Dear Sir and the authorities at TRAI,

"Please don't sell India to greedy corporations in the race to free internet – A commentary on Facebook Free Basics in India"

This letter is a sincere plea from a caring, proud citizen of India who does not want to see her country destroyed in the hands of corporations such as Reliance and Facebook who in guise of offering free internet, free basics or whatever it is they call it, are tricking not just gullible Indian consumers, but also attempting to influence an institution such as TRAI to change the face of the internet revolution in India as we know it.

Please read through my entire letter because this is a sincere attempt to provide as much objective evidence and informed opinion as I can, as someone who has been observing and participating in the #NetNeutrality debate in India over the past few months on MyGov.in, and other social media such as Twitter and Facebook and of course, newspaper reports.

I did send in my response before the January 7 deadline and in earlier requests for responses in 2015 as well. Yesterday evening, I read in article in the news that said TRAI found 56% responses in favor of Facebook Free Basics and is seeking more clarity beyond standard template responses. Hence this letter to you this morning.

# facts:

Here are some key facts about Free Basics by Facebook and it's journey in India so far.

- Most responses that came to TRAI supporting free basics came from 
   <u>@supportfreebasics.in</u> and @facebookmail.com and were based on template responses supplied by Facebook – Published in various newspapers, including MINT
- Facebook has spent over INR 300 crores so far to fight for launching Free Basics in India through newspaper ads and billboards and television ads – reported across newspapers including NDTV

- 3. Egypt has shut down Facebook's Free Basics recently reported across media including the Independent
- 4. NASSCOM which is the largest body of technology companies represented in India has openly opposed Free Basics and differential pricing for data plans, reiterating that consumers must have the right to choose what they use their internet/ data for – reported across media including Indian Express
- 5. Free Basics allows Facebook app for free for all users while restricting other apps to topics such as education, healthcare, news and so on and excluding websites that have JavaScript, video, large images, and Flash. It allows prohibits HTTPS secure services and mandates that all developers providing such services should also be Facebook users and abide by Facebook legal terms - reported in various media including this article
- 6. By expanding Facebook users to billions of new people via the free Facebook app through Free Basics, Facebook will gain much wider, captive consumer base for advertising through its ad server Atlas -Atlas reported in various news media including this article
- 7. India is Facebook's largest market outside the US public information in media

Here are two other articles that talk about the hidden concerns with Free Basics and are worth a read:

- 1. An article on savetheinternet.in, a website for Net Neutrality in India
- 2. Video by rural women in India published in Khabar Lahiriya and then reported by Quartz

## questions:

Here is a list of questions that I have as a citizen of India and an observer of the ongoing debate

1. Why is Facebook willing to spend over INR 300 crores to advertise something that is free?

- 2. Why are respected telecom operators in India such as Tata Telecom (rated as number one in Transparency International's BRIC review of transparent businesses) and Idea Cellular not Free Basics partners? Instead they are sponsors to AIB, the outspoken team that has stood for Net Neutrality, and against Free Basics in India?
- 3. Why is a respected body like NASSCOM in India against differential pricing?
- 4. Why do Facebook and a telecom provider such as Reliance need to be gatekeepers of what people can and cannot watch on Free Basics?
- 5. Why has Idea Cellular come up with the idea of internet sharing so that people who can afford internet packs are able to chare freely with those in need, instead of supporting Free Basics?

# risks:

Here are some risks I see in having something like Free Basics release in India

- 1. No access to Google, YouTube and several other internet sites and services to majority of Indians
- 2. The internet being made a revenue generating machine, rather than a social revolution, by adopting differential pricing for services
- 3. Forcing large masses of Indians to use Facebook as a product and Reliance as a telecom service provider

## confusions:

There are several distinct terms being used in discussing and debating free basics that are confusing people, both for and against the service.

- 1. **Net Neutrality:** This refers to the right of people to choose what they wish to use internet for without restrictions that permit them to access only some part of all the information available on the internet. Free Basics goes against this principle.
- 2. **Right to Internet:** This refers to people having the right to internet or broadband as they have right to freedom of speech or education,

as a fundamental right. Free Basics is at least partially in violation of this, since thought it offers some free internet access, it offers only access to select information and not access to the internet

3. **Differential Pricing:** This refers to telecom providers having the right to use different price points for different services being used on the internet. For example, using data for VOIP (internet calling) can be more expensive than using data for checking Facebook. This is the riskiest of all since it can have a cascading impact beyond Free Basics.

Differential pricing can be used to protect telecom operator revenues by making web messaging (such as Whatsapp and Telegram and Hike Messenger) more expensive than sms or by making calls via Skype, Google and other chat services more expensive than voice calls. This can have a cascading impact from mobile data to broadband services as well.

# Under no circumstances, must differential pricing be allowed in India, irrespective of the debate over Free Basics.

## near violations:

Despite TRAI's explicit instructions to Reliance not to offer Facebook Free Basics, they continued by simply rebranding it to Free Facebook and have been blatantly advertising on television saying "Get Facebook for free on Reliance without any data plan" They have been offering free Facebook and WhatsApp (owned by Facebook) from July this year and have been advertising on TV even this week on all major channels.

