

THE FACEBOOK FILES

<https://www.wsj.com/articles/the-facebook-files-11631713039?mod=bigtop-breadcrumb>

- Facebook Inc. knows, in acute detail, that its platforms are riddled with flaws that cause harm, often in ways only the company fully understands. That is the central finding of a Wall Street Journal series, based on a review of internal Facebook documents, including research reports, online employee discussions and drafts of presentations to senior management.

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Is Facebook Bad for You? It Is for About 360 Million Users, Company Surveys Suggest

https://www.wsj.com/articles/facebook-bad-for-you-360-million-users-say-yes-company-documents-facebook-files-11636124681?mod=article_inline

Nov. 5, 2021 11:09 am ET

- The app hurts sleep, work, relationships or parenting for about 12.5% of users, who reported they felt Facebook was more of a problem than other social media
- These patterns of what the company calls problematic use mirror what is popularly known as internet addiction. They were perceived by users to be worse on Facebook than any other major social-media platform, which all seek to keep users coming back, the documents show.
- A Facebook team focused on user well-being suggested a range of fixes, and the company implemented some, building in optional features to encourage breaks from social media and to dial back the notifications that can serve as a lure to bring people back to the platform.
- Facebook shut down the team in late 2019.
- A company spokeswoman said Facebook in recent months has begun formulating a new effort to address what it calls problematic use alongside other well-being concerns, such as body image and mental health.
- The researchers on the well-being team said some users lack control over the time they spend on Facebook and have problems in their lives as a result. They wrote that they don't consider the behavior to be a clinical addiction because it doesn't affect the brain in the same way as gambling or substance abuse. In one document, they noted that "activities like shopping, sex and Facebook use, when repetitive and excessive, may cause problems for some people."
- Those problems, according to the documents, include a loss of productivity when people stop completing tasks in their lives to check Facebook frequently, a loss of sleep when they stay up late scrolling through the app and the degradation of in-person relationships when people replace time together with time online. In some cases, "parents focused more on FB than caring for or bonding with their children," the researchers wrote.
- The researchers estimated these issues affect about 12.5% of the flagship app's more than 2.9 billion users, or more than 360 million people. About 10% of users in the U.S., one of Facebook's most lucrative

markets, exhibit this behavior. In the Philippines and in India, which is the company's largest market, the employees put the figure higher, at around 25%.

- The researchers said in the documents that most of the people who use Facebook compulsively said they used multiple social-media apps, including Instagram and WhatsApp, which are also owned by Meta, Facebook's new corporate parent, along with Twitter and Snapchat. Some of the troublesome aspects for users on Facebook, such as feeling pressure to respond to messages and frequently checking for new content, are also widespread in smartphone use, the researchers noted.
- "People perceive the impact. In a comparative study with competitors, people perceived lower well-being and higher problematic use on Facebook compared to any other service." The other services in the comparison also included YouTube, Reddit and the videogame "World of Warcraft."
- The researchers noted the results couldn't determine causality. They said they would need to conduct more studies to determine whether, for example, Facebook causes people to have problems sleeping, or if people who have trouble sleeping experience higher stress and turn to Facebook as a distraction.
- According to the post, the company had found that while passive consumption of social media could make you feel worse, the opposite was true of more active social-media use.
- Actively interacting with people—especially sharing messages, posts and comments with close friends and reminiscing about past interactions—is linked to improvements in well-being," the company said.
- Facebook then made a switch to more heavily weigh "meaningful social interactions" in its news feed as a way to combat passive consumption. One side effect of that change, as outlined in a previous Journal article in The Facebook Files, was that the company's algorithms rewarded content that was angry or sensational, because those posts increased engagement from users.
- Facebook said any algorithm can promote objectionable or harmful content and that the company is doing its best to mitigate the problem.
- In a 2018 study, researchers on Facebook's core data science team wrote that they were starting to read frequent articles about addiction to Facebook. "We take these issues seriously, and though Facebook use may not meet clinical standards for addiction, we want to fix the underlying design issues that lead to this concern," they wrote.
- Apple and Google had started to roll out features to address device addiction, and the researchers predicted more companies would soon follow.
- In 2018, Facebook added a time-management tool to the app. It includes a dashboard where users can see their total time on the app each day and set a daily reminder to give themselves an alert when they have reached the amount of time they want to spend on it.
- Inside Facebook, the researchers registered concern about the direction of Facebook's focus on certain metrics, including the number of times a person logs into the app, which the company calls a session. "One of the worries with using sessions as a north star is we want to be extra careful not to game them by creating bad experiences for vulnerable populations," a researcher wrote, referring to elements designed to draw people back to Facebook frequently, such as push notifications.
- The well-being team, according to people familiar with the matter, was reshuffled at least twice since late 2017 before it was disbanded, and could get only about half of the resources the team requested to do its work.
- Chief Executive Officer Mark Zuckerberg has said the company continues to prioritize the issue. "We certainly do not want our products to be addictive," he said in a November 2020 Senate hearing in response to a question from Sen. Lindsey Graham. "I don't think the research has been conclusive, but it is an area that we care about and study," Mr. Zuckerberg said.
- The researchers also wrote that they had a more detailed understanding of the aspects of Facebook that triggered the issues, which they said include getting too many notifications, videos that play automatically, uncertainty over whether they will see posts from the people they want to follow and ephemeral content that users felt compelled to watch before it disappeared, among others.
- In mid-2019, the researchers held a workshop to come up with ideas for ways to change aspects of Facebook to address the concerns of people who said their use of the app caused problems in their lives. Then they showed the designs to a couple dozen users in New York, São Paulo and Mumbai to gather feedback.

- The most-liked fixes included alerts to remind users to take a break from Facebook, a way to dial back the notifications people receive and a wind-down mode to tell Facebook to not show certain types of content before bed, such as politics.
- The researchers also asked Facebook users what aspects of Facebook triggered them most. The users said the app's many notifications sucked them in. "Red dots are toxic on the home screen," a male young adult in the U.S. told the researchers, referring to the symbol that alerts a user to new content.
- Autoplay videos also made it hard for users to put the app down, especially before bedtime, the researchers said.
- In March 2020, Facebook introduced quiet mode to allow users to mute most push notifications. But the researchers said the way Facebook buried the feature in the app's settings made it hard for users to find. They recommended Facebook add easy-to-find shortcuts to quiet mode.

Facebook Allows Stolen Content to Flourish, Its Researchers Warned

https://www.wsj.com/articles/facebook-stolen-content-copyright-infringement-facebook-files-11636493887?mod=article_inline

Nov. 9, 2021 4:43 pm ET

- About 40% of traffic to pages in 2018 went to those with content that was plagiarized or recycled, and Facebook has been slow to crack down on copyright infringement
- The researchers also wrote Facebook has been slow to crack down on copyright infringement for fear of opening itself to legal liability.
- Posting unoriginal content continues to be a formula for success on Facebook, according to data the company has released this year on the platform's most popular posts.
- Company researchers said the tactic is an effective way to build a large audience on Facebook and has been used by foreign and domestic groups that post divisive content and peddle false information on social media.
- "This is the basic game plan used by many bad actors," Mr. Allen wrote in his 2019 presentation. The data scientist even coined a label for this intentional distribution of unoriginal content: "manufactured virality."
- The prevalence of such content makes it harder for Facebook's legitimate content partners, including news outlets, to get visibility on the platform, researchers said in the documents.
- Mr. Allen said in the research reports that Facebook wasn't as aggressive as Alphabet Inc.'s YouTube in proactively policing copyright violations on its platform—meaning before rights holders alerted them—because it feared doing so would invite lawsuits. He said that comes from how Facebook interpreted the Digital Millennium Copyright Act, an intellectual-property law.
- In May, Facebook began reporting for the first time the number of copyright violations it said it identified and removed proactively, saying at the time the company had been building the technology to do so "over the past few years."
- Facebook's penalties for posting unoriginal content aren't great enough to meaningfully discourage the practice, employees familiar with how the company ranks content say.
- Mr. Stone said Facebook limits the distribution of unoriginal content but doesn't remove it and that it can still reach a large audience.

