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YOU [DON'T] GOTTA PAY THE TROLL TOLL: A TRANSACTION COSTS MODEL OF ONLINE HARASSMENT

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This year's conference theme challenges us to imagine. When it comes to the future of the internet, is it possible to imagine a space where users are free from harassment? Probably not. But it is possible to imagine spaces where the effort to harass outweighs the efforts from victims to stop the harassment. How might we begin to create this future? I propose that it starts with a reframing of the language currently used to describe these issues. In this paper I will lay out a conceptual framework for describing the processes users—both the harassed and the harassers—must go through to participate in an online environment. Given that harassment occurs across platforms, it is important that we have a way of speaking about these processes that encompasses all the potential spaces where harassment happens. Drawing from economics, I present a Transaction Cost model to describe, predict, and hopefully offer solutions to reduce online harassment.

A Brief Introduction To Transaction Costs

Transaction cost theory was introduced by Coase (1937; 1960; 1988) as a way to make predictions about firms in marketplaces. For our purposes, however, it is not the theory I intend to draw on, but rather the terminology. The language of transaction costs is commonplace in economics and I will argue that it presents an opportunity to rethink platform design in ways that create quantifiable differences for harassers and victims. In economics, “transaction costs” serves as an umbrella term that describes the costs required to participate in a market. These costs can be further defined. A fixed cost relates to a cost that remains constant despite the desired level of output. So, for example, a fixed cost might be the purchase of a license or the price of a machine. When fixed costs are high, entry into the market is difficult. A variable cost, on the other hand, is a cost that is relative to the level of output desired by a producer. Variable costs help a producer determine if the cost of producing additional units is justified by the increase in revenue. Marginal costs refer to the specific cost incurred by raising one's output by precisely one unit.

Additionally, transaction costs can be understood as a type of friction that is introduced to a market to curb a particular outcome (Klaes, 2000). Put in this way, some

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transaction costs are meant to “put sand in the wheels” of a process and are induced when “externalities” result in inefficient outcomes. An externality may be thought of as a financial consequence of production that is incurred by another entity; in other words, the cost is *external* to the production company. So, for example, if a company produces a large amount of toxic gases as a result of manufacturing a product, an externality exists because other organizations—the local government—must bear the cost of cleanup. Because the producer does not account for these costs, the “bottom line” is inaccurate, and thus production is inefficient. To correct this inefficiency, the company must be made to *internalize* that cost. The local government might impose a tax on the company to ensure that this cost is internalized, which for the company results in an increase in cost of producing units and a reduction in revenue.

Applying the Terms of Transaction Costs to Online Harassment

The purpose of this paper is to begin to frame the actions required to participate in online communities in terms of costs, so the following presents a preliminary explanation. When it comes to social media platforms, we can think of transaction costs as the cost for users to participate in an online “market” whether it be Twitter, Facebook, a message board, a video game chat, or any other online community. To define some of these costs, we must first reduce our understanding of certain behaviors to the essential actions that are required by the platform. Thus while crafting a message requires various levels of time and thought in regards to its content, if we reduce its cost to the acts of typing and clicking “send” then we can immediately quantify the effort. Thus, specific costs would include the creation of an account, the building of an audience, and the sending of messages, the blocking of users, or the reporting of harassment. Furthermore, if we understand the “currency” of these costs as measured by time, then we can compare the costs of trolling or harassing to the costs incurred by the target or victim. While there are important qualitative differences between trolling and harassment, the model described here allows for comparisons, regardless. As we will see, because the goals of trolling or online harassment are to disrupt targeted users in some way, the tactics used for both often rely on externalities created by the platform. By reducing the costs for victims, and increasing the costs for harassers, we may find that a decrease in harassment will occur.

Take for example the following scenario. On Twitter, harassment may occur when a person becomes the target of: one user sending many messages, many users sending one message each, one user creating many accounts to send many messages, or a combination of these techniques. In these instances, the “transaction costs” for the harasser(s) remains low. There is the initial fixed cost of creating the accounts, and the fixed cost of sending the messages. Importantly, there is no marginal increase to the troll: It is no more “expensive” to send one message than it is to send 200. That is, if it takes 10 seconds to send the first message, it also takes 10 seconds to send the second, and the 200th.

If we flip this scenario around and look at it from the target’s perspective, the inefficiencies become apparent: Whereas harassers often operate using throwaway accounts, the target has potentially already invested a significant amount of time building her account by creating both an audience and an archive of tweets. The cost

for moving all one's followers, or ignoring/reporting multiple accounts or messages, or simply leaving the platform altogether is high. Due to this inequality in transaction costs the platform provides leverage to the harassers, and necessitates that the victim internalize the costs of the solution. In sum, these imbalances create enormous inefficiencies.

Conclusion

How then might we move forward? If we apply this model to current platforms, we might find that we can predict where trolling and harassment is likely to occur. We may also identify platform design features that are already effectively creating efficiencies for users and apply those to future platform design decisions. In the current situation, victims of harassment are too often held responsible for the results of harassment. Either they are expected to manage the actions of blocking or reporting themselves, or they are told to ignore the problem (Marwick & Miller, 2014). Neither of these options are workable solutions. In some cases, platforms have made efforts to curb trolling, but they are presented in blanket solutions that resort to the public-vs-private profile or page (Phillips, 2011), or that place more costs on users as they are expected to “up-vote” or “down-vote” individual posts or messages (Bergstrom, 2011). In the case of the Twitter user, one solution might be for users to flag their own accounts as being targets in an ongoing attack, and the platform then raising the marginal costs for other users to send multiple messages to that account. Perhaps most importantly, by thinking about trolling or harassment in terms of costs, we can begin to see solutions that reduce costs for the targets of attacks and/or increase costs for harassers. In either scenario, the responsibility is placed back on the platform. After all, it is the platform that sets the market price for participation.

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