#### commentary:

It makes me very happy that the debate over Free Basics has actually sustained for so long in India and that the government, including TRAI, has been interested in listening to the voices of our people. Media has extensively covered both sides of the debate as has social media and citizens have been extremely active participating in the debate, for and against. To me, it shows that we are a country of people that cares for the country and its future and want to make their voice heard. Which side they are on is immaterial to recognize and salute this spirit.

On the matter of Free Basics, I am against it. **The purpose of this letter is not to vilify Facebook but to highlight that Free Basics is not a good idea for India.** Facebook has made various statements saying it open to letting other apps including rivals be listed and undergo audits of Free Basics. So this is not about Facebook. However, it is still the idea that someone somewhere has the right to decide what billions of Indians can access on the internet that is scary in its ramifications for the country.

If the government itself wanted to do this, people would object in the name of censorship. How can we allow a private corporation to decide?

On the matter of differential pricing, I am against it. Differential pricing is a knee-jerk response of a failing business – telecom. The rise of internet based services such as free messaging and free calls online, via the internet is threatening telecom revenues from traditional sms and phone calling, making them respond by restricting competing services by making them expensive.

There is extensive research in disruptive change and innovation that shows that companies tend to respond to disruptive change by putting more resources into protecting their existing business model and making it work rather than creating a new one.

One such paper is published in Harvard Business Review based on research by academicians. In this case, telecom companies are faced with the disruptive innovation of internet services and are responding by trying to protect their old, outdated business model of sms and calls instead of innovating themselves and coming up with new business models that embrace the change. They need to understand the impact on their business and respond in a manner that continues to keep them relevant for the consumer without trying to stifle the innovation of internet based services Overall, I am for the inclusive, sustainable development of India that can embrace everything the internet has to offer – be a part of the internet revolution and experience the complete power of the internet without restrictions. That is what the internet is about and that is what being a part of the fastest growing economy in the world should be – the power of the internet and the freedom to innovate and spread that innovation for all.

The internet is in its truest sense, an equalizer, allowing everyone, irrespective of who they are, where they come from or what they have, access to unlimited, diverse information.

Having a controlled, limited version of the internet for rural India while having paid, full internet for urban India will make internet a dividing, rather than an equalizing force creating divides in information, outlook and most importantly, development and the capacity and freedom to learn and innovate.

### solution:

This letter would be incomplete without offering an alternative. My husband and I run startups in Bangalore and we are as passionate about social development as we are about technology and the internet. We thought about this and after several discussions came up with an idea.

If the goal is to offer free internet to the masses of India to promote social development, an alternative to free basics could be free data, without free basics.

Here is what can be done:

- All telecom providers can offer X amount of free data to every subscriber every month, after which a regular data plan (without differential pricing) can apply. For example, every subscriber can get 100 MB of data free every month. If they want more, they can opt for a paid data pack
- 2. This cost of this free data can be subsidized by the government to telecom service providers if the government has the budget for it

- Alternatively or additionally, this free data can be offered from the 2% mandatory CSR budget of all telecom providers
- 4. Additionally, paying subscribers, who are buying data packs can be encouraged to contribute 1 Re per data pack or per recharge as an option, to contribute to the costs of "free data for all subscribers" initiative, like the "give up your gas subsidy scheme" or many of the donation practices followed by large companies where consumers having the option of adding 1 Re or more to their bill towards a certain cause

## benefits of this solution:

- 1. People will get truly free internet and not only free basics as defined by someone else
- All mobile subscribers will get covered beyond Reliance and beyond Facebook
- 3. Nobody will be forced to use Facebook or any other product or service to get access to internet
- Based on government campaigns such as <u>mygov.in</u> and public interest ads, along with regular advertisements across all media, people can independently decide how to use their data packs, like everyone currently does
- People will have the freedom to experiment, explore and teach themselves on how to use the internet – Mr. Sugata Mitra's experiment on organized self-learning of computer skills by children in Indian villages is a case in point [ted id=175]
- 6. Net neutrality shall be protected and we can keep away from differential pricing of services
- 7. India shall become amongst the first in developing countries to stand for the right to internet and free internet for all

If Facebook and Reliance truly believe in free internet for all and social development, they cannot be against this idea of free internet. Nor can anybody else who truly cares about inclusive development.

To The Prime Minister and TRAI: If people including me and my husband who care for this topic can be of any help at all, please let us know – I am confident we will all rise to the occasion and help India take a bold step into the future. My email id is <u>contactme@dreamingbeliever.com</u>

To all others – people, press, everyone – Please share this letter forward and come up with more ideas/ solutions for alternatives. If we are saying no to Facebook Free Basics, let's have our reasons why and let's also have some answers. It will take the country closer to finding a meaningful solution.

Thank you for reading. Thank you for caring.