- Of the top 20 posts, 15 were copied outright or repurposed from other Facebook pages or social networks such as Reddit and Twitter, one post was deleted and only four were completely original pieces of content, according to an analysis of the Facebook list written by Mr. Allen for the Integrity Institute.
- In a September 2018 memo looking across the broader Facebook pages ecosystem, Mr. Allen found that nearly 40% of traffic went to pages with primarily unoriginal content. Only 20% of traffic went to legitimate publishers of original content, while 40% went to pages operated by businesses, Mr. Allen found.
- He argued that Facebook could tackle the problem with an army of people who could assign quality ratings to pages on factors such as whether they tended to post original content.
- In another memo, Mr. Allen wrote that posting unoriginal content wasn't just an audience building technique for Russia's IRA and troll farms—organized groups that meddle in political discourse. It was also a tactic used by U.S.-based purveyors of false information, he wrote. Mr. Allen proposed a potential solution to the problem: reducing the reach of pages whose posts always seemed to go viral.
- Researchers focused on the potential harm to legitimate publishers. "These Pages peddle commodity viral content, and legitimate creators and small businesses are struggling against the weight of it all," one researcher wrote in a memo.
- A September 2019 memo from another integrity team member included a chart showing that certain publishers such as Western Journal got far more clicks per employee than established brands such as USA Today, Univision, Fox News or the New York Times. The researcher posited that outlets that weren't making much original content were being given an advantage by Facebook's systems.
- "They mostly just take content already circulated by other reports and re-spin it into a new story," he wrote of Western Journal. "Without the incentives in place to reward good journalism, low quality journalism flourishes." The Washington Post earlier reported some aspects of the September 2019 memo.
- The law gives internet companies like Facebook a "safe harbor," or immunity from copyright infringement, if they act promptly to take down or block access to infringing content. But if they have a process to proactively identify potentially infringing content and make the wrong judgment about whether a piece of content is indeed infringing, leaving it up, then they could be open to litigation from the rights holder, legal experts say.
- Mr. Allen said the law was making Facebook reluctant to take proactive steps against infringement. "It's a bizarre situation," he wrote. He added that "it would be awesome to see [Facebook] working with lawmakers to find a better solution here."

Facebook's Pushback: Stem the Leaks, Spin the Politics, Don't Say Sorry

https://www.wsj.com/articles/facebook-whistleblower-pushback-political-spin-zuckerberg-11640786831?mod=article_inline

Dec. 29, 2021 10:14 am ET

- The company's goal, according to Republicans and Democrats familiar with the company's outreach, was to muddy the waters, divide lawmakers along partisan lines and forestall a cross-party alliance that was emerging to enact tougher rules on social-media companies in general and Facebook in particular.
- Ms. Haugen's revelations, and the thousands of internal documents she took with her when she quit Facebook earlier this year, showed the company's influence on political discourse, teen mental health and other matters. The resulting backlash was emerging as the company's biggest crisis in years.

- The company conducted reputational reviews of new products. To deter further leaks, internal access settings for research discussions on topics, including mental health and radicalization, were restricted to those directly involved in the work, according to employees and others familiar with the restrictions. Company researchers said they have been asked to submit work on sensitive topics for review by company lawyers, who have sometimes asked for examples of problems to be excised from internal posts.
- The implication is that Facebook should look toward the future and not get bogged down in the messy past.
- Former executives said Mr. Zuckerberg has told employees not to apologize. In contrast to previous controversies, in which the CEO publicly claimed ownership of the company's mistakes and typically addressed them head-on, Mr. Zuckerberg has spoken little publicly about Ms. Haugen's disclosures and sent deputies to testify before Congress.
- "When our work is being mischaracterized, we're not going to apologize," said Facebook spokesman Andy Stone. "We're going to defend our record."
- Facebook has acknowledged changes to its research operations but pledged to continue the work to understand the impact of its platforms. The company has also said that it invests billions of dollars to protect the safety of its users.
- Since then, there have been four U.S. congressional hearings related to issues raised in the articles; a bipartisan coalition of state attorneys general launched an investigation into Instagram's effects on children; and more than a half-dozen prominent Meta executives and other senior employees have departed or announced their departures.
- "The documents speak for themselves," said Sen. Mike Lee of Utah, the leading Republican on the Senate antitrust subcommittee and a member of the consumer protection subcommittee. He said he is pursuing legislation that would promote more market competition in social media and add more protections for children online.
- Facebook has responded to criticism by citing billions of dollars of investments it has made in online safety, as well as partnerships with outside entities and experts. During a Sept. 30 hearing, Antigone Davis, Meta's global head of safety, pointed to the company's work with its safety advisory board, created more than a decade ago, which includes internet-safety experts from around the world.
- Facebook has previously said it conducted its own research to identify issues and devise ways to address them.
- Several members of that advisory board, whose organizations are paid \$25,000 a year by Meta, were caught off guard by the Journal's reporting, according to people close to it. The company hadn't shared its research into Instagram's effects on teen girls, nor had it disclosed the relatively small amount of resources committed to protect users in developing countries, those people said.
- The draft letter recommended that Facebook overhaul its business model; appoint an executive focused on safety to report to the CEO; make more internal data available to independent researchers; and clearly explain what kind of regulation they could stomach.
- Members of the board spoke with Facebook employees about revising the letter before sending it to Meta Chief Operating Officer Sheryl Sandberg and other Facebook leaders. In the end, no letter was sent, and no one resigned from the advisory board.
- Facebook's independent oversight board, which provides guidance about the company's policy-enforcement systems, also expressed its frustrations with the company, stating on its website that Meta had been "not fully forthcoming" in disclosing information about its troubled enforcement program for VIP users, known as XCheck. In response, the company committed to providing the board with what the board called "wider context" going forward.
- Among the board of directors, longtime members Peter Thiel and Marc Andreessen were the voices encouraging Mr. Zuckerberg to push back against the criticism, according to people familiar with the discussions.
- In a virtual meeting in late November, some of Meta's largest institutional investors asked Facebook to address some of the issues around user safety, according to people familiar with the call. Some investors found Mr. Zuckerberg, who also is chairman, defensive on the call, these people said. They left dissatisfied with Facebook's overall response, because the company reiterated previous talking points

and didn't share any big new changes, according to a written briefing about the meeting described to the Journal.

