

1874

Hawaii signs a treaty with the United States granting exclusive trade rights.

1892

Former Governor General Lord Stanley pledges to donate a silver challenge cup, later named after him, as an award for the best hockey team in Canada the Stanley Cup.

1902

Macario Sakay issues Presidential Order No. 1 of his Tagalog Republic.



1913

King George I of Greece is assassinated in the recently liberated city of Thessaloniki.

Facebook's biblically bad week

Add a criminal investigation to the list of technical difficulties and PR disasters



KARA SWISHER

Exactly when did Facebook become the job of internet companies?

Just like the beleaguered biblical character who endured woe after woe at God's behest, this social media giant finds itself repeatedly hit by bad news. The difference is that job was blameless while Facebook has brought many of these disasters upon itself.

The biggest recent blow was a report on March 13 that federal prosecutors in the Eastern District of New York were conducting a criminal investigation into deals Facebook had made with other companies that gave them access to data, allegedly without the consent of users.

Other calamities within the last week alone include a report from the British government accusing Facebook and other companies of hindering consumer choice and stifling innovation and calling for strong regulation; Facebook managing to look as if it was trying to block Sen Elizabeth Warren's attempt to advertise her plan to break up big tech companies like Facebook on Facebook; its services, including the popular Instagram app, going down around the globe, and on March 14, the announced departures of Chris Cox, Facebook's powerful chief product officer, and Chris Daniels, the boss of WhatsApp — a giant neon sign that the company is in pain.

I think we can safely say that only Aunt Becky from "Full House" — that would be Lori Loughlin, captain of the college admissions bad parenting squad — is having a worse time this week.

The Warren ad mess appears to reflect sloppiness by Facebook — she used its logo without permission in some ads, and the company typically pulls down



those fast. They have since been restored. And the breakdown? The company has ruled out an outside attack, so it just looks like some Facebook technical issue.

But the other developments are more serious for the company. The 150-page report from the Chancellor of the Exchequer in Britain calls for giving users the ability to move data to third parties, making that data available to rivals and creating a code of conduct that includes fines for violations.

Warren has gone further by calling for both a breakup of business units and also an unwinding of acquisitions.

Like Facebook's purchase of Instagram. Like Facebook's purchase of WhatsApp. Those.

Basically, she is aiming directly at the social giant's future, which Mark Zuckerberg, Facebook's founder and chief executive, pretty much admitted last week when he wrote a memo about integrating those purchases and shifting the platform to a focus on privacy rather than public sharing.

That memo become more interesting to me after The New

Warren has gone further by calling for both a breakup of business units and also an unwinding of acquisitions.

York Times reported on the new criminal investigation in the Eastern District. Facebook was already lousy with active investigations led by an alphabet of federal agencies including the Federal Trade Commission and the Securities and Exchange Commission, as well state inquiries and tons of lawsuits. What's more, federal prosecutors in the Northern District of California are looking into whether Facebook was in fact misled by Cambridge Analytica or if it knew more than it has acknowledged. But that inquiry

has been only flirting with the idea of criminal culpability. The new one revealed on March 13 is a significant escalation for the company.

Let's be clear: This is a criminal investigation, not an oops-we-made-another-sloppy-error one. Which is why Facebook is trying so mightily to lump it in with the other inquiries.

"It has already been reported that there are ongoing federal investigations, including by the Department of Justice," a Facebook representative said in a statement. "As we have said before, we are cooperating with investigators and take these probes seriously. We've provided public testimony, answered questions and pledged that we will continue to do so."

But the Eastern District inquiry is not the same, and this is new and worrisome territory for Facebook.

Criminal anything is scary enough, but this news will also have an impact on its management's ability to concentrate on creating innovative products or buying companies to help it get to the next phase of the always-changing tech game. That

is no small thing. As the British report pointed out, there have been 400 acquisitions in tech, none of which has been rejected by regulators. That will surely no longer be the case for Facebook.

The departure of the two Facebook managers is also a distraction; the internal situation is looking as unstable as the external.

All this is a reminder of what happened almost two decades ago when Microsoft was under investigation for anti-competitive behaviour and monopoly practices. Back then, the company was hit by the press and regulators daily, which drastically slowed its momentum.

As the accusations piled up, Microsoft lost people's trust. Of all the consequences that Facebook faces, this would be the most damaging.

You can't calculate trust by coding or algorithms. But Facebook is clearly losing it. Everyone is beginning to assume the worst, even if it is not fair. What's ironic is that this is all escalating when it's evident that the management of the company does seem to get that it needs to change and quickly.

"Mark knows he is over a barrel," said one person familiar with Zuckerberg's thinking. "That has sunk in very much now."

Good, because such self-reflection has been painfully slow for Zuckerberg and others at Facebook.

This doesn't mean the situation is hopeless for the company. Despite being seen as the font of all that was bad with tech way back in 2001, Microsoft recovered nicely and is today considered one of tech's most upstanding citizens. Zuckerberg may be able to pull something similar off. After all, this is one guy we can be sure didn't need to bribe his way into Harvard.

(Kara Swisher, editor at large for the technology news website Recode and producer of the Recode Decode podcast and Code Conference, is a contributing opinion writer.)



TOP
4
TWEETS

01



This is my Uncle Haroon, we all called him Honey. He was 40 years old. 5 years ago, his family moved to Christchurch, NZ so that he could complete his PhD. His graduation is in May. Yesterday we found out he was among the 49 shot and killed in Al Noor Mosque. This world is unfair

@aminadurrani_

02



We stand ready to extend all our support to the families of Pakistani victims of the terrorist attack in Christchurch. Pakistan is proud of Mian Naeem Rashid who was martyred trying to tackle the White Supremacist terrorist & his courage will be recognized with a national award.

@ImranKhanPTI

03



Fellow Indians, Happy that #MainBhiChowkidar has ignited the Chowkidar within all of us. Great fervour! Ecstatic to see the passion and commitment to protect India from corrupt, criminal and anti-social elements. Let us keep working together for a developed India.

@narendramodi

04



As Chowkidars of our Nation, we are committed to creating a clean economy by using cashless financial transactions. The menace of corruption and black money has adversely affected us for decades. Time to eliminate these for a better future.

@PiyushGoyal

CIVILIAN'S TRIBUNE

Yellow Vest protesters must eschew violence

Who are the Yellow Vest protesters and what are they fighting for?

Seeing these images and articles come up constantly in my social media newsfeed made me curious.

After some googling, I found out the movement started in France and read their manifesto.

The Yellow Vests in France are fighting for many things and a few stuck out to me.

Raising the minimum wage, proper conditions for asylum seekers, minimum amounts for pensions, higher taxes for wealthy individuals, and higher corporate taxes.

These are all fairly left-wing ideas and most of the ideologies are ones that I support.

But they should avoid violence as violence is no solution to any of the issues faced by them.

John McGrath



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