Content Moderation in Presence of Fringe Platforms

Iván Rendo (TSE)

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Motivation

- **Online** extreme/**unsafe content** bad *per se*, and:

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  ‣ e.g. **20%** of terrorists radicalized **exclusively** online

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Broad question: consequences of **content moderation**?

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Platforms' competition model with

- A **mainstream** platform that **moderates** content

- A **fringe** one that **doesn't**

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Questions:

➡ Platform: What's the optimal moderation to **maximize profits**?

➡ Regulator: What's the optimal moderation to **minimize unsafety**?

➡ **How do they compare?**

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   Same for low competition* -> policy implication

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- User i in platform j **reads** a random sample of the content, of avg type $\bar{\theta}_j$

$$\bar{\theta}_j = \int_{i \in j} \theta_i^C \mathrm{d}i$$ = average type of content in platform j

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Rk: No outside option!

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…platform (2) just exists with $K_2 = 1$

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3. Profits and payoffs are realized

Threshold Equilibrium (subgame for given K)

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Users Unsafety θ_i
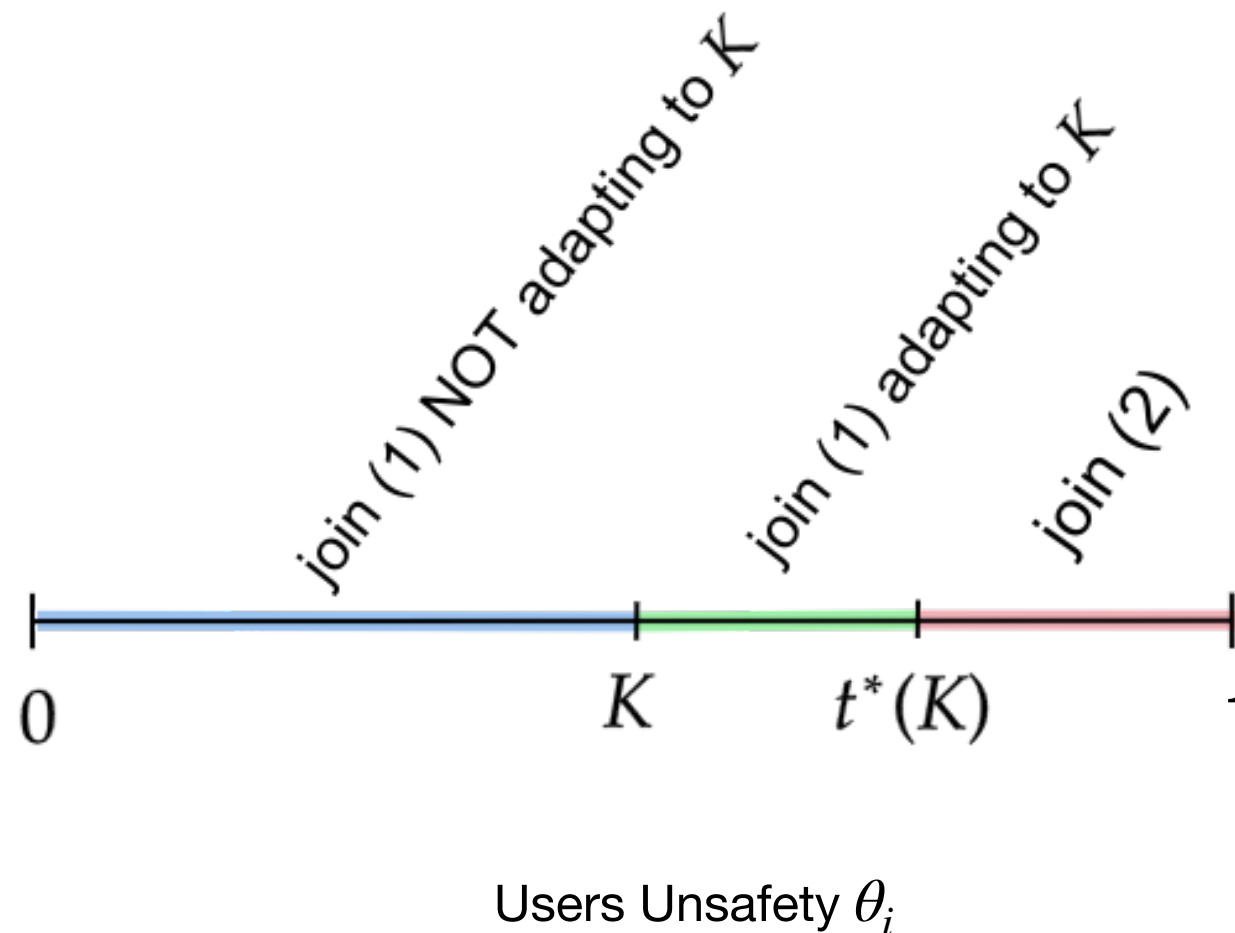
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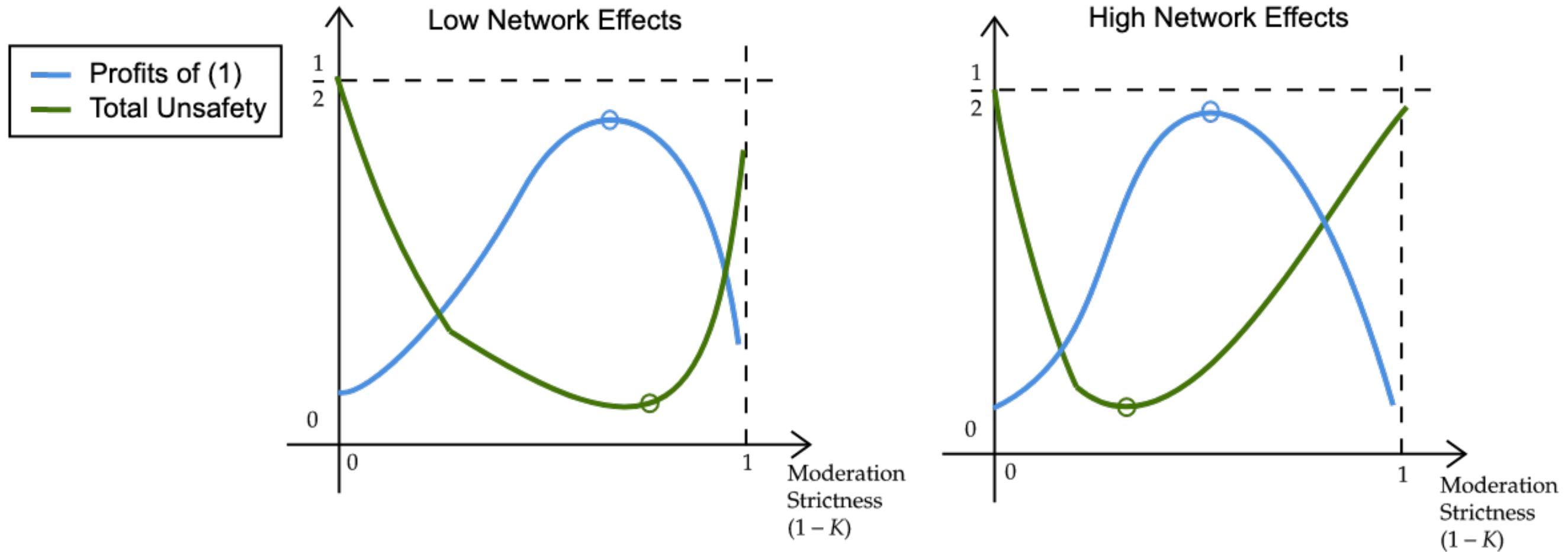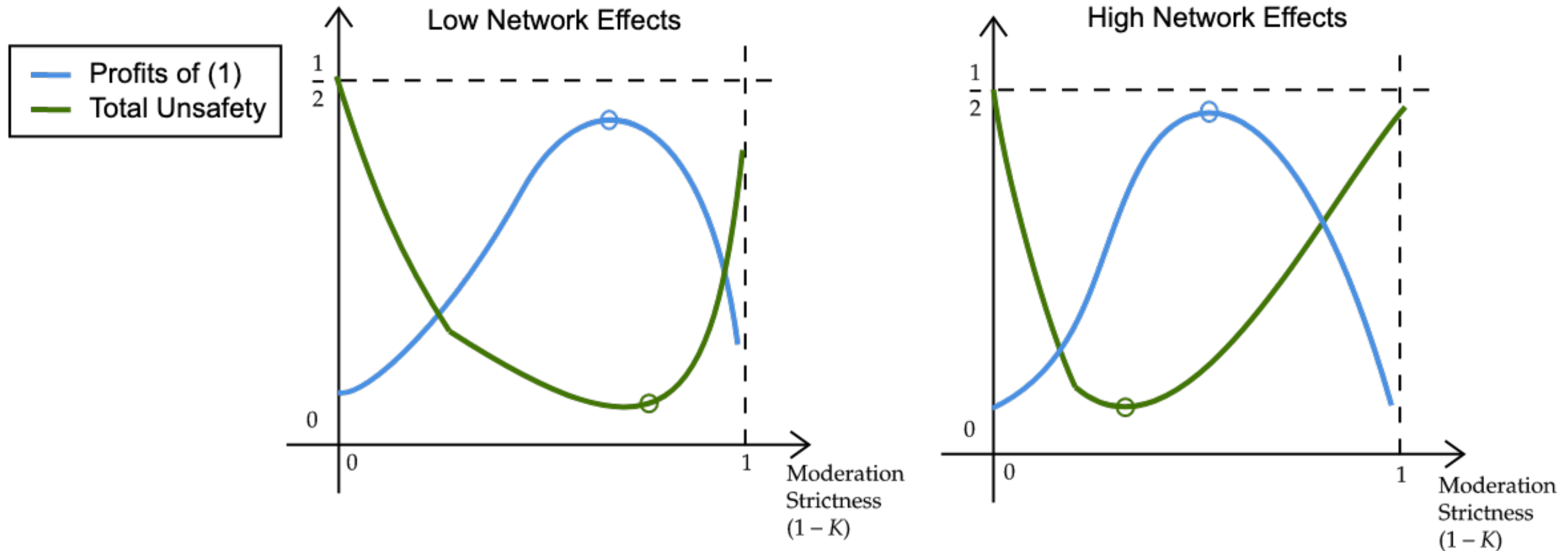
Comparative statics: (excluding corner solutions)

