What happens when people lose trust in the Internet?

3 July 2018, by David Glance

An April 2018 survey by the Pew Research Centre has found that fewer people believe that “the Internet has been mostly a good thing for society” as compared to four years ago. This worsening perspective on the social benefits of the Internet contrasts with the view that these same respondents believed that the Internet continued to be a good thing for them individually.

Experts are even more pessimistic when it comes to the Internet. They not only see the decreasing social benefits of the Internet, but 32% of experts also felt that people's well-being would be more harmed than helped by the Internet.

The dark side of the network

Those who held the view that the Internet was overall not a good thing for society cited the fact that people spent too much time on their devices and were being isolated by the Internet rather than brought together. The growth of fake news and false information was another concern expressed by those with a negative view of the social benefits of the Internet. Interestingly, diminishing privacy was only a concern for a small number of those surveyed.

The association between the use of the Internet and a negative social impact has been documented for some time. A 1998 study by researchers from Carnegie Mellon University found that increased use of the Internet was associated with statistically significant declines in social involvement and increases in loneliness. A 2015 study found that there was a strong association between the amount of time spent on Facebook with symptoms of depression.

It is not necessarily the case that social media and the Internet in general causes loneliness or decreases social interactions. However, people who are lonely can potentially escape from social interactions by spending more time on the Internet.

However, many of these studies were done prior to the rise in fake news and the pervasive problems of trolls and bad behaviour on social networks, especially Twitter. It is also clear that a broad question about “the Internet” masks the global public’s concerns about specific issues with online life and with particular platforms.

In a large 2018 survey of Internet users in 25 countries conducted by CIGI-Ipsos, over 30% reported that social media made their lives worse and 63% said that social media companies “have too much power”.

The consequence of this was that people reported to be changing their behaviour online, being more defensive with e-mail, sites visited, increasing security measures and engaging in less activity overall online, including the sharing of personal information. 12% of the people surveyed claimed that they were making fewer online purchases. This in turn has a large impact on the digital economy as a whole because the entire system depends on there being a base level of trust of the online public.

The economic impact of the loss of confidence

The responsibility for the overall level of trust in the online environment lays in large part with cybercriminals and the larger Internet companies and less so with the government. In the CIGI-Ipsos survey, cybercriminals and Internet companies were the two leading sources of concern with respect to online privacy and more than 80% of people surveyed were concerned about cybercrime in general.

For governments, it is clear that maintaining trust in the digital economy is a prime concern. For starters, the digital economy is often the fastest-growing part of a country's economy. In the United States, the digital economy has been growing on average at three times the rate of the overall economy over the last 10 years and now
contributes over 6% of the total GDP. In France that number is just 5% but to illustrate how important it could be, China's digital economy represents 30% of its GDP.

Clearly, the importance of a country's digital economy is not the focus or overriding concern to individual Internet firms, especially if they are based elsewhere. Ironically, companies such as Facebook and Google can negatively impact a country's digital economy by eroding trust in the Internet, even as they avoid paying taxes outside the countries in which they're based – and sometimes even within the countries they're based.

At present, there are few incentives for such companies to act in the interests of the digital economy as a whole. The European Union has started creating regulation around privacy through the General Data Protection Regulation and proposed taxes (GDPR) on the turnover of online services.

The potential for large fines from the GDPR has had some impact on the behaviour of companies like Facebook with regard to privacy. The ongoing threat of increased taxes has led to a slew of tech companies proposing various projects and concessions to French President Emmanuel Macron recently. These concessions are oriented more at lobbying the government, however, and not doing what they should be doing which is increasing the trust of the public.

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