- While they were losing some top executives and the recent past had been challenging, officials were broadly supportive of Mr. Zuckerberg's push toward the next phase of the virtual world, people familiar with the discussions said.
- Mr. Zuckerberg isn't in favor of major changes to Meta's product strategy. Before the head of Instagram testified at a congressional hearing in December about the platform's impact on teens, Meta executives discussed the possibility of ending development on its version of Instagram for children, one of the people familiar with those discussions said. Mr. Zuckerberg said that wasn't an option, the person said. The company has said the project is paused indefinitely.
- The company considered suing Ms. Haugen but decided the public perception would be that it was trying to silence a whistleblower, said people familiar with the matter.
- Instead, after Ms. Haugen was identified as the source of the documents in an article in the Journal and an appearance on "60 Minutes," prompting some conservative media figures to express skepticism about her motivations, the company and its representatives spread word among lawmakers' offices, advocacy groups and others that she had partisan motives, according to the people familiar with those conversations. Similar allegations soon appeared in right-leaning publications including the Daily Wire, the Washington Free Beacon and the Spectator.
- The articles variously called Ms. Haugen "the frontwoman of a PR campaign pushed by the Democratic party," a "leftist activist" and someone who is "part of a broader Democratic initiative."
- Some of the calls were made by Josh Althouse, a public-policy manager in Facebook's Washington office, according to people familiar with the matter. Mr. Althouse, a former aide to onetime House Speaker Paul Ryan (R., Wis.), helps manage Facebook's relationships with prominent conservatives.
- Some of the articles noted that Ms. Haugen was working with a public-relations firm run by former Obama aides, and had contributed just under \$2,000 to Democratic politicians over the past five years.
- Separately, Facebook representatives alleged in conversations with reporters that she was a proxy for Pierre Omidyar, the billionaire eBay founder who has funded advocacy groups hostile to large technology firms, according to people familiar with the discussions. The Omidyar Network, the philanthropic investment firm co-founded by Mr. Omidyar and his wife, didn't respond to a request for comment.
- Ms. Haugen has denied any partisan motivations, and said she has accepted limited assistance but no money from Omidyar-affiliated nonprofits. She said she believes the issues identified in the documents stretch across party lines and that in recent months, she has met with both Republican and Democratic lawmakers to discuss the company and her views on how it should be regulated.
- The potential sticking point, according to lawmakers and aides from both parties, will likely be around political speech and what role social-media companies should play in policing it. Another: The abundance of legislative efforts in the works. One Senate aide estimated there are at least 30 bills that have been proposed that would update the regulatory framework for Meta and social media more broadly.
- Some former Meta employees have gone public to validate the research findings in the documents, although some of them have criticized the manner in which they became public.
- In late October, more than a dozen data scientists, engineers and researchers who worked at Facebook and other platforms launched the Integrity Institute, a nonprofit aiming to discuss solutions to platform-design problems at social-media companies. A bipartisan group of senators consulted the institute while drafting legislation that would compel Facebook and other platforms to provide data access to outside researchers.
- Inside Facebook, surveys in the weeks following the first articles showed the percentage of employees who reported "optimism" fell by 10 percentage points, while other categories showed a conflicted workforce, according to results reviewed by the Journal. Just under half of employees reported having confidence in leadership, while roughly the same amount said they believed Facebook contributed to social good. About three-quarters reported overall job satisfaction.

OTHER NEWS

★● Facebook to Shut Down Facial Recognition in Photos, Videos

https://www.wsj.com/articles/facebook-to-shut-down-facial-recognition-in-photos-videos-11635874174?st=t6wx34hchgoksyp&reflink=desktopwebshare_permalink

Updated Nov. 2, 2021 at 5:59 pm ET

- Facebook said it is shutting down its facial-recognition system in the coming weeks, scrapping a feature that has developed into a key tool for sharing photos on social media but has raised concerns among privacy advocates and regulators. The move continues a dramatic reshaping of the tech giant in recent weeks, which includes pausing the development of an Instagram for children product and a rebranding of the entire company to Meta Platforms Inc. to focus on a future beyond social media.
- With the change, Facebook's technology will no longer automatically recognize if someone's face pops up in videos, photos or Facebook memories.
- The company's executives have been called to testify before Congress on multiple occasions in recent months, and lawmakers have said they are pursuing a number of regulatory changes in response to the revelations.
- Mr. Zuckerberg has said the criticism paints a false picture of the company he co-founded.
- Ken Bamberger, a law professor specializing in privacy at University of California, Berkeley, called the company's announcement on Tuesday "jaw-dropping."
- Many of the biggest tech companies have grappled with its use by law enforcement and the potential for bias in how the technology is applied.
- Facebook's shift away from using its facial-recognition system will also affect a technology called automatic alt text, which is used for making image descriptions for the visually impaired, Mr. Pesenti said.
- That technology won't try to identify each person featured in a photo using facial recognition anymore, but it will still be able to determine the number of people in a photo, he said.

Facebook and Instagram Messaging Functions Back Up After Outage

https://www.wsj.com/articles/facebook-and-instagram-messaging-functions-are-down-11635969955?st=aysypsn9a8itxna&reflink=desktopwebshare_permalink

Updated Nov. 3, 2021 at 6:59 pm ET

- The messaging functions on Facebook and Instagram suffered an hourslong outage Wednesday afternoon before appearing to come back online, the third disruption to Meta Platforms Inc. products in a month.
- Reports of outages started spiking around 2 p.m. ET on Wednesday, according to Downtdetector, a site that tracks website outages.
- "We're aware that some people are having trouble accessing Messenger, Workplace Chat and Instagram DMs," a spokeswoman for Meta, formerly known as Facebook Inc., said at the time.
- Reports of outages tapered off about three hours later, according to Downtdetector.
- The latest disruption comes nearly a month after a simple technical mistake caused a global outage that left billions of users unable to use Facebook, Instagram, WhatsApp and Facebook Messenger.
- The roughly six-hour outage on Oct. 4 was the largest disruption in the company's history, based on the number of users affected.
- Meta took to rival social-media site Twitter to let its users know about the outage Wednesday.
- Meta has 3.58 billion monthly users across Facebook, Instagram and its other services, according to the company's most recent earnings report.

★● For Meta, the Metaverse Isn't So Extra

https://www.wsj.com/articles/for-meta-the-metaverse-isnt-so-extra-11636045785?st=nw45v0erwxcgqzk&reflink=desktopwebshare_permalink

Nov. 4, 2021 at 1:09 pm ET

- Formerly known as Facebook, Meta Platforms Inc. is going full-speed ahead building a metaverse to move beyond the world's most popular set of social-media platforms.
- It is a place where Facebook's chief envisions people will work, play, socialize and—most importantly—spend money as avatars.
- Meta is predicted to generate more than \$114 billion in advertising revenue this year, but its growth is slowing rapidly.
- Wall Street forecasts the company's ad business will grow nearly 37% in 2021, but just under 12% by 2024.
- As of the third quarter, Facebook's U.S. daily active user base is flat compared with a year earlier.
- According to the internal research, third-party data shows TikTok more than doubled time spent across U.S. users of all ages over the past year, while the same metric on Facebook grew just 6%.
- Just 14% of U.S. teens viewed Facebook's Messenger as their primary messaging app as of the fourth quarter of last year, according to the leaked research.
- He was clear on the third-quarter earnings call that Reels, Facebook and Instagram's video-based TikTok-like feature, will be a crucial growth priority.
- Mr. Zuckerberg clearly sees virtual and augmented reality as the next, next big things for young people.
- Mr. Zuckerberg called the Metaverse "the ultimate dream."

★● Donald Trump's Ageless Advice for Mark Zuckerberg

https://www.wsj.com/articles/meta-advice-for-facebooks-mark-zuckerberg-11636124214?st=iqxy752b07eys&reflink=desktopwebshare_permalink

Nov. 5, 2021 at 11:00 am ET

- Facebook Inc.'s name change to Meta (short for Meta Platforms Inc.) is sure to transform the company's image, although perhaps not in ways Chief Executive Mark Zuckerberg intended.
- One disgruntled shareholder was an opportunistic real-estate developer named Donald Trump, who had bought nearly 5% of the company's stock.
- That's because a name is easier to criticize than a strategy, says Margaret Wolfson, founder of River and Wolf LLC, a naming agency in New York. "
- When veteran airline executive Stephen Wolf came in as Allegis' chief executive at the end of 1987, he was "indifferent to the name," he told me this week, but focused on changing the strategy to shed the non-airline assets.
- In May 1988, shareholders voted to ditch Allegis and rename the company UAL Corp.—almost exactly the same as its previous identity.
- Plenty of people ridiculed Facebook for changing its name to Meta—joking that it's short for "metastasizing," or "I meta girl" who became an antivaxer, and so forth—but the risk isn't that people won't like the name.
- It's that they'll like it too well—as a pithy incarnation of everything they dislike about the company.
- Mr. Zuckerberg has said that it's "sort of a ridiculous thing" to suggest that the name change is meant to drown out negative publicity, such as The Wall Street Journal's revelations earlier this year about Facebook's marketing and other practices.
- Instead, the renaming demonstrates the company's commitment to the metaverse, or the emerging digital world in which people can shop, socialize, work and play almost without limit.
- By renaming itself Meta, Facebook has identified itself inextricably with a metaverse future.