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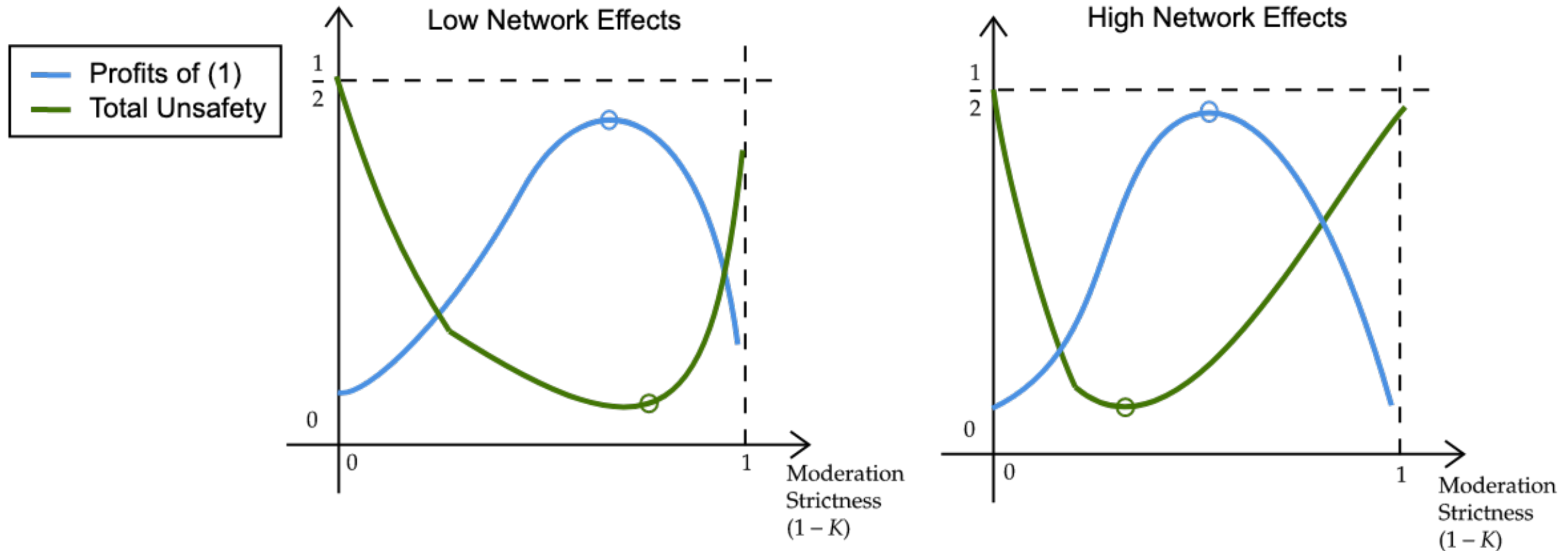
