

# Zuckerberg defends Facebook business model

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Facebook CEO and founder Mark Zuckerberg defends his company's business model to the US House Committee on Energy and Commerce

Mark Zuckerberg defended Facebook's business model on Wednesday against fierce criticism of how it feeds user data to advertisers, even as

he admitted his own personal information had been leaked to outside companies.

Facing tough questioning in a second day of high-stakes hearings in Congress, the 33-year-old CEO conceded that regulation of social media companies—under mounting scrutiny over the misuse of user data—is "inevitable."

But he stiffly defended Facebook's use of the data and postings of the 2.2 billion users of its free platform—in order to attract the ad revenue that the \$480 billion company depends on.

Speaking in the wake of a scandal over the massive leak of data to a British political consultant, Zuckerberg reiterated that the company had shut down the pipeline that allowed such data, including his own, to slip into the hands of third parties.

A day earlier, Zuckerberg said he took personal responsibility for the improper use of 87 million people's personal data by Cambridge Analytica, which worked for Donald Trump's 2016 presidential campaign.

Yet in his testimony to the House Energy and Commerce Committee, he was also steadfast in arguing that Facebook's users themselves are choosing to make their data available, and that the company's "opt-in" provisions were enough to protect their privacy rights.

"Every time that a person chooses to share something on Facebook, they're proactively going to the service and choosing that they want to share a photo, write a message to someone."

"Every time there is a control right there," Zuckerberg said.

## 'Real trust gap'

Zuckerberg faced tougher questions from House lawmakers over Facebook's stance than during Tuesday's five-hour session in the Senate, where his defense of data sharing was weakly challenged.

"It strikes me that there's a real trust gap here. Why should we trust you?" asked Democratic Representative Mike Doyle.

"The only way we're going to close this trust gap is through legislation that creates and empowers a sufficiently resourced expert oversight agency, with rulemaking authority to protect the digital privacy and ensure that companies protect our users' data."



Facebook CEO Mark Zuckerberg (C) faced tough questions about trustworthiness over the company's handling of users' personal data

Amid rising calls for legislation to better protect the data that social media and other internet companies siphon off from users, Zuckerberg said he accepted that legal restrictions of some sort were in the cards—while adding a word of caution.

"The internet is growing in importance around the world in people's lives, and I think that it is inevitable that there will need to be some regulation," he said.

## **Accepts European standard but...**

Zuckerberg said the European standard, General Data Protection Regulation (GDPR), to come into effect on May 25, was more stringent than what was currently in place at Facebook and suggested it could serve as a rough model for US rules in the future.

Facebook is implementing the GDPR standards for European users next month, and some of its rules will be extended to US and other users later, he confirmed.

"The GDPR requires us to do a few more things and we are going to extend that to the world," he said.

"We're working on doing that as quickly as possible."

At the same time, Zuckerberg was not willing to let that erode Facebook's fundamental model, in which advertisers make use of the massive data the social network collects on its users—what they like and

dislike, where they go, who they link to—to pinpoint marketing targets.

Asked whether Facebook would implement outside Europe the specific GDPR standard that allows people to opt out of the use of their [data](#) for direct marketing, Zuckerberg resisted any commitment.

"I'm not sure how we're going to implement that yet," he said.

The billionaire Facebook founder was challenged more directly by Democratic Representative Anna Eshoo: "Are you willing to change your business model in the interest of protecting personal privacy?"

"Congresswoman, I'm not sure what that means," he replied.

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