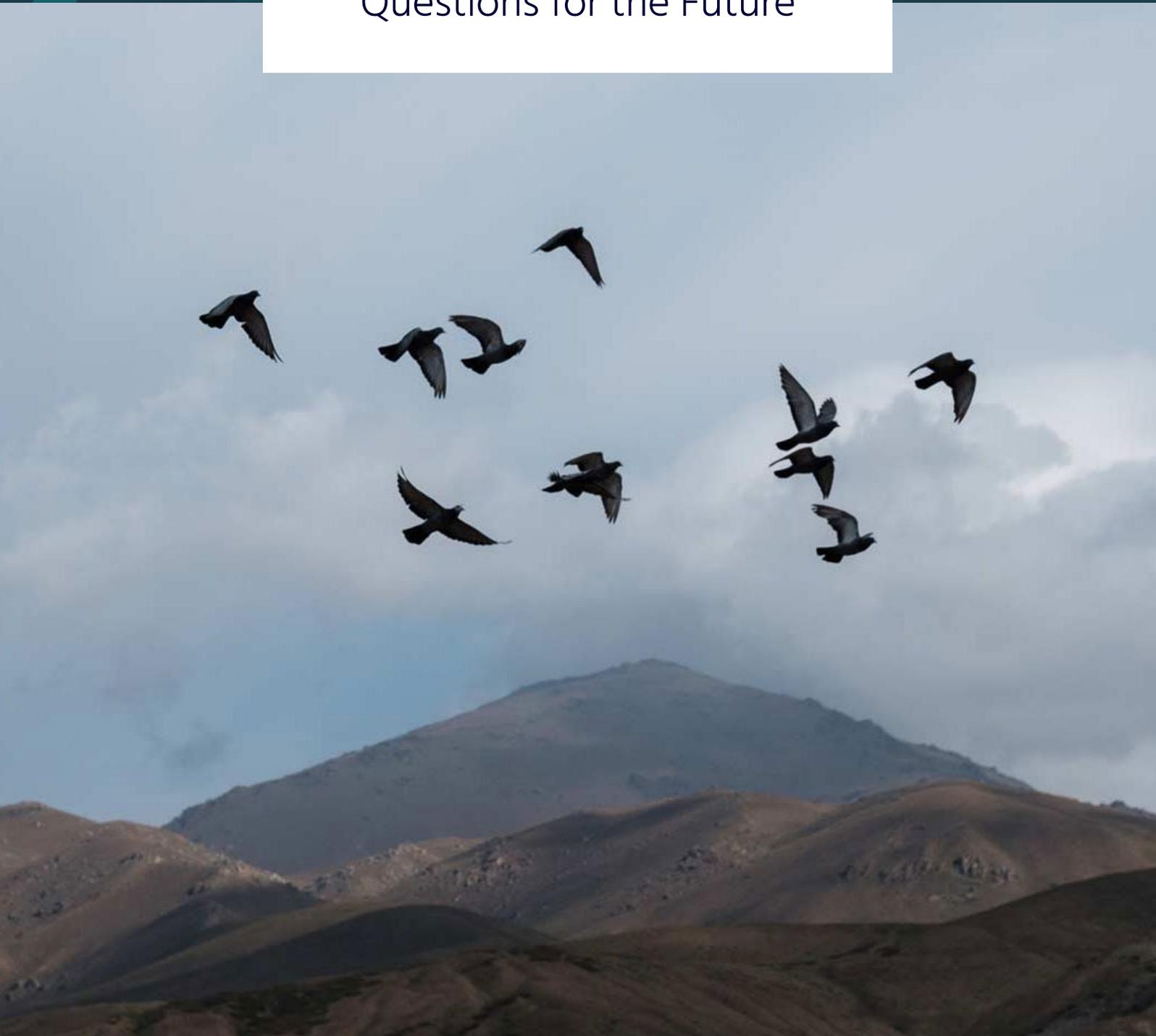# 8

Conclusions and
Questions for the Future

In this report, we have investigated trends of consolidation in and across different layers of the Internet economy, and how they may impact the evolution and use of the Internet in the future. We conducted this analysis through the lens of how we at the Internet Society see the Internet. We specifically investigated the impact of consolidation on the Internet's fundamental properties[1] (or invariants), including interoperability, collaboration, flexibility, accessible, permissionless innovation, and the notion of global reach. Because we believe people are at the centre of the Internet, we also explored the impact of these trends on people's abilities to connect, to share, and to innovate.