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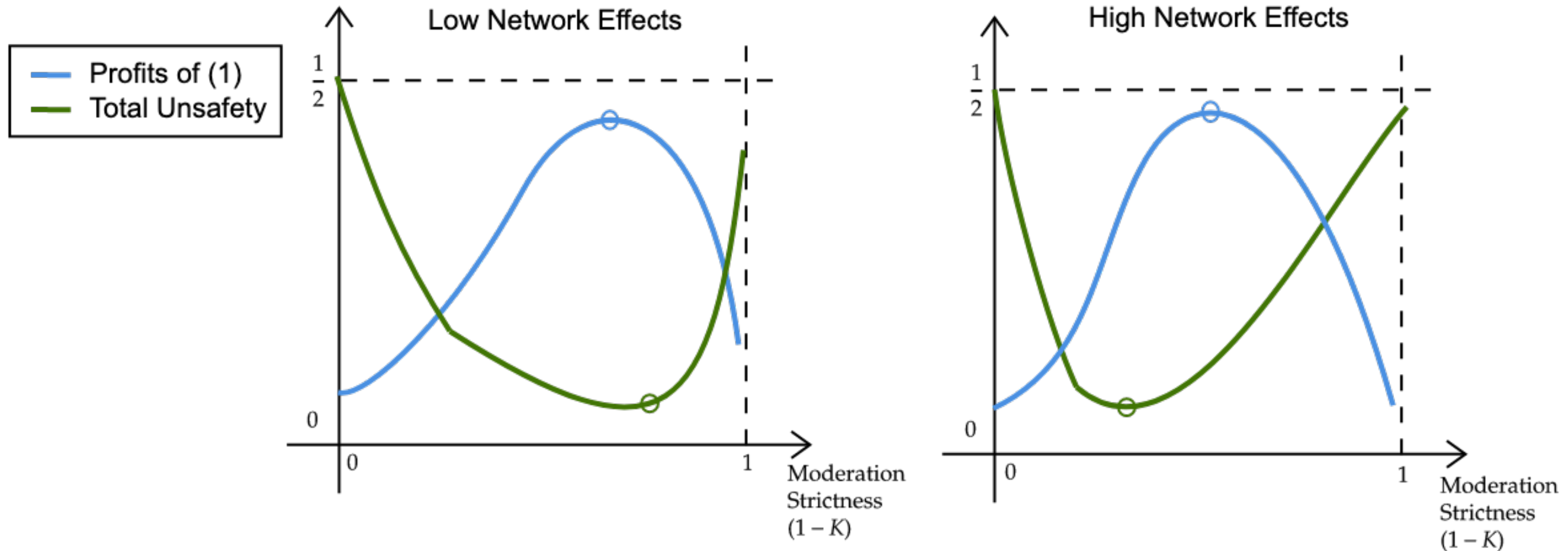
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