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Netlaw

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NETLAW

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TUTORIAL

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ABSTRACT

As the Internet becomes increasingly commercialized, the role of national and international laws for regulating the Internet moves to the forefront. The unique nature of conducting business and communicating over the Internet challenges numerous well-established legal principles and standards. Internet law, or “NetLaw,” deals with the legalities of Internet usage and provides an understanding of how laws interrelate with other aspects of online culture and society. This short tutorial explores the most important legal issues raised by the expanding use of the Internet and provides a general understanding of the concept, benefits and recent developments of NetLaw.

KEYWORDS: NetLaw, Internet law, Cyberlaw, International legal issues of the web

I. INTRODUCTION

Perhaps the most exciting aspect of the Internet is that it brings together people from around the world. People now turn to the Internet for business as well as social purposes to communicate more efficiently. Many businesses use the Internet to manage, conduct, and execute transactions, enabling them to work with customers, suppliers and trading partners on a timely basis.

The efficiencies of e-commerce brought billions of dollars into online business development that, in turn, spawned various contracts to manage the expectations and risks of e-business. As the number of online contracts increases with the Internet's growth, many users and businesses do not fully examine or understand such agreements. Consequently, disputes arise.

In addition to fundamental contract disputes, online users and businesses face such legal issues as:

- computer crime
- fraud,
- jurisdiction
- taxes
- gambling
- censorship
- privacy
- liability
- intellectual property rights

The majority of these issues are not new to our legal system. The principal challenge lies in attempting to apply non-Web-based laws to the Internet.

Lawsuits are rising steadily because of the uninhibited nature of the Internet [Cohen 2000]. NetLaw is the fastest growing area of the law and yet there is little clearly established case law and few legal precedents. NetLaw issues are complex because they can affect many different countries and potentially include so many different areas of law. Even if nations agree that new rules should apply to the Internet, questions remain as to who should set these rules and how should these rules be enforced.

Today's IT professionals and educators provide invaluable and highly specialized system expertise, helping companies and students stay competitive in the global marketplace. Their expertise enables organizations to use

information to its fullest. Without an understanding of NetLaw, these professionals would fall short in providing the necessary information to help businesses compete successfully in the online world. Thus, the authors believe that teaching students about Netlaw is essential.

This short tutorial is an introduction to the areas of law applicable to the online world. It should enable the reader to evaluate new developments and assess their impact on the future. The organization of the paper is as follows:

-Section II discusses the status of current online legal issues. Here the principal focus is on the situation in the United states.

-Section III expands the focus and reviews recent international developments and their importance.

-Section IV explores the many benefits of NetLaw.

-Section V suggests a holistic approach to integrate the unique aspects of NetLaw.

II. NETLAW ISSUES

This section provides a guide to the new legal issues, which arise from the growth of the Internet. Among the most important of these issues are concerns involving jurisdiction, censorship, liability and protection of Web site development, Internet taxation, Internet gambling, privacy and authentication, and the protection of intellectual property.

JURISDICTION

Most Web sites and Internet services are privately owned and maintained. Examples are Bulletin Board Services and Information Service Providers such as America Online. In most instances these entities operate beyond governmental control. On the other hand, the Internet is very much a public place that many feel should be policed.

The Secret Service, the FBI, the U.S. Customs agency, the Federal Trade Commission, and various state police forces have used the Internet for official business or police action [Rose and Phillips, 1996]. Perhaps the most

controversial recent issue is “Carnivore”—software that was developed by the FBI to read private e-mail. Critics argue that the software is a clear invasion of privacy. Advocates counter that the software is a natural extension of wire-tapping laws that are already on the books.

A related matter concerns enforcement of new Netlaws. It is clear that NetLaws are without value if they cannot be enforced. A number of enforcement issues need consideration:

- Who has the power to enforce Netlaws?
- How will NetLaws be enforced?
- Who will pay for enforcement?