While this investigation enabled us to better understand some key features of consolidation, as well as the impact of emerging trends on the development of the Internet and its use, it generated more questions than answers. To paraphrase Socrates, we know now that we know (almost) nothing. Unlike most of our previous reports, therefore, we conclude without a clear set of findings or policy recommendations, but rather with an even longer set of questions that we think demand clear answers and rigorous data before we can formulate clear evidence-based recommendations for responses. We feel strongly that hasty governance interventions to consolidation trends, especially from a policy perspective, could lead to unintended consequences and harms for the Internet and its users.

Most popular press coverage of consolidation fails to dive deep enough to fully grasp the issue. Our hope is that this report will help policymakers and other decision-makers understand that digital consolidation involves a complex set of issues, and that policy responses to consolidation will impact different layers of the Internet. Responding to consolidation trends in one field without considering how these trends echo and reverberate in other fields or layers could lead to unintended

and damaging consequences for the Internet and economic development.

In order to build the evidence base we believe is crucial to develop a more thorough, comprehensive understanding of digital dominance and its consequences, we have identified some questions to provoke thought. **These questions also suggest ways to mitigate the negative effects and foster the positive impact of consolidation:**

• What are the relevant indicators for assessing the impact of consolidation over time? What metrics are available, and how can the Internet community collaborate to monitor trends over time?

• How are current trends of consolidation impacting different regions, and are they exacerbating or mitigating digital divides? Is consolidation responsible for creating new digital divides, meaning that some services are offered to others and some are not?

• Could our increasing reliance on just a few companies in the Internet economy make them "too big to fail"? Are there economic and technical dependencies on services that cannot be substituted that effectively create a set of permanent favourites?

• To what degree is concentration, and in some instances near monopolies, on the Internet a result of particular characteristics of the service involved? Are there natural monopolies for some Internet [enabled] services, for which the most efficient number of firms is one? And if so, why?

• Does the current trend of new traffic patterns, what has been referred to as a "flattening Internet topology", constitute a concern or an opportunity for the long-term viability of the open Internet? Are there indications that current trends, of private networks deployed by dominant actors in content and cloud provision,

---

1   Internet Society (n.d.). How we see the Internet. Available at: https://future.internetsociety.org/introduction/how-we-see-the-internet/.

may be crowding out access to a general-purpose Internet? Are users facing an access environment that is increasingly optimised for the delivery of services owned by a few, or for access to an open and globally-connected Internet?

- Do new protocols, standards, or practices championed by especially large organisations have positive effects for all or only some? How does concentration in particular services effect the development of standard and non-standard protocols on the Internet? How do the technical community and other stakeholders ensure that there continues to be thriving development and pipeline of open standards that contribute to ensuring continued interoperability and data portability as the Internet economy evolves?

- If regulation were needed to address consolidation, would it be better to go via the route of consumer protection, competition, or administrative law?

- How do we ensure that any regulatory responses do not interfere with the Internet's underlying properties, i.e. that they do not "break" the Internet?

> **"**
>
> To preserve competition and better technological standards in an economy that is consolidating, there is a need to build up an understanding of the technical and philosophical principles of the Internet in regulatory institutions, governmental standard-setting bodies, and the general public.
>
> —Regional panel report, The Centre for Internet and Society, India

The Internet Society looks forward to exploring these questions in 2019 with industry, civil society, and policy leaders. It has a large and growing community of members across the globe. We look forward to harnessing the power and knowledge of this community to identify together the best approaches for the future.