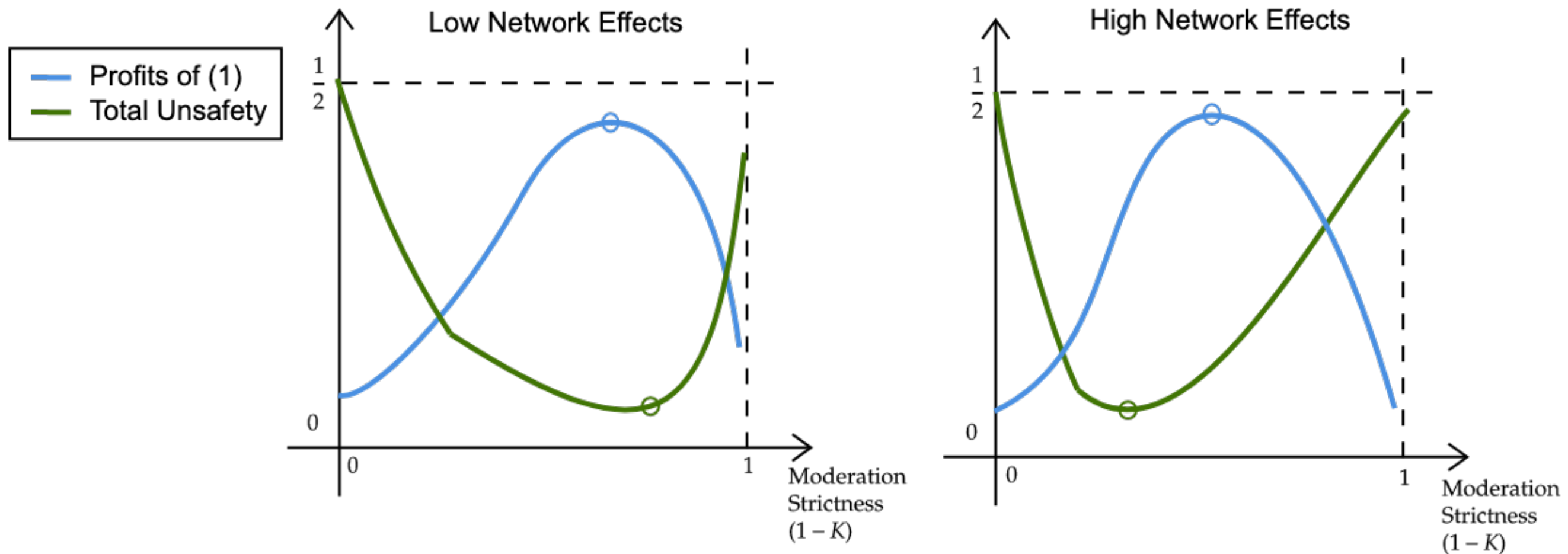
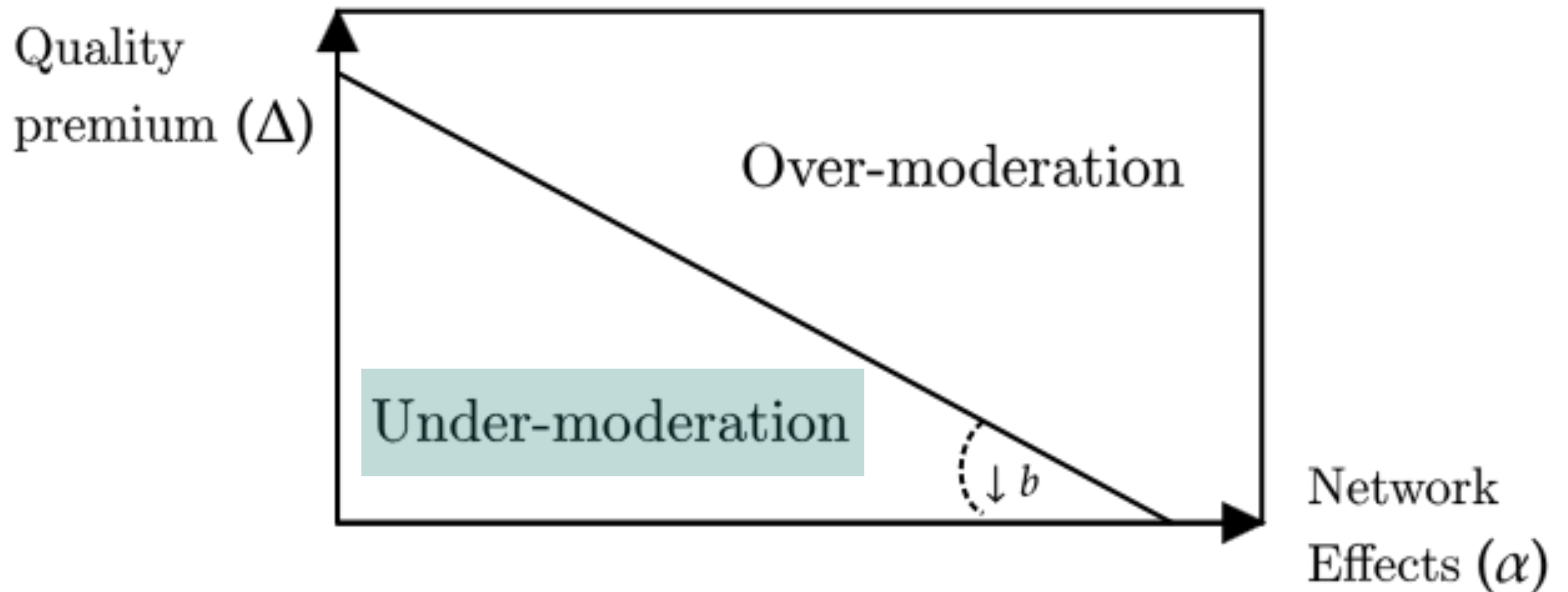