★● Facebook Documents Accelerate EU Push to Regulate Social Media

https://www.wsj.com/articles/facebook-documents-accelerate-eu-push-to-regulate-social-media-11636399889?st=qxha6ptfw72c0wi&reflink=desktopwebshare_permalink

Nov. 8, 2021 at 2:31 pm ET

- European officials are seizing on disclosures from Facebook whistleblower Frances Haugen to accelerate and sharpen their plans to impose sweeping new restrictions on big technology companies.
- The bill, as currently drafted, would require large tech platforms to actively look for and mitigate risks from content that is illegal, or face hefty fines. "
- Europe is serious about regulating what still resembles a digital Wild West," said Thierry Breton, the EU's digital commissioner.
- He added that the EU must race to pass its package of tech legislation in the first half of 2022. "
- do so at the expense of people's safety or well-being misunderstands where our own commercial interests lie," wrote Monika Bickert, the company's vice president of content policy, in a blog post Monday.
- Several EU legislators said the Facebook documents that Ms. Haugen disclosed showed the EU's new-social media bill should go further than it does in its current draft.
- The lawmakers argued, for example, that the proposed Digital Services Act should tackle potentially harmful content that doesn't violate any laws or should focus more on how companies recommend and spread content. "
- Ms. Geese says she hopes the whistleblower disclosures will boost momentum for stronger transparency requirements and enforcement than are currently in the bill. "
- In Monday's hearing Ms. Haugen said that the EU's new social-media bill "has the potential to be a global gold standard" and to "inspire other countries, including my own, to pursue new rules that would safeguard our democracies."
- The documents Ms. Haugen disclosed were described in a series of Journal articles beginning in September that show, among other things, that Facebook knows its ranking algorithms foster discord and that Instagram can have negative effects on teenage girls' mental health.

★● Facebook Parent Meta Limits Ad Targeting for Politics and Other Sensitive Issues

https://www.wsj.com/articles/facebook-parent-meta-bans-targeting-for-political-ads-11636488053?st=7gb35ys624ojqqd&reflink=desktopwebshare_permalink

Updated Nov. 9, 2021 at 4:34 pm ET

- Facebook parent Meta Platforms Inc. said it would eliminate micro-targeting options for advertisers on topics related to politics and other sensitive issues, a reversal for the company a year after CEO Mark Zuckerberg overruled staffers who called for tougher restrictions on such practices.
- Starting Jan. 19, the company will no longer allow advertisers to highly personalize their messages to users on topics including politics, race, health, religion and sexual orientation, the company said Tuesday.
- The company said it was a difficult decision because it believes the best advertising is personalized, but the move would limit the ability for the targeting to be abused in ways that could lead to negative experiences for users.
- "Ad targeting options makes this abuse easy, and transparency into these behaviors is still limited," the presentation stated.
- Restrictions on political ads have been decried by politicians in both parties, though Democrats have stressed the importance of Facebook in voter turnout efforts focused on minority communities.
- Ahead of the election, officials in the Trump campaign said Facebook's decision to be more lenient on political ads would allow more voters to participate in the process.
- But the choice will also make using the platform for civic activism harder.
- The move isn't a total ban on political ad-targeting, in that it still allows campaigns to use publicly available data or their own email lists as ways to reach people on Facebook.
- The decision isn't likely to have major financial consequences.
- Mr. Zuckerberg previously said he estimated political ads would account for less than 0.5% of the company's total revenue in 2020.

Privacy Protections Need a Legislative Update

https://www.wsj.com/articles/facebook-social-media-privacy-clegg-klobuchar-hate-11636585522?st=e41tzt4hfhqcmii&reflink=desktopwebshare_permalink

Nov. 11, 2021 at 1:09 pm ET

- The Privacy Act of 1974 was passed to balance the federal government's need to maintain information about people with their individual rights.
- Facebook has been subject to fines and legal challenges world-wide for its privacy practices.
- Sen. Klobuchar is correct that the time is now to pass effective, inclusive and harmonizing privacy legislation for the private sector.
- Ross Federgreen Jensen Beach, Fla. Because there is a bit of a doubt about whether Section 230 of the Communications Decency Act immunizes social media from lawsuits, Congress should amend the statute.

★ Facebook Is Stifling Independent Report on Its Impact in India, Human Rights Groups Say

https://www.wsj.com/articles/facebook-is-stifling-independent-report-on-its-impact-in-india-human-rights-groups-say-11636725601?st=l0hydmpubgozte&reflink=desktopwebshare_permalink

Nov. 12, 2021 at 9:00 am ET

- Human rights groups say Facebook is stifling an independent report it commissioned to investigate hate speech on its services in India, the company's largest market by customers and where scrutiny of its operations is increasing.
- Representatives for the organizations say they have provided extensive input to a U.S. law firm that Facebook commissioned in mid-2020 to undertake the report.
- The groups say they supplied hundreds of examples of inflammatory content and suggested ways Facebook could better police its services in India.
- Facebook executives from the company's human rights team, which is overseeing the law firm's effort, have since narrowed the draft report's scope and are delaying a process that has already taken more than a year, the groups say. "
- Facebook has removed material that violates its rules that the groups flagged to Foley Hoag, he said. "
- As part of its Facebook Files project, The Wall Street Journal separately reported last month that the company's researchers have found that its products in India are awash with inflammatory content that one report linked to deadly religious riots, according to internal documents.
- The Journal reported in August 2020 that Facebook's then top public-policy executive in India had opposed applying Facebook's hate-speech rules to a Hindu nationalist politician and others.
- A group of civil-society organizations citing the Journal's reporting published an open letter urging Facebook to "address dangerous content in India."
- The law firm has also challenged her group on what it flagged as hate speech, asking first whether it had reported it through Facebook's official reporting tools, and then later whether it had done so within specific time frames. "
- Mr. Smith, of Foley Hoag, said the group can't comment on specific elements of the report or its exchanges with Facebook, citing attorney-client privilege.
- Dia Kayyali, a technology-policy researcher who worked for one of the human-rights groups that wrote to Facebook last year, said Facebook hasn't fulfilled its promise in Mr. Clegg's letter to keep research groups apprised of the status of the report and how Facebook might be acting on it.
- Following the Journal's Facebook Files report last month, India's Ministry of Electronics and Information Technology wrote to Facebook's top executive in India to ask for details on how the company monitors and removes inflammatory content on its platform, according to government officials.

Ohio Sues Meta Alleging Facebook Parent Misled Public About Its Products' Effect on Children

https://www.wsj.com/articles/ohio-sues-meta-alleging-facebook-parent-misled-public-about-its-products-effect-on-children-11637011332?st=0frwb2kgnw1eam7&reflink=desktopwebshare_permalink

Updated Nov. 15, 2021 at 5:15 pm ET

- Ohio's attorney general is suing Meta Platforms Inc., formerly known as Facebook Inc., alleging the company misled the public about how it controlled its algorithm and the effects its products have on children.
- The lawsuit, filed on behalf of Meta investors and the Ohio Public Employees Retirement System, seeks more than \$100 billion in damages and demands that Meta make significant changes so as to not mislead investors again, Ohio Attorney General Dave Yost said in a statement. "
- This suit is without merit and we will defend ourselves vigorously," Joe Osborne, a Meta spokesperson, said.
- Those revelations led Facebook stock to fall by \$54.08 a share and caused the Ohio Public Employees Retirement System and other Facebook investors to lose more than \$100 billion, Mr. Yost said.

