



# A személyes információk gazdasági kérdései a jövő Internetben

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FUTURE  
INTERNET  
ASSEMBLY



# Economics of Privacy session

*Organizers:*

**Tuan Anh Trinh**, Budapest University of Technology and Economics

**Nicola Jentzsch**, German Institute for Economic Research

**Estelle De Marco**, Inthemis

**Martin Waldburger**, University of Zürich

# Background

- Privacy issue
  - is a key issue/requirement/input for the design of the Internet of the Future
  - has been explored in previous FIAs
- So why should we address it again?
  - Sustainable development
    - e.g. Google's and Facebook's successes have their root cause in their innovative business models
    - Innovative use of personal information of the users
    - Can these innovative business models be **sustainable** in the Future Internet?
  - Personal information/privacy as an **economic asset**
  - **What's next?**

# Objectives

Steering discussions on

1. *How privacy attitudes among individuals have changed and would be in the Future Internet*
  - Perception and evaluation
2. *What business models are used and whether and how privacy could be monetized*
  - Innovative business models for privacy
  - Pricing of/for privacy
3. *Possible policy and legislation issues that could have a direct impact on the economics of privacy*
4. *A framework for privacy services*

# Format of the session

- Keynote talk on the Economics of Privacy in the Future Internet
- Panel discussion following by moderated discussions.
- Overview and demonstration of EU projects related to Economics of Privacy
- Summary and conclusions

# Agenda

- **Wednesday, May 18, 2011, 10:30 - 12:30**

- 10:30 – 10:35      Welcome (**Tuan Anh Trinh**)
- 10:35 – 10:55      Keynote talk by **Nicola Jentzsch**  
*Competition in Market for Personal Information*
- 10:55 – 11:25      Panel: position statements (Moderator: **Tuan Anh Trinh**)  
**Estelle De Marco**, *Privacy and Data Protection: The Legal Context*  
**Aljosa Pasic**, *Turn Risk Into Advantage: Reconsidering of Privacy Compliance Incentive*  
**Kai Rannenberg**, *An Economic Evaluation Approach for (Privacy Enhancing) Identity Management Services*
- 11:25 – 11:50      Moderated discussions
- 11:50 – 12:10      EU projects: position statements  
**Eric Meyer**, *SESERV*  
**Roger Torrenti**, *PARADISO 2*  
**Jim Clarke**, *BiC*
- 12:10 – 12:25      Moderated discussion (continued)
- 12:25 – 12:30      Summary and conclusions (**Martin Waldburger**)

# Nicola Jentzsch's talk on "Competition in Markets for Personal Information"

- Disclaimer: "Privacy is a human right. Thinking about it in economic terms does not change this basic fact."
- An economic definition of privacy: "A state of asymmetric distribution of personal information among market participants."
- Three pre-conditions for personal data markets to emerge:
  - the specification of property rights to personal information;
  - an infrastructure for the transfer of personal data;
  - incentives for firms to collect and trade personal data and for consumers
- Valuation of personal information and privacy calculus
- Competitive strategies of firm operating in personal data markets
- ENISA project (European Network and Security Agency)

# Estelle De Marco's talk on "Privacy and Personal Data Protection: The Legal Context"

- A summary of recent EC directives on Personal Data Protection, e.g. Dir. 95/46/EC
- Global vs. local
  - Differences between US and EU on the issues
  - Not easy to adopt
- Impacts of the legal issues on the economics of privacy



# Talks on Services

- Talks by Aljosa Pasic (Atos Origin), Kai Rannenbergh (Goethe University)
- “Turning risks into advantage” – Aljosa Pasic
- Privacy-enhancing identity management - services (IdM services) – Kai Rannenbergh
  - Set of decision-relevant economic consequences of adopting, mediating or providing privacy-enhancing IdM services.
  - Analysis of scenarios and business models

# Related FP7 projects

- **SESERV** – Socio-Economic Services for European projects (Eric Meyer, Oxford University)
- **PARADISO 2** (Roger Torenti, Sigma Consulting)
- **BiC** - Building International Cooperation for Trustworthy ICT (Jim Clarke, Waterford Institute of Technology)

**Köszönöm a figyelmet!**

# Invited speakers

- Keynote talk: Nicola Jentzsch (DIW Berlin, German Institute for Economics Research)
- Panel of experts
  - The keynote speaker
  - Jean Gonié (Director of privacy - EU affairs, Microsoft) – TBC
  - Estelle De Marco (legal expert at Inthemis)
  - Aljosa Pasic, Atos Origin
  - Kai Rannenbergh (Goethe University Frankfurt)
- EU projects
  - SESERV (Eric Meyer from Oxford Internet Institute)
  - PARADISO 2 (Roger Torrenti, project coordinator)
  - BiC (Jim Clarke, project coordinator)