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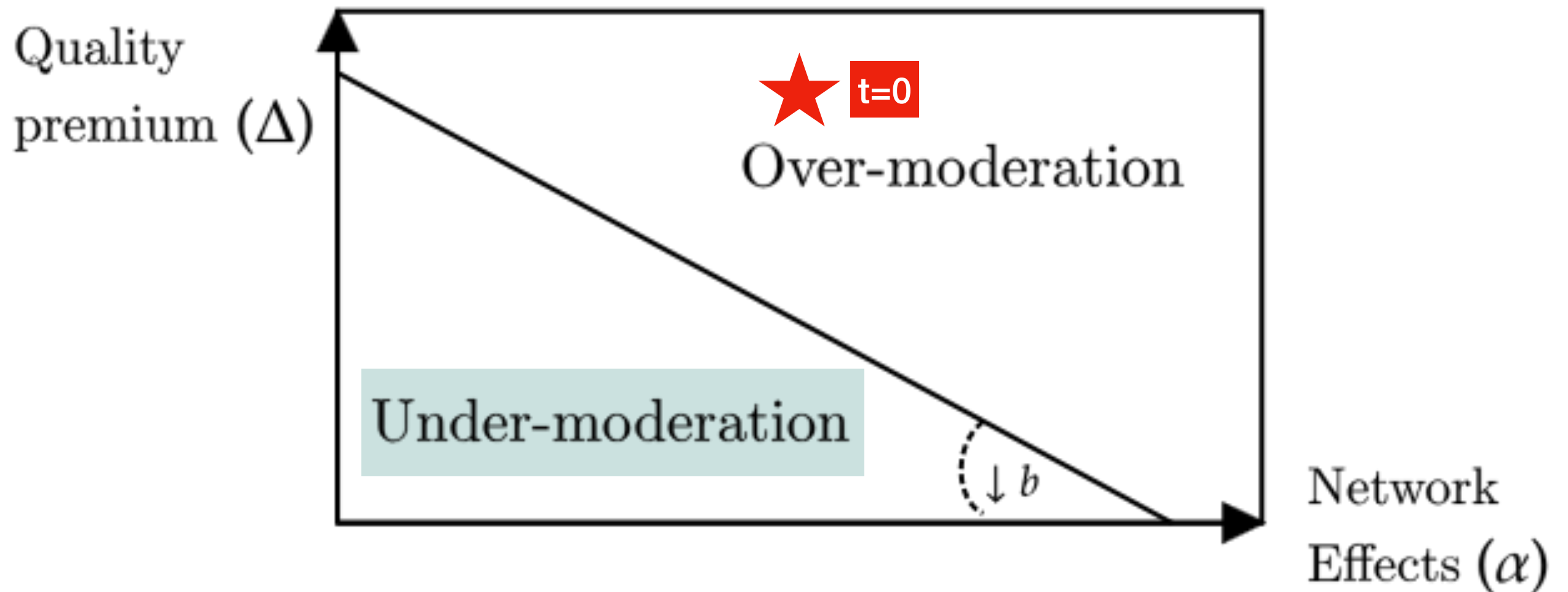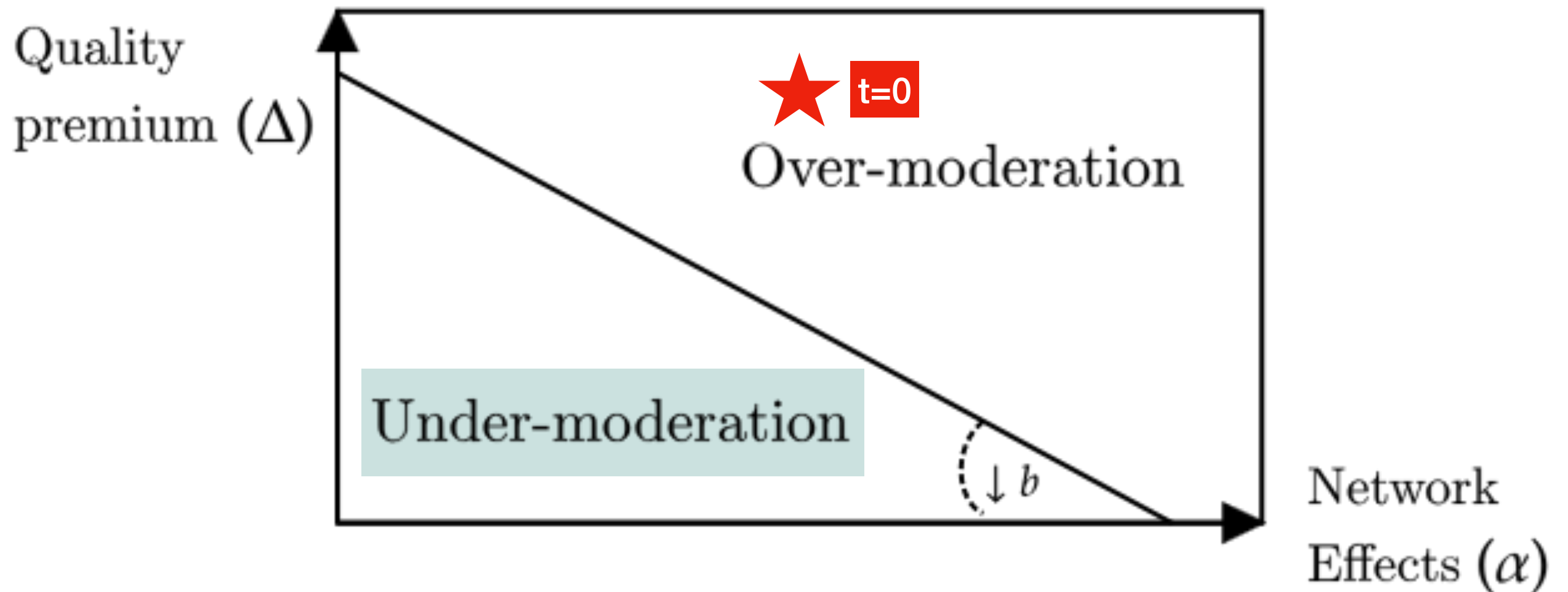