Jurisdiction of Internet-related disputes involves international law because the Internet is global in nature. Thus, a potentially large number of courts could assert jurisdiction over any given problem [Newton, 1996]. On the other hand, we live in a world in which the historical precedence of geographical borders primarily determines legal rights and responsibilities. Thus, many authorities can potentially claim jurisdictional power over the Internet, each with its own legal frames of reference. What is most likely to happen in the future is that the continued growth of the Internet will lead to more global views of the legal issues surrounding its use, and for some, fundamental changes in legal thinking. Conflict resolution between governments will become an important focus in the near future.

CENSORSHIP

Increasing numbers of children have access to the Internet through their schools, homes, and libraries. Is it in the United States’ best interest to break the First Amendment right of free speech in order to protect children? The Communications Decency Act [CDA], contained in the 1996 telecommunications deregulation bill makes it illegal to send “indecent” material on the Internet [Margam, 1996]. The CDA was designed to keep pornographers from preying on children who use personal computers. However, free speech advocates argued that the provision was far too vague and infringed upon First Amendment rights

[Citizens Internet Empowerment Coalition, 2000]. The U.S. Supreme Court agreed and, in June of 1997, found the CDA unconstitutional.

Not only was the CDA unconstitutional but it failed to address censorship issues at the international level. Organizations such as the Global Internet Liberty Campaign together with Internet users, online publishers, academic groups and free speech organizations throughout the world, oppose the adoption of laws that could limit the Internet [Sobel and Akdeniz, 2000]. These organizations see the Internet as a global medium where regional laws have little useful effect.

Bomb and drug manuals, racist propaganda, and hate literature are all easily accessible through the Internet. The question of whether access by minors, as well as adults, to online material can be effectively limited is the subject of much debate among legislators, parents, teachers, and concerned citizens around the world. How can material on the Internet be contained when the Internet has no boundaries? For example, schools increasingly connect their students to the Internet where the majority of information is unrestricted and unchecked.

In response to the growing fears of many parents, software is available to help parents monitor what their children come across on the Internet. However, this software is far from perfect because of the multiple meanings of words [e.g., a discussion of cooking chicken breasts may be deleted]. Given the current structure of the Internet, there appears to be no simple solution to limiting access to controversial online material.

WEB SITE DEVELOPMENT

Everything about the Internet is so new that basic contracts such as Web site development agreements are still evolving. Web site administrators face uncertain legal standards for Web sites which formally recognizes that it is impossible to keep up with the laws made by states and countries that apply to sites. It is also uncertain what conduct of the Web developer is acceptable and not acceptable.

Web site development agreements are created so that each party can understand the other's needs before mistakes are made. Companies doing business on the Internet must protect themselves by providing proper Web site disclaimers and creating clearly-written agreements. One of the key provisions of any Web site agreement is a definition of who owns the copyright to the site. Contrary to popular belief, the developer automatically owns the rights to the site design unless both parties agree to include certain copyright provisions in the contract [Ladera Press, 2000].

Based on recent developments in case law, Lance Rose and John Lockett, the creators of <http://www.netlaw.com>, developed the 11 guidelines listed in Table 1 to reduce Webmaster legal liability. These guidelines cover such issues as legal standards for Web sites, building safer Web sites, and reducing the risks of lawsuits. However, even though numerous studies and research have been conducted on the subject, no single, clear, well-defined NetLaw for Web site development exists.

INTERNET TAXES

Today, approximately 7,600 state and local governments levy sales taxes in potentially 30,000 jurisdictions [Hardesty, 1999]. The United States Census Bureau reports that state and local governments collected a total of approximately \$237 billion in sales and use taxes in 1999—about 24.8% of all revenues generated in that year [U.S. Dept. of Commerce, 1999]. Through these sales and use taxes, state and local governments provide a variety of public services to their residents.