Australia Seeks to Make Social-Media Firms Liable for Users' Defamatory Comments

https://www.wsj.com/articles/australia-seeks-to-make-social-media-firms-liable-for-users-defamatory-comments-11638109003?st=mnpm3qj1hg1sp9t&reflink=desktopwebshare_permalink

Nov. 28, 2021 at 9:16 am ET

- Australia said on Sunday that it would introduce legislation to make social-media companies liable for defamatory comments published on their platforms, in a move that risks exposing tech companies to future lawsuits.
- Prime Minister Scott Morrison said the legislation also aims to unmask people who make hurtful comments online by requiring companies such as Meta Platforms Inc.'s Facebook to disclose their details, such as an email address or cellphone number, when a complaint is made.
- The proposed legislation comes after Australia's highest court found in September that news organizations are legally liable for comments on their Facebook pages.
- party comments made on social media pages with the person who made the comment or with the platforms if the platforms cannot identify the person."
- Australia is considered to be a defamation hot spot because of plaintiff-friendly laws that make it easier to win defamation lawsuits compared with other jurisdictions.
- In Australia, free speech isn't protected by the constitution, and a defendant such as a newspaper must prove that a statement is true.
- In the U.S., where the First Amendment protects freedom of speech, it is the plaintiff's responsibility to prove an alleged defamatory statement is false.
- U.S. law broadly exempts social-media companies like Facebook from legal liability for what people post on the site, though some U.S. politicians have called for changes.
- Michaelia Cash, Australia's attorney general, outlined two mechanisms for people to raise concerns about comments made online.
- Mr. Morrison said consultation on the proposed legislation would begin, and that it would likely be introduced to Parliament next year. "

Facebook Parent Told to Sell Giphy by U.K. Regulator

https://www.wsj.com/articles/facebook-told-to-sell-giphy-by-u-k-regulator-11638270805?st=g30ei220o0uxl6r&reflink=desktopwebshare_permalink

Updated Nov. 30, 2021 at 7:02 am ET

- The U.K.'s top competition regulator directed Meta Platforms Inc., formerly Facebook, to sell social-media animated-images company Giphy, saying its acquisition could limit competition among platforms and U.K. advertisers.
- Facebook bought Giphy in May 2020 for \$315 million, according to documents published as part of a review of the deal by the Competition and Markets Authority that has been under way since last year.
- Meta can appeal the decision. "
- Facebook said at the time of the deal that it would integrate Giphy into its Instagram platform.
- The tribunal backed the CMA decision earlier this year.
- In the interim, Sabre terminated the transaction, blaming the CMA's opposition. "
- We continue to believe that the transaction was not anticompetitive."
- The CMA said Tuesday that the Giphy deal could have increased Facebook's already significant market power and driven more traffic to the company's sites, which it said account for 73% of user time spent on social media in the U.K. The agency said the majority of Meta's major competitors—including Twitter Inc., ByteDance Ltd.'s TikTok and Snap Inc.'s Snapchat—use GIFs found with Giphy.
- The company also argued to the CMA that Giphy was losing money when Facebook bought it and, without the deal, would have received only "reduced funding from investors sufficient to continue in survival mode," according to a company filing with the regulator.
- The CMA began probing the deal in June 2020, launching an initial formal investigation in January.

● **Rohingya Refugees Sue Facebook for \$150 Billion for Perpetuating Violence**

https://www.wsj.com/articles/rohingya-refugees-sue-facebook-for-150-billion-for-perpetuating-violence-11638897458?st=xyevn2e0vk9r70u&reflink=desktopwebshare_permalink

Dec. 7, 2021 at 12:17 pm ET

- Rohingya refugees sued Facebook parent Meta Platforms Inc., alleging the social-media platform perpetuated the genocide against the Muslim ethnic group in Myanmar.
- The lawsuit, filed Monday in California, says Facebook's launch in Myanmar a decade ago "materially contributed to the development and widespread dissemination of anti-Rohingya hate speech, misinformation, and incitement of violence—which together amounted to a substantial cause, and perpetuation of, the eventual Rohingya genocide."
- The Rohingya refugees in the class-action lawsuit are suing for damages of more than \$150 billion. "
- Meta has previously acknowledged that it didn't do enough to protect the minority population.
- Company executives have described the violence in the country as a wake-up call to the social-media company's responsibilities.
- The Rohingya are a mostly Muslim ethnic minority who had been persecuted for decades in majority-Buddhist Myanmar.

Facebook's Head of Messenger to Leave Company Next Year

https://www.wsj.com/articles/facebooks-head-of-messenger-to-leave-company-next-year-11638915007?st=ht1vjxj4puzek&reflink=desktopwebshare_permalink

Dec. 7, 2021 at 5:10 pm ET

- Stan Chudnovsky, who has been running Messenger since 2018, said he'll step down in the second quarter of next year.
- The 51-year old said he has no plans to retire, but that he'll take a break after "working nonstop" since he was 16.
- He joined Facebook, now called Meta Platforms Inc., in 2015.
- The announcement comes as David Marcus—a longtime Facebook executive who led the company's heavily scrutinized cryptocurrency initiatives—announced his resignation last week.
- Facebook's chief creative officer, Mark D'Arcy, left the company earlier this year.

- The company's chief technology officer, Mike Schroepfer, plans to step down next year.

● **Senate Commerce Chair Urges Probe of Meta's Facebook Over Whether It Misled Businesses**

https://www.wsj.com/articles/senate-commerce-chair-urges-probe-of-metas-facebook-over-whether-it-misled-businesses-11639079307?st=h74iisc3p6s7a6i&reflink=desktopwebshare_permalink

Updated Dec. 9, 2021 at 8:30 pm ET

- The leader of the powerful Senate Commerce Committee urged the Federal Trade Commission to investigate allegations that Facebook parent Meta Platforms Inc. has misled businesses about its efforts to protect their brands from hate speech and has overstated the reach of advertising on its platforms.
- In a letter to FTC Chairwoman Lina Khan, Sen. Maria Cantwell (D., Wash.), who chairs the Commerce Committee, said the agency should examine how the company's actions might have affected advertisers and the public. "
- Later Thursday, Sen. Elizabeth Warren (D., Mass.) echoed Ms. Cantwell's call.
- In a separate letter, Ms. Warren urged the Justice Department and the Securities and Exchange Commission to conduct criminal and civil investigations into the questions surrounding the reach of Facebook's advertisements.
- Facebook has denied that it has intentionally misled businesses and advertisers.
- Another set of issues relates to alleged problems with Facebook's potential reach metric for gauging how many people might see an ad.
- Ms. Cantwell's letter repeats longstanding concerns that Facebook might have overstated potential reach.
- The federal scrutiny follows allegations by whistleblower Frances Haugen that the company has ignored or minimized harms caused by its services.
- The FTC already has begun its own investigation into the revelations, and state attorneys general have said separately that they are investigating the company, including its Instagram unit.
- Sen. Cantwell's letter appears to be based largely on documents Ms. Haugen provided earlier to the SEC.

● **Shareholders Press Facebook for Governance Changes**

https://www.wsj.com/articles/shareholders-press-facebook-for-governance-changes-11639404002?st=wy9mnya62pf5k26&reflink=desktopwebshare_permalink

Dec. 13, 2021 at 9:00 am ET

- Facebook is facing more calls from shareholders to address harm on its platforms and overall governance as the company, now known as Meta Platforms Inc., responds to pressure from lawmakers and others.
- Shareholders, including the New York State Common Retirement Fund and Illinois State Treasurer, are among an investor group that collectively filed eight shareholder proposals for consideration at the company's annual meeting.
- Meta has faced a series of hearings and investigations over allegations of harm caused by its services.
- A Meta spokesman has said the investigation was premised on a misunderstanding of issues that also affect other social-media platforms.
- Shareholders are expected to further make their case at Meta's annual shareholder meeting, which typically takes place in May.
- After the Facebook Files published, more than 50 investors who are part of the Investor Alliance for Human Rights discussed what they should do to address the findings that Facebook's platforms cause harm, said Anita Dorett, director of the investor initiative, which represents more than \$6 trillion in assets under management.
- The deadline for shareholder proposals was Dec. 10.
- Mr. Moore said the company has strong corporate governance measures in place, pointing to its lead independent director and regular engagement with investors.