Policy Takeaway
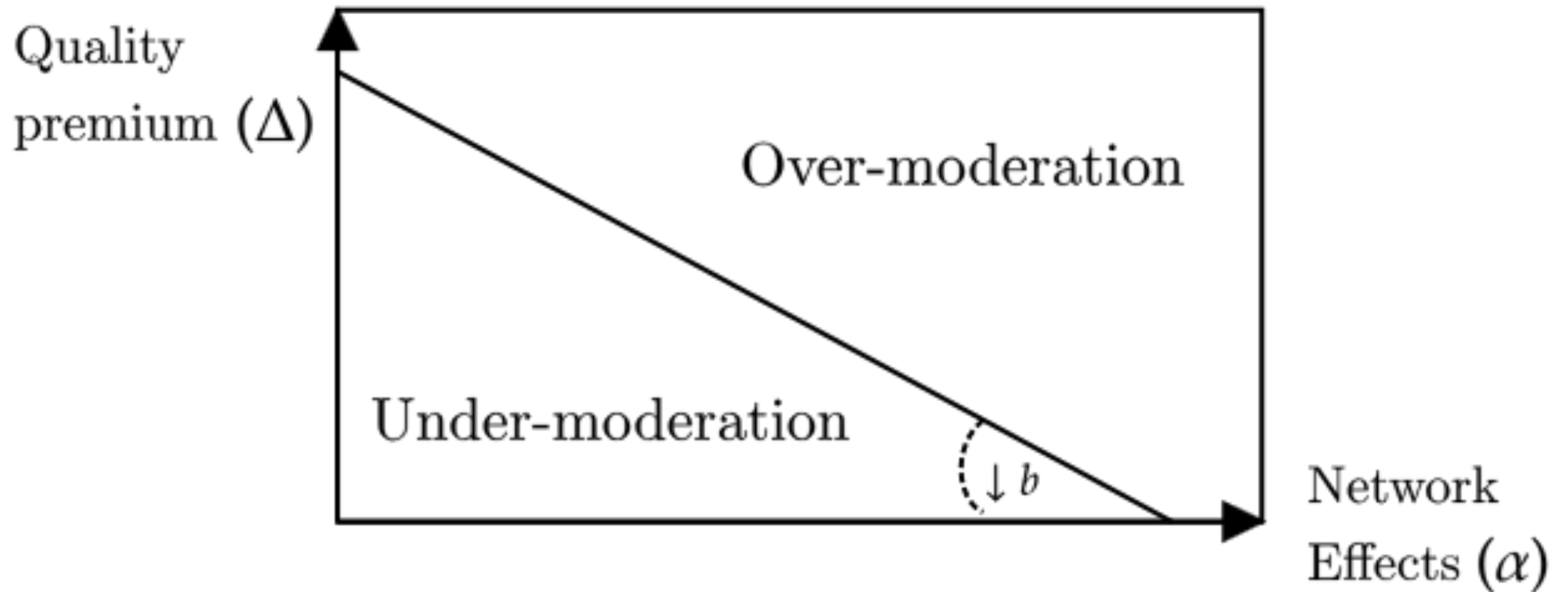
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