U.S. consumers pay sales tax on their purchases at a rate established by the state in which they reside. Businesses collect sales taxes at the point of purchase, which are paid by the retailer to the appropriate state government. When an out-of-state business or person purchases an item and the sales tax is not collected, that business or person is responsible for paying the use tax according to the location of consumption of the item. Thus, use taxes are most

Table 1. Guidelines for Webmasters

1. Keep Different Services Separate	If offering different services at one Web site, place them on separate pages or areas.
2. Reproduce Models Faithfully	If modeling a Web site after a business or newspaper, make the site "look and feel" the same as what it is being modeled after.
3. Outsource Tasks and Risks	Hire others to maintain tasks that are beyond your capabilities or interests.
4. Hands off the Data Stream	Do not interfere with transmissions of information initiated from outside sources unless it is for good reason.
5. Republish Outside Materials with Care	Limit risk of materials being republished from outside sources.
6. Use Contracts to Limit Risks	Make contract obligations with visitors and others using your Web site.
7. Know Your Users	Relinquish responsibility of visitors' actions by getting identity information from them.
8. Employ Reasonable Management Policies	Make reasonable policies to deal with problems that may arise at your Web site.
9. Manage Your Image	Examine advertising and publicity on your Web site to guarantee that no legal standards are violated.
10. Avoid Linking to Problem Sites	Do not place links to other Web sites that may contain illegal context to your Web site.
11. Use Disclaimers When Necessary	If you provide services that may pose legal risks or be subject to regulation, be sure to use disclaimers for these services.

Source: <http://www.netlaw.com>

commonly due when an item is purchased from a firm in another state and the business does not have physical presence, or "nexus," in the consumer's state for the sale to be subjected to sales tax [Quill Corp. v. N. Dakota, 92']. Simply put, use taxes are rarely paid. Therefore, most Internet shoppers are in violation of the law simply because they are not aware of, or do not understand, the regulations for paying a use tax.

The inherent difficulties in achieving compliance with the sales and use tax systems of almost 7,600 state and local tax jurisdictions is unimaginable. It would be impractical for governments to enforce collection of tax on remote sales

by chasing after the purchaser and the cost to collect a use tax directly from consumers would far exceed the total amount collected. Thus, taxing authorities need practical ways to collect most of the tax from the sellers.

E-commerce provides consumers and businesses remarkable shopping mobility and also the ability to avoid sales taxes. The increasing rate of business transactions over the Internet raises questions over countries' ability to collect taxes on sales. In addressing whether and how sales over the Internet should be taxed, countries face the difficult challenge of respecting the laws of other countries. Therefore, the policies that are adopted in this area have important implications on the continued growth of e-commerce and trade throughout the world.

The U.S. dealt with this issue by creating a three-year moratorium on Internet taxes that will last until October 2001. This moratorium, which is part of the Internet Tax Freedom Act, is intended to give U.S. legislators time to review the complex issues of Internet taxation. As this moratorium continues, a number of domestic and international enforcement issues, now unresolved, will have to be considered. Among them are:

- Who will collect these taxes?
- How will compliance be enforced?
- Who will pay for enforcement?

Because e-commerce potentially crosses national borders, an international perspective on Internet taxation is necessary. Businesses and governments from around the world are participating in ongoing discussions held by the Organization for Economic Cooperation and Development [OECD], an organization representing 29 countries that was created as a forum for international discussion concerning many societal issues. The aim of the OECD's work is to restrain harmful tax practices that undermine the fairness and neutrality of tax systems throughout the world.

Every nation must give serious consideration to the impact on its trading partners from any new rules for taxation of e-commerce. Tax-administering systems for e-commerce should minimize disclosure of consumers' personal

information and should contain sufficient security to protect that information. The rapid growth of e-commerce makes taxation a legal issue with serious consequences, and any solution of the tax issue is likely to agitate someone.

INTERNET GAMBLING

The FBI estimates that 350 Web sites now offer gambling, with most of them in the Caribbean and Central and South America [FCW.COM, 2000]. Internet gambling is mostly privately run, convenient, and easily accessible to minors. For this reason the United States passed the Internet Gambling Prohibition Act of 1999 to resolve many of the unanswered questions about online gambling. This act makes it unlawful "for a person to place, receive, or otherwise make a bet or wager, via the Internet or any other interactive computer service in any state." It is also illegal "for a person engaged in a gambling business to use the Internet or any other interactive computer service to place, receive, or otherwise make a bet or wager" [Tech Law Journal, 2000a]. Exemptions are provided for state-run lotteries, fantasy sports leagues, and gambling businesses, which are legal in their states [Techlaw, 2000b].