- As You Sow, a nonprofit, filed a shareholder proposal calling for greater board oversight of efforts to reduce harmful user-generated content. "
- Mr. Moore said the amplification of false, divisive, hateful and inciting content is harmful to Meta's community, and the company shares its progress through transparency reports.
- possible harms of the company's metaverse project.

● Facebook, Other Researchers Step Up Fight Against Cyberspying for Hire

https://www.wsj.com/articles/facebook-other-researchers-step-up-fight-against-cyberspying-for-hire-11639684844?st=hvyheh9m3sv0kbd&reflink=desktopwebshare_permalink

Dec. 16, 2021 at 3:00 pm ET

- On Thursday, Meta Platforms Inc. said it removed about 1,500 accounts from Facebook and Instagram that it linked to groups it called "cyber mercenaries" that hack and spy for profit.
- Facebook researchers tied the accounts to seven entities around the world that appear to sell their services to government and private clients.
- One of them, an obscure firm in North Macedonia, used a previously unknown vulnerability in Apple Inc.'s software to hack iPhones, according to watchdog group Citizen Lab, which collaborated with Facebook and issued its own report Thursday.
- The most visible player has been NSO Group, an Israeli company which Citizen Lab has tied to spying on dissidents and journalists on behalf of Gulf governments.
- "The bottom line for me is that we should have no more tolerance for the proliferation of this sensitive technology than we do for the spread of sensitive missile or drone technology," he said Thursday.
- On Thursday, researchers from Facebook and Citizen Lab said their work shows the spyware industry is growing beyond NSO. "
- The surveillance for hire industry is much broader than I think gets talked about," said Facebook's security policy chief, Nathaniel Gleicher.
- It said it notified about 50,000 people who may have been targeted.
- Targets included politicians, journalists, activists, academics and businesspeople.
- The surveillance companies identified in the report include four Israel-based firms that collect information about spying targets, help coordinate fake social media accounts, and gather people's private information.
- Citizen Lab examined the phone and determined it had been compromised by two types of spyware.
- One was a familiar NSO product.
- The researchers went through the suspicious code and tied it back to an online presence in North Macedonia that they connected to a company called Cytrox.
- And he said it may have used a previously undetected vulnerability in Apple software, though it wasn't clear what this vulnerability might be.

The Metaverse Is Already Here

https://www.wsj.com/articles/the-facebook-mark-zuckerberg-metaverse-is-already-here-virtual-reality-headset-oculus-11640525817?st=cbg9ktjvoosxq2l&reflink=desktopwebshare_permalink

Dec. 26, 2021 at 10:30 am ET

- Are you ready to live in a 3D-navigable, socially connected, conscience-curving, carefree virtual world?
- Look at Apple as it transitioned from computers to iPods and iPhones.
- Facebook even changed its name to Meta. "
- The dream was to feel present with the people we care about," CEO Mark Zuckerberg explained.
- He also promised "immersive all-day experiences."
- Facebook may need a new platform anyway if the Biden administration dismantles its current one in the name of antitrust.
- A virtual space called "Second Life" launched in 2003.
- There are thousands of 3D games on smartphones.

- I've played around with virtual-reality prototypes since dreadlocked technologist Jaron Lanier pioneered them in the late 1980s. I appeared in the December 27, 2021, print edition as 'The Metaverse Is Already Here'.
- I bought a developer kit for the original Oculus Rift in 2012 and Google Glass in 2013.
- ..will probably be a meaningful part of the metaverse, too," Mr. Zuckerberg noted.
- Many real-world problems will sneak into this new world.
- I'm against all sexual harassment, and this shows the metaverse has a lot of rules and boundaries to work through.
- Maybe, but I guarantee that the metaverse, like all new technology, will be far different from whatever we can dream up today.

Big Tech's \$10 Trillion Bet on Politics as Usual

https://www.wsj.com/articles/big-techs-10-trillion-bet-on-politics-as-usual-11640863981?st=tc2qokbc8zqyl06&reflink=desktopwebshare_permalink

Dec. 30, 2021 at 6:33 am ET

- The combined market values of Apple Inc., Microsoft, Google-parent Alphabet Inc., Amazon .com and Meta Platforms—the company once known as Facebook—stand at \$10.1 trillion as of Wednesday's close.
- That's up from \$7.5 trillion at the start of the year, reflecting a 35% rise that exceeds the gains of the Dow, S&P 500 and Nasdaq Composite in what has been another strong year for stocks.
- The five aforementioned—along with Tesla and chip maker Nvidia — now comprise more than 27% of the S&P 500's total value.
- Apple alone is on the cusp of reaching the \$3 trillion mark, and at least 13 analysts have price targets on the stock that would put the company's market value well past that milestone.
- But they also reflect a growing belief among investors that the controversies that have swirled around Facebook, Google, Amazon and Apple in particular over the past few years won't result in drastic regulatory actions.
- And in a report last month, Cowen's Washington research team said the period from January to August of 2022 could prove to be the "apex of government risk for tech," since the prospect of losing power in the midterms could compel congressional Democrats to act sooner.
- And there is the lobbying and legal muscle of the companies themselves; Apple, Amazon, Alphabet and Meta have more than \$250 billion in cash net of debt between them and have shown an increasing willingness to play the influence game.
- Big tech is indeed proving a tough target to hit.

No Facebook Funding for Elections

https://www.wsj.com/articles/no-facebook-funds-elections-democrat-districts-voting-north-carolina-veto-cooper-2020-meddling-11640890835?st=3hy1cdyjkwl0t2&reflink=desktopwebshare_permalink

Dec. 30, 2021 at 6:32 pm ET

- The answer can be found in North Carolina, where Gov. Roy Cooper recently vetoed a bill that would ban private funding for public election administration.
- Such funding was rampant in 2020—in North Carolina and nationwide—and it likely benefited Democrats.
- Lawmakers were responding to 2020's unprecedented phenomenon of individuals and organizations, usually from out of state, providing grants directly to state and local election officials.
- The money came from a variety of sources, but the largest by far was \$400 million from Mark Zuckerberg, the founder of Facebook, and his wife, Priscilla Chan.
- Primarily routed through the Center for Tech and Civic Life, the funding was dispersed to roughly 2,500 counties in 47 states and the District of Columbia.
- Pennsylvania spent less than 10% of its grant money on health-related expenses.
- Other states spent even less, leaving more money for election activities that could influence voters' behavior.
- We also found wide disparities in per capita funding between red and blue areas.

- In Pennsylvania, Biden-supporting counties received nearly \$5 per registered voter, compared with a little more than \$1 in places that voted for Donald Trump.
- This wide disparity increases the likelihood that private funding benefited Democratic candidates.
- Our findings raise serious concerns about whether private funding influenced the 2020 election.
- More states should ban private funding for elections in their 2022 legislative sessions.

Metaverse Needs More Than VR Christmas Bump

https://www.wsj.com/articles/metaverse-needs-more-than-vr-christmas-bump-11641135782?st=ihwm0idrpf8ajva&reflink=desktopwebshare_permalink

Jan. 2, 2022 at 10:03 am ET

- The company now formally known as Meta Platforms appears to have had a decent holiday season for its Oculus VR headset.
- Facebook has never regularly disclosed sales data for Oculus, which it acquired in 2014 for \$2 billion.
- But IDC estimates that unit sales of the company's VR devices in 2021 will come in between 5.3 million and 6.8 million, once the market research firm's fourth-quarter data is finalized.
- Analysts estimate that Sony sold about 5.5 million units of its tethered PlayStation VR headset in the fiscal years 2019 to 2021, according to consensus estimates from Visible Alpha.
- Proponents of the metaverse concept insist the idea is about more than virtual reality.
- Without VR, there is no presence.
- Estimated Oculus sales over the past five years amount to less than 3% of Facebook's daily user base in North America and Europe—the two markets that account for the vast majority of its business.
- The Wall Street Journal reported that Mr. Zuckerberg has been taking more of his internal meetings in virtual reality of late.

