Snoop Dogg, and will.i.am to name a few. They created a YouTube music video entitled, Kim Dotcom – Megaupload Song HD, which is still currently on YouTube with 14,622,951 views. Sites like these are always under constant attack from the world governments as well as the people who developed the sites. A prime example of this would be in the case of Peter Sunde the co-founder of Pirate bay. Just recently he was arrested in Sweden after being on the run for two years. Peter was recently arrested during the weekend of May 30th to the 31st of this year. According to Daniel Kreps of the Rolling Stone, "In 2012 after being convicted of numerous copyright violations involving the peer-to-peer file-sharing site. Sunde's sentence – the result of the first and only time a file-sharing case resulted in criminal charges – was later reduced to eight months, but he fled while his legal team appealed the punishment". From Kim Dotcom to Peter Sunde these people serve as a prime example of how the current world governments punish people who create the software and websites to enable other users to participate in online piracy. The question being what happens to those who do participate in online piracy? One intimidating example would be in the case of Brianna LaHara, a 12 year old girl in the year of 2003 who was sued for illegally downloading music. According to Fox News, "Brianna and the others sued yesterday under federal copyright law could face penalties of up to \$150,000 per song, but the RIAA has already settled some cases for as little as \$3,000". The reason why the RIAA is suing her is because her family used a piece of software called

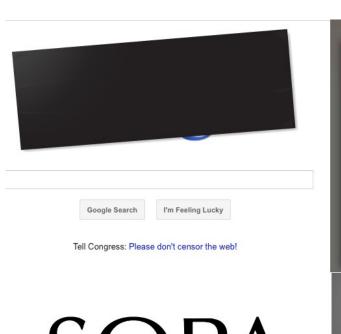
Kazaa which is a music-swapping service and paid the service charge of \$29.99. According to the Fox News report, "'It's not like we were doing anything illegal,' said Torres (Brianna's mom, Sylvia Torres). 'This is a 12-year-old girl, for crying out loud.' ". Cases like this will always come up because in this day and age people are unaware of what is legal and what isn't legal online. When they find a solution as in this case Kazaa, they used Kazaa over the industries standard at the time which was simply having to purchase a hard copy of the CD or download each song on iTunes for roughly \$0.99 each. During the time of 2003, iTunes library was very limited to roughly about 200,000 songs. The worst part being that the iTunes Music Store just launched in the year of 2003, according to Apple's official website. This serves as a prime example of how the music industries failed 12 year old Brianna LaHara and her family with providing music to them when someone else came up with the innovative way of downloading and sharing music.

Today we are way better off because we have services such as Pandora and Spotify to satisfy those needs for music but before 2010 none of these options were viable. A more recent case of this failure to meet the consumers need would be in the case of Joel Tenenbaum. Tenenbaum is a BU (Boston University) graduate student who admitted illegally downloading and sharing music online. Now according to Denise Lavoie, "Joel Tenenbaum, of Providence, admitted in court that he downloaded and distributed 30 songs...Jurors ordered Tenenbaum to pay \$22,500 for each incident of copyright infringement". On top of those student loans he must pay off he is now further down the whole having to pay \$675,000 for downloading and sharing music. Compared to that off your standard Massachusetts DUI Second Offense case in which your license is suspended for two years, \$600 - \$10,000 fine with 60 – 2 ½ years of possible jail time, according to the DMV of MA. Driving under the

influence kills people, sharing music or movies does not, yet the penalty for online piracy is roughly 67.5 times heavier, financially speaking.

At the end of the day, the one thing that all of these bills, laws, and the removal of civil rights have in common is the root issue of piracy and the entertainment industries lack of fulfilling it's consumers needs in this technologically developed society. No matter how one looks at it piracy in itself is illegal but there is a plethora of alternative solutions that can be implemented by the industries and the governments in the world without having to infringe on our civil liberties. Censorship and the United States Constitution do not go hand and hand. The United States Constitution, Amendment 1 states, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for redress of grievances". As time passes on the American people remain unaware that the First Amendment is being disregarded in Congress and in the Oval Office as bills like SOPA and these new FCC rules and regulations are being debated on. The implications alone show the total disregard of our Constitutional rights. Not to mention the massive impact that the laws regarding copyright infringement place upon people is more severe than those of DUI cases across the US. Driving under the influence according to the National Highway Traffic Safety Administration FARS data, "Every day in America, another 28 people die as a result of drunk driving crashes". Compared to how many people died from online piracy which is none. The music and movie industries must move with the times and as the DVD is dying as well as anything disc related. The Internet is the next step and applications like Netflix and others should be promoted rather than punished for trying to make it easier on the consumer to watch or listen to movies and music.

## Images to Support My Paper





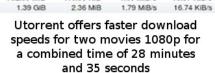
Anti-Sopa Images used by many websites including Wikipedia







Jack Ry...



1.09 MiB/s

16.57 KiB/s

416.93 KiB



Compared too that of it's torrent counter-part, iTunes offers double the amount of time for download for one movie for time of 40 minutes

66.73 MiB

809.87 MiB

1.52 GIB

752.00 MiB

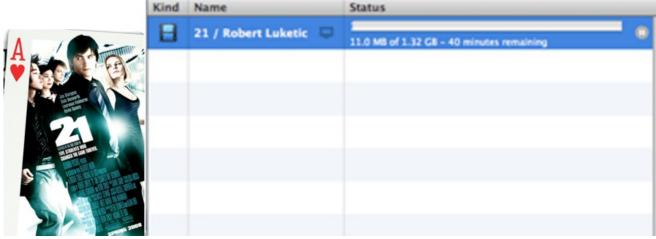


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A still with
Jaime Fox from
the Megaupload
Song on
YouTube
showing support
for the website.



Image of a Government Seized Domain