

Bibliography Summaries - Week 1

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1 The Social Dilemma

1.1 Abstract

[1] Netflix released *The Social Dilemma* in 2020 intending to expose the impact of social media on our society. In the documentary topics regarding the influence of social media in the elections, the spread of misinformation, and the further polarization of issues in politics are explored, along with the impact on personal relationships. Top executives from the biggest social media platforms like Twitter, Instagram, and Facebook talk about algorithmic tricks that are currently in place and the initial intentions of adding those features. They bring to light the ethical issues involving the use of people's data for a company's profit, since the user is not paying for the application, the companies monetize their products by using data to make people addicted and constantly engaged on the platforms.

2 Amazon's Antitrust Paradox

2.1 Abstract

[2] In this paper, Lisa Khan investigates Amazon's anti-competitive business practices and the failure of the antitrust laws in place. Amazon has been able to use the data of all the businesses that the company serves and weaponize that data against them by engaging in predatory pricing. This practice consists of using data to copy the most popular products and pricing the good below cost, as well as luring customers into buying a specific product. They can use that information to compete against and oftentimes demote these third-party businesses that are dependent on Amazon. These strategies have an explicit goal of driving out a rival by identifying what industries are more profitable. Other monopolistic practices include vertical integration, where they expand into different parts of a particular supply chain, so you control every part of the line of business. Also expanding into things like private label, which means that you're the central marketplace for all of these other businesses, but then you're also competing with those same businesses. So it's able at scale to access near-perfect market data that gives it unparalleled insight into market trends and market developments.

References

[1] *The social dilemma*, 2020.

[2] Lina M. Khan. Amazon's antitrust paradox. *Yale Law Journal*, 126(3):564–907, January 2017.