The Gambling Prohibition Act was created to protect gambling addicts and to limit the exposure of children to gambling. It was also designed to protect state and local governments from competition and, in the process, the gambling revenues collected by these state governments. The law also included an extensive set of provisions dealing with gambling through Internet service providers. Some of the provisions are:

- service providers are not liable for hosting an illegal gambling business,
- service providers are not liable for shutting down an illegal gambling business when told to do so by law enforcement, and
- service providers are not obligated to monitor the activities of any illegal gambling on a Web site that they own.

Opponents to this legislation believe that restricting gambling on the Internet is unreasonable. Some interesting questions are:

- What is illegal when a resident of Nevada (a state where casino gambling is legal) wants to gamble online instead of doing so in a casino down the street?
- Why should conduct that is not a crime in some parts of the physical world suddenly become criminal when committed on the Internet?
- What is the difference between placing a bet using the Internet and placing a bet by telephone?
- What if another nation requests U.S. cooperation in prosecuting gamblers who in certain U.S. states would have been doing nothing wrong? Clearly, since the U.S. values the right to free speech, they would reject such a request.

The U.S. will have to deal with continually negotiating with other countries regarding enforcement issues.

The U.S. cannot reasonably expect its gambling laws to govern the entire Internet. The Internet creates many challenges for law enforcement in this area. If a Web site were closed down, all its developers must do is relocate. International cooperation is the only practical way to effectively prevent online gambling, yet many countries value their online gambling businesses and probably would not even consider banning such a highly demanded business.

PRIVACY AND AUTHENTICATION

A great deal of personal information including names, telephone numbers, email addresses, medical information, marital status, education, job and credit histories, and even psychiatric records is now being sold to anyone. Most such sales are done without the consent of the individuals involved. People routinely sign away any privacy to which they may be entitled when they sign non-Internet documents such as life insurance or job applications. While true for some time now, the Internet intensifies privacy problems by making it easier to store, collect, share and analyze information.

The most recent piece of privacy legislation is the Children's Online Privacy Protection Act. This act requires that any site with knowledge that children under the age of 13 are visiting and sharing personally identifiable

information must gain prior parental consent [Coppa.org, 2000]. The consent requirement ranges from email notification for sites that do not share information to offline verification, via fax or telephone, for sites that share personally identifiable information or allow children the opportunity to do so, such as in a chat room.

The fact that anyone with access to the Internet can pose as someone else leads to the commercial need to authenticate users—for example, to verify that a purchase order was received from a legitimate business customer. This requirement is interesting because it is both so obvious and yet so much in conflict with an individual's need for privacy. It is perhaps unfortunate that e-commerce brings such externalities into play. NetLaws are needed to define privacy rights more specifically.

One method, electronic authentication, is now used to protect individuals engaged in electronic transactions. In the United States, the Congress passed the Computer Security Enhancement Act, which sets a policy for electronic authentication dealing with the use of electronic signatures or digital signatures (Recktenwald, 2000)

It is commonplace in the U.S. to order goods through catalogs using a credit card. Is oral authorization the equivalent of a written signature? Are such orders binding even if the process is susceptible to fraud? Catalog and credit-card companies deal with such risks and contingencies as a cost of doing business. Internet merchants and providers do the same. Nevertheless there is a need to create international legal standards governing electronic transactions over the Internet.

INTELLECTUAL PROPERTY

The value of artistic and intellectual works comes from the skills, labor, research and creativity provided by their creators. The value of a book, a song or a piece of code is much greater than the cost of the effort and materials used to replicate it. Therefore, the protection of intellectual property has both individual and social benefits. It protects the rights of the creator of something of value and

encourages production of valuable, (and in today's technology) easily copied work.

Copyright is the ownership of an intellectual property within the limits given by a particular nation's or international law. In the United States, for example, the copyright law provides that the owner of a property has the exclusive right to reproduce, publicly perform, distribute and copy [Title 17, 2000]. Copyright is provided automatically to the author of any original work covered by the law as soon as the work is created [Title 17, 2000]. The author does not have to formally register the work, although registration makes the copyright more noticeable. The U.S. law extends copyright for 50 years beyond the life of the author. For reviews and certain other purposes, the "fair use" of a work, typically a quotation or paragraph, is allowed without permission of the author. Canada's Intellectual and Industrial Property Law, Great Britain's Copyright, Designs and Patents Act of 1988, and legislation in other countries signatory to the international Berne Convention copyright principles provide similar protections [Legal Information Institute, 2000].