New Lawsuit Seeks to Hold Facebook Liable in Shooting Death of Federal Security Guard

https://www.wsj.com/articles/new-lawsuit-seeks-to-hold-facebook-liable-in-shooting-death-of-federal-security-guard-11641481833?st=mrta6j9jncru0gh&reflink=desktopwebshare_permalink

Updated Jan. 6, 2022 at 2:23 pm ET

- A lawsuit filed Wednesday seeks to hold Facebook's parent company liable in the 2020 killing of a federal security guard, in the latest effort to challenge the protections given to websites hosting user-generated content.
- In a complaint against Meta Platforms Inc., Angela Underwood Jacobs said the alleged murder of her brother, Dave Underwood, by antigovernment extremists was the result of a plot hatched on Facebook.
- Her brother was shot and killed by a man who had traveled to Oakland, Calif., with an intent to kill federal agents, according to federal prosecutors.
- The spokesman said the company has banned more than 1,000 "militarized social movements" from its platform.
- The alleged shooter and accomplice have pleaded not guilty to charges related to the murder.
- Unlike publishers of newspapers and books, internet companies like Facebook are protected by a 1996 federal law, Section 230 of the Communications Decency Act, that shields them from liability as sites that host user-generated content.
- Nevertheless, several lawsuits are set to test the law's protections.
- In a Texas case filed in 2018, an anonymous plaintiff who was allegedly trafficked for sex as a minor by people using Facebook to communicate is seeking to hold the company liable.
- The father of a TV news reporter who was shot dead on video in 2015 has filed a complaint against Facebook with the Federal Trade Commission because videos of the killing have remained on Facebook and Instagram.
- The act of recommending that people join groups that share inflammatory content makes Facebook more than a passive platform protected by Section 230, she said. "
- Facebook aided and abetted an act of domestic terrorism," Ms. Underwood Jacobs said. "

- Mr. Carrillo wrote in one Facebook group post that the protests against police brutality sweeping the nation in 2020 were "a great opportunity to target the specialty soup bois," a reference to federal agents, according to the complaint.
- Mr. Carrillo and Mr. Justus allegedly made plans to travel to Oakland for a May 29, 2020, protest, according to federal prosecutors.
- Mr. Carrillo has pleaded not guilty to murder and attempted murder charges.

● Why Apple's iMessage Is Winning: Teens Dread the Green Text Bubble

https://www.wsj.com/articles/why-apples-imessage-is-winning-teens-dread-the-green-text-bubble-11641618009?mod=Searchresults_pos1&page=1

Jan. 8, 2022 at 12:00 am ET

- The reference to the color of group text messages—Android users turn Apple Inc.'s iMessage into green bubbles instead of blue—highlighted one of the challenges of her experiment.
- That pressure to be a part of the blue text group is the product of decisions by Apple executives starting years ago that have, with little fanfare, built iMessage into one of the world's most widely used social networks and helped to cement the iPhone's dominance among young smartphone users in the U.S. How that happened came to light last year during Apple's courtroom fight against "Fortnite" maker Epic Games Inc., which claimed the tech giant held an improper monopoly over distribution of apps onto the iPhone.
- Some revealed a long-running debate about whether to offer iMessage on phones that run with Google's Android operating system.
- From the beginning, Apple got creative in its protection of iMessage's exclusivity.
- Apple later took other steps that enhanced the popularity of its messaging service with teens.
- It added popular features such as animated cartoon-like faces that create mirrors of a user's face, to compete with messaging services from social media companies.
- Apple's own survey of iPhone holders made public during the Epic Games litigation found that customers were particularly fond of replacing words with emojis and screen effects such as animated balloons and confetti.
- Apple in its fight against Epic Games denied it held improper monopoly power in the smartphone market, pointing to intense competition globally with other phone makers and Android's operating system. "
- ' Apple is not the first tech company to come up with a must-have chat tool among young people, and such services sometimes struggle to stay relevant.
- It briefly crossed \$3 trillion in market value for the first time on Jan. 3. "
- The firm recently found that 87% of teens surveyed last year own iPhones.
- Never date a green texter Apple's iMessage plays a significant role in the lives of young smartphone users and their parents, according to data and interviews with a dozen of these people.
- Teens and college students said they dread the ostracism that comes with a green text.
- The social pressure is palpable, with some reporting being ostracized or singled out after switching away from iPhones. "
- Apple's iMessage uses the internet to send text, video and photo messages, while iPhone users communicating with non-Apple users use old-school cellular channels such as SMS and MMS.
- Apple said its closed, encrypted system ensures messages are protected from hackers.
- Apple also disputes the idea that users are locked in to iMessage, saying users can easily switch to other smartphones.
- A Google executive said Apple could make it easier for iMessage and Android users to communicate. "
- The game consists of users taking turns playing activities, such as checkers or word games, and allows for texting back-and-forth among players. "
- Game Pigeon" can't be played between iPhone and Android users.
- Facebook researchers concluded the appeal revolved around the social aspect of the games, helping younger people initiate conversations. "

- Such interactions have made fertile ground for memes on social media.
- Serious lock-in' The blue iMessage bubble was born out of a simple engineering need, according to Justin Santamaria, a former Apple engineer who worked on the original feature.
- The idea that it would keep Appeared in the January 8, 2022, print edition as 'Apple's Blue Bubble Empire'.
- 'I've had people with Androids apologize that they have Androids and don't have iMessage," said users locked in to using Apple devices wasn't even part of the conversation at the time, he said.
- The idea of opening iMessage to Android users arose in 2013, according to some of the internal records made public during the courtroom fight with Epic Games.
- As a market rumor circulated that Google was considering the acquisition of the popular messaging app WhatsApp, senior Apple executives discussed how such an acquisition might roil competition and how they might better compete.
- Eddy Cue, who oversees Apple's services business, told his colleagues he had some of his team investigating how to make iMessage available on Android phones, according to an email that surfaced as part of the Epic Games litigation. "
- Mr. Federighi, Apple's chief software executive, said in an email that he worried that making iMessage an option on Android could have a serious downside by removing an obstacle for iPhone families to get their children Android phones.
- In the end, Google didn't buy WhatsApp and Apple didn't make its iMessage available to Android users.
- In just a few years, the value of iMessage's blue texts had become more clear to Apple execs.
- After an executive left the company and began using an Android, he wrote former colleagues in 2016 and said he had switched back to iPhones after just a few months.

● Facebook's Former Elections Boss Now Questions Social Media's Impact on Politics

https://www.wsj.com/articles/facebook-former-elections-boss-now-questions-social-medias-impact-on-politics-11641648561?st=tow7bdlyl6cv8ib&reflink=desktopwebshare_permalink

Jan. 8, 2022 at 8:29 am ET

- Katie Harbath joined Facebook more than a decade ago as the first Republican employee in the company's Washington, D.C., office, pushing skeptical members of Congress on the virtues of the young social network for healthy elections.
- After rising to become Facebook's public-policy director for global elections, Ms. Harbath left the company last year and teamed with a group now advising lawmakers in Washington and Europe on legislation advocating more guardrails around social media.
- In her role at Facebook, now Meta Platforms Inc., Ms. Harbath had been the face of the company on many political issues and a liaison with governments and parties around the world.
- Ms. Harbath, now also a fellow at several Washington think tanks focused on election issues, joins a growing number of former Facebook executives who have gone public with their criticisms of the company.
- While they're right that they don't deserve sole blame, there should be more soul-searching," she says.
- Facebook's policy team, led by Ms. Harbath's former boss Joel Kaplan, often didn't accept changes pushed by internal researchers and staffers on the company's integrity team charged with assessing potential harm to users.
- Documents reviewed by The Wall Street Journal show that integrity staffers felt the policy team often placed business and political concerns above the risks to users.
- She says there was a working assumption throughout the company that more Facebook usage would make governments more transparent and expand people's ability to engage in public discourse.
- Ms. Harbath, who resigned from Facebook in March after working there for a decade, at her apartment in Arlington, Va. Ms. Harbath says her doubts about the premise originated in 2016, when elections in the Philippines and the U.S. and the Brexit campaign in the U.K. were awash in misinformation spread on Facebook.

