Critics of social media platforms such as Facebook and Twitter argue they have grown too large and powerful in part due to the “special privileges” they receive through Section 230 liability protection. Yet rather than strengthening the largest players, the liability protections for platforms instead promote competition, argues AAF’s Director of Technology and Innovation Policy Jennifer Huddleston in a new analysis. With Congress holding hearings on reforming Section 230, changes could make it more difficult for innovative startups to challenge the existing giants and, ironically, entrench the incumbents, she notes.

Huddleston concludes:

Many critics of Section 230 argue that it unfairly protects Big Tech from liability. While many large platforms encounter the difficulty of content moderation at scale, Section 230 is a pro-competition law that keeps the barriers to entry low for platforms that carry user-generated content. As a result, it enables new platforms to provide alternative content moderation options for users if they feel current giants fail to serve their needs. It also has enabled platforms to provide opportunities for third-party business content that would be riskier if subject to liability.

Policymakers should be cautious when considering changes to Section 230; beyond burdening today’s tech giants, such changes may inadvertently make it more difficult for new players to arise.

Read the analysis.