

Course instructor: **Vladislav V. Starzhenetskiy**, Ph.D., Associate Professor, Department of General and Interbranch Legal Disciplines, Faculty of Law, National Research University Higher School of Economics, Moscow, Russia

## Syllabus

### 1. Course Description

- a. Title of a Course: **Internet Giants: The Law and Economics of Media Platforms**
- b. Pre-requisites: English (Upper Intermediate)
- c. Credits: 2
- d. Abstract:

This seven-week course will explore the relationship between law and technology with a strong focus on the law of the United States with some comparisons to laws around the world, especially in Europe. Tech progress is an important source of economic growth and raises broader questions about the human condition, including how culture evolves and who controls that evolution. Technology also matters in countless other ways as it often establishes the framework in which governments interact with their citizens, both in allowing speech and blocking it and in establishing exactly what the boundaries are between private life and the government. And technology itself is powerfully shaped by the laws that apply in areas as diverse as copyright, antitrust, patents, privacy, speech law and the regulation of networks.

2. Online platform: Coursera
3. Course link: <https://www.coursera.org/learn/internetgiants>
4. Language of instruction: English
5. Course Plan:

### **Topic 1. Microsoft: The Desktop vs. The Internet**

We will start with a look at the technology path that led to the first personal computer in early 1975, the Altair 8800. That path starts with the vacuum tube, moves to transistors, then to integrated circuits and finally to the microprocessor. We will look at the early days of software on the personal computer and the competition between selling software and open-source approaches as well as the problem of software piracy. We will discuss the

public good nature of software. The 1981 launch of the IBM PC revolutionized the personal computer market and started the path to Microsoft's powerful position and eventual monopoly in that market with the selection of MS-DOS. We then turn to four antitrust cases against Microsoft: (1) the 1994 U.S. case relating to MS-DOS licensing practices; (2) the U.S. antitrust middleware case over Microsoft's response to Netscape Navigator; (3) the European Union case regarding Windows Media Player; and (4) the EU browser case over Internet Explorer. These disputes arose at the point of maximal competition between the free-standing personal computer and the Internet world that would come after it and we may know enough now to assess how these cases influenced that competition.

### **Topic 2. Google Emerges (and the World Responds)**

Google has emerged as one of the dominant platforms of the Internet era and that has led to corresponding scrutiny by regulators throughout the world. Decisions that Google makes about its algorithm can be life altering. Individuals are finding it more difficult to put away past mistakes, as Google never forgets, and businesses can find that their sales plummet if Google moves them from the first page of search results to a later page. With great power comes scrutiny and we will look at how government regulators have evaluated how Google has exercised its power. Both the U.S. Federal Trade Commission and the European Union have undertaken substantial investigations of Google's practices and we will look at both of those.

### **Topic 3. Smartphones**

The Internet started on the desktop but the Internet is increasingly mobile and people are seemingly tethered to their smartphones and tablets. And we have seen an interesting shift in that market away from Nokia handsets and the Blackberry to Apple's iPhone and its iOS platform and to the Android platform. The legal infrastructure of smartphones and tablets is extraordinarily complex. We will start by looking at U.S. spectrum policy and the effort to free up 500 megahertz of spectrum. We will look at the activities of standard setting organizations, including the IEEE and the creation of the 802.11 standard and Wi-Fi (or, if you prefer, wifi), the creation of patent pools and the regulation of standard essential patents. We will look at the FTC action against Google/Motorola Mobility and Apple's lawsuit against Samsung over utility and design patents relating to the iPhone. Finally, we will take a brief look at the European Commission's investigation into the Android platform.

### **Topic 4. Nondiscrimination and Network Neutrality**

Facebook has more than 1 billion users and measure that against a world population of roughly 7 billion and a total number of Internet users of roughly 2.5 billion. A course on law and technology simply has to grapple with the basic framework for regulating the Internet and a key idea there is

the notion of network neutrality. Nondiscrimination obligations are frequent in regulated network industries, but at the same, discrimination can be an important tool of design for communication networks. We will start our look at the Internet by looking at the great first communications network of the United States, the post office and will look in particular at the Post Office Act of 1845. We will then move to modern times and will consider efforts by the U.S. Federal Communications Commission to produce sensible and sustainable nondiscrimination conditions for the Internet and will touch briefly on comparisons from around the world.

### **Topic 5. The Day the Music Died?**

In many ways, the Internet came first to music with the rise of peer-to-peer (p2p) music sharing through Napster and its successors. We start with a look into music platform history and the devices that brought recorded music into the home: the phonograph and the player piano. We turn to radio and the legal regime that puts music on the airwaves, the performing rights organizations like ASCAP and BMI. We look at the antitrust issues associated with the blanket license. We consider a failed music platform, digital audio tape, and the complicated legal regime associated with it, the Audio Home Recording Act of 1992. We will consider the copyright issues raised by the creation and distribution of music and the litigation over the p2p technologies such as Napster and Grokster. The music industry responded to p2p technology by adding digital rights management tools to CDs. As music distribution switched from physical media to digital distribution, we entered the world of Apple and the iPod and iTunes. We consider the DRM issues associated with Apple's music platform as seen by Steve Jobs. We conclude by looking at emerging subscription services like Spotify and the service that Apple is building based on its purchase of Beats.

### **Topic 6. Video: Listening and Watching**

Images are some of the most powerful ways in which ideas and speech are communicated and video has long been regulated by the state. That starts as a communications law issue with government regulation of the radio spectrum, but also leads to the design of the television system with the assignment of channels and eventually the definition of digital television. And with the emergence first of cable TV and subsequently the VCR critical copyright roadblocks had to be overcome for new distribution technologies to emerge. We will consider the legal engineering that led to the DVD platform, which was an exercise in patent pools and trademark creation. We will sort through the creation of the digital TV platform and will also look at the copyright underpinnings for Netflix. And we will consider the question of technology neutrality in the content of the copyright fight over a new video distribution entrant, Aereo. Finally, we close the week with a brief look at the incentive spectrum auctions and the possible end of broadcast television.

## **Topic 7. The Mediated Book**

Gutenberg revolutionized books with his printing press and for academics, books are sacred objects. But the printed book is on the run and with the rise of the ebook, we are entering a new era, the era of the mediated book. This is more than just a change in technology. We will look at the issues created by the rise of the ebook, issues about control over content and licensing and of the privacy of thought itself. We will also look at the legal skirmishes over this space, including the copyright fair use litigation over Google Books, the Apple e-book antitrust case. And we will look at the Amazon Kindle platform.

### 6. Reading List

- a. Required: <https://www.coursera.org/learn/internetgiants>

### 7. Forms of Control:

- a. Current control: grades for accomplishment of online-course proportionally transformed to 10-graded system (80% Final grade)
- b. Intermediate control: interview with the instructor (20% Final Grade)

Students are also expected in an oral examination to deliver answers in which the following qualities will be assessed:

- audibility and clarity, pitch, proper articulation;
- fluency, appropriate forms of language including addressing the examiner, clarity of expression;
- appropriate content (proper coverage of legal issues, relevance of law in their responses, emphasis, anticipating or responding to other side; at least certain justification of the argument which has been supported).

8. Grading System:  $\text{Fin.} = \text{Curr.} * 0,8 + \text{Interm.} * 0,2$

### 9. Methods of Instruction:

- use of online educational technologies
- use of accumulative system of control.

### 10. Special Equipment and Software Support (if required):

- a. Microsoft Windows 7 Professional RUS
- b. Microsoft Windows 10