- After that, Ms. Harbath says, her role shifted from primarily trying to promote Facebook as a positive force to more often trying to prevent foreign governments, criminals, troll farms and other bad actors from abusing it.
- She says her job became consumed by "escalations"—an internal term for potential public-relations crises and high-profile complaints. "
- Eighty percent of my time was spent doing escalations," she says.

How the Trump Social-Media Ban Paid Off for Trump, Platforms

https://www.wsj.com/articles/how-the-trump-social-media-ban-paid-off-for-trump-platforms-11641729604?st=sc7tbubasvslon1&reflink=desktopwebshare_permalink

Jan. 9, 2022 at 7:00 am ET

- For an entire year, Donald Trump has been banned from mainstream social-media outlets.
- From the business side, Facebook, Instagram, Twitter and YouTube have all been able to say they took action against one of the most powerful voices on their platforms—after years of criticism that they failed to aggressively apply their rules to their highest-profile users.
- Across the platforms, Mr. Trump had amassed approximately 150 million followers—including 35 million on Facebook and 88 million on Twitter—which put him among the most-watched world leaders.
- Since his social-media ban—just days before he left the White House—mentions of Mr. Trump on Twitter, Facebook and Instagram have decreased 88%, according to Signal Labs, a company that analyzes content on social media.
- The ban has been a rallying point among the former president's supporters.
- I don't know a single person in Trump world who regrets that this has happened—not a single one," one Trump adviser said.
- Researchers who study social media said the removal of influential social-media accounts that spread false narratives has reduced the popularity of some of the content on the platforms that the companies deem toxic, although many people have also expressed concern that tech companies get to make these decisions. "
- The companies will face questions about whether to reinstate the former president, particularly if he decides to seek his party's presidential nomination again in 2024.
- Facebook has said it would revisit its decision in January 2023, but social-media executives have insisted their calculations won't be influenced by Mr. Trump's political decisions.
- While these companies have banned Mr. Trump, they have continued to sell advertising to him, as well as to his opponents and allies who have made him a key part of their own political ads.
- Facebook and Alphabet Inc.'s Google have sold Mr. Trump's two political-action committees more than \$2 million in ads during the past year, according to AdImpact, a company that tracks advertising.
- Still, more than 100 candidates, issues groups and political committees spent \$11.5 million on Facebook ads in 2021 that mention Mr. Trump, according to AdImpact.
- The list now includes about 50 million emails, according to people familiar with the matter.
- Mr. Trump has relied on the list during the past year with a relentless fundraising program that raised more than \$56 million in online donations during the first half of 2021, and about as much in the second half, according to people familiar with the efforts.

Federal Judge Rejects Facebook's Request to Dismiss FTC's Latest Antitrust Lawsuit

https://www.wsj.com/articles/federal-judge-rejects-facebooks-request-to-dismiss-ftcs-latest-antitrust-lawsuit-11641932982?st=s06gdtkab0qn6zr&reflink=desktopwebshare_permalink

Updated Jan. 11, 2022 at 5:10 pm ET

- A federal judge on Tuesday ruled the Federal Trade Commission can move forward with its revised antitrust case alleging Meta Platforms Inc.'s Facebook unit is abusing a monopoly position in social media, rejecting the company's request to dismiss the government's amended lawsuit.
- The FTC first filed its antitrust case against Facebook near the end of 2020, but Judge Boasberg dealt the commission a legal blow last June, dismissing the lawsuit on the grounds that it didn't offer sufficient allegations that the social-media giant engaged in unlawful monopolization.
- company had argued that Ms. Khan, a leading progressive critic of big tech firms, couldn't be impartial and had made up her mind before joining the FTC that the company had violated the law.
- The judge, however, did side with Facebook on another issue, ruling that the FTC couldn't move forward with allegations that the company used strong-arm tactics to weaken competitors, such as preventing third-party app developers from accessing Facebook's platform.
- A Meta spokesman said the ruling narrowed the scope of the FTC's case. "

Facebook Promised Poor Countries Free Internet. People Got Charged Anyway.

https://www.wsj.com/articles/facebook-free-india-data-charges-11643035284?mod=Searchresults_pos6&page=1

Jan. 24, 2022 at 9:47 am ET

- Facebook says it's helping millions of the world's poorest people get online through apps and services that allow them to use internet data free.
- attract new users, Facebook made deals with cellular carriers in countries including Pakistan, Indonesia and the Philippines to let low-income people use a limited version of Facebook and browse some other websites without data charges.
- Many of the users have inexpensive cellphone plans that cost just a few dollars a month, often prepaid, for phone service and a small amount of internet data.
- Because of software problems at Facebook, which it has known about and failed to correct for months, people using the apps in free mode are getting unexpectedly charged by local cellular carriers for using data.
- Facebook calls the problem "leakage," since paid services are leaking into the free apps and services.
- The spokesman said free-mode users are notified when they sign up that videos aren't free.
- The spokesman said the estimate of the additional monthly data charges isn't based on billing information from carriers.
- He said without the purchasing-power adjustment the estimated overcharges total a little over \$3 million a month.
- The free cellphone-data program would help Facebook gain a projected 10.6 million new monthly users world-wide in the second half of 2021 according to an August forecast, internal Facebook documents say.
- In the 12 to 18 months following May 2021, Facebook's goal is to increase the number of people in Asia who get online monthly through its initiatives to 10 times the current 1.65 million, the documents say.
- Cellular data is expensive relative to wages in Pakistan, and Mr. Iqbal said the free offering lets him communicate without having to pay.
- Facebook is seeking to add users in populous but low-income countries, including Brazil.
- Facebook documents estimate that in Pakistan, users of Mr. Iqbal's cellular carrier, Telenor Pakistan, are charged for \$14,736.96 worth of data each day when Facebook is in free mode.
- In total, users of all carriers in Pakistan are being charged an estimated \$1.9 million each month for data that is supposed to be free, more than any other country, the Facebook documents say.
- The documents also show that as part of the negotiations with mobile carriers, the social-media giant lets phone customers buy data plans via the apps.
- As a result, Facebook's free-to-use app in Nigeria helps get more people to also pay for cellular data, according to what the document calls an "upsell The practice of pushing the "loan" data plans through an app developed to provide free internet service comes with hazards, said Brian Boland, a former

Facebook executive who headed programs in developing countries before leaving the company in November 2020. "

- In some countries, including Peru and the Philippines, Facebook offers a free-data program called Discover.
- Facebook says publicly that Discover gives people access to any website, although it can't be used to consume data-intensive content such as video or audio.
- Internal documents the Journal reviewed cite a University of California, Irvine study that found that while Facebook content is easily available on Discover, content from other websites is not.

Facebook's Cryptocurrency Venture to Wind Down, Sell Assets

https://www.wsj.com/articles/facebook-cryptocurrency-venture-to-wind-down-sell-assets-11643248799?st=npj1zzq0ooniiyx&reflink=desktopwebshare_permalink

Jan. 26, 2022 at 9:00 pm ET

- The Diem Association, the consortium Facebook founded in 2019 to build a futuristic payments network, is winding down and selling its technology to a small California bank that serves bitcoin and blockchain companies for about \$200 million, a person familiar with the matter said.
- The bank, Silvergate Capital Corp., had earlier reached a deal with Diem to issue some of the stablecoins—which are backed by hard dollars and designed to be less volatile than bitcoin and other digital currencies—that were at the heart of the effort.
- The sale represents an effort to squeeze some remaining value from a venture that was challenged almost from the start.
- Facebook, now Meta Platforms Inc., launched the project in 2019 as Libra, pitching it as a way for the social network's billions of users to spend money as easily as sending a text message.
- But it almost immediately ran into resistance in Washington.