The U.S. Patent and Trademark Office (PTO) now issue patents for a broad range of Internet-related technologies and business methods [US Patent and Trademark Office, 2000]. In 1998, the PTO granted a record 163,209 patents, an increase of 31.5% over 1997, and twice as many as in 1980 [Franklin Pierce Law Center, 1999]. Patents are granted for inventions of new things or processes. The purpose of a patent is similar to that of copyrights: to reward the inventor and encourage disclosure and use so others benefit from it. Yet patents differ from copyrights in that they protect the underlying idea of an invention, not just a particular expression of it.

The World Intellectual Property Organization (WIPO) is responsible for the promotion of the protection of intellectual property throughout the world [World Intellectual Property Organization, 2000]. WIPO helps to facilitate intellectual property rights by ensuring that expertise is provided when laws or systems need upgrading to take into account novel areas such as the Internet.

The most recent and popular case involving intellectual property was when the Recording Industry Association of America sued Napster in early December 1999, seeking up to \$100,000 in damages for each copyright-protected song allegedly exchanged illegally using the start-up's software. Artists, music studios and the recording industry are angry that they do not receive proceeds from the exchanged files. At the heart of the dispute is the Digital Millennium Copyright Act (DMCA), passed in 1998, to expand online safeguards for software, literature and music. That important piece of legislation places the copyright burden on the person using the service. Since music is transferred from the hard drives in the personal computers of other users, Napster claims that it is not doing anything illegal. The DMCA was considered an important legislative battle for the entertainment industry but it may already be out of date.

An understanding of copyrights, patents, trademarks and other intellectual property issues is essential to success in the online industry. The Napster case demonstrated that a lack of knowledge can cost companies thousands or even millions of dollars in legal fees and damages.

III. RECENT INTERNATIONAL DEVELOPMENTS IN NETLAW

Table 2 describes some of the recent international developments in NetLaw. These developments are of interest to IT professionals because of their importance in defining what can and cannot legally be posted on the Web, and they indicate how different societies view (or prohibit from viewing) transborder data transmissions.

Table 2. Recent International Developments in NetLaw

Country	Recent Developments in NetLaw
United Kingdom	In the UK, child pornography on the Internet is a growing problem. Scotland Yard is considering prosecuting companies that provide Internet services but fail to filter out illegal pornography. The police say a small number of companies still provide access to Web sites with material about sex with animals and children [BBC News, 1998].
Canada	The Internet Law and Policy Forum published a comparative survey of content regulation, surveys of electronic authentication and digital signature initiatives, and resources on industry self-regulation. The group also sponsors conferences and provides expert comments to international policymakers [Internet Law and Policy Forum, 1999a].
Australia	A coalition of privacy advocates, commercial entities, and academic groups mounted a campaign to reverse the decision that legislation would not proceed. The campaign became so global, that Privacy International called on European countries to restrict data flows to Australia until privacy legislation is enacted [Electronic Frontiers Australia, 1999].
Russia	Russia is still developing its own Internet laws. Some of the most important issues involve "database tampering, fraud or theft involving electronic commercial transactions, the propagation of anti-humanitarian ideas, communications among various criminal groups, information regarding preparation of bombs and explosives which could help terrorists, and distribution of pornographic materials." [World Intellectual Property Organization, 2000]
China/Hong Kong	China developed new internet rules that include "subversion, pornography, and computer hacking." Others include "promoting separatism, or independence for Taiwan, and 'defaming government agencies' [National Law Journal, 1998]." Most of Hong Kong's cyber crime cases involve hacking, posting obscene articles, criminal damage to data, and Internet shopping fraud. The Hong Kong government invested in training and technology to tackle any future upsurge in computer crime. [Hong Kong, 1999]
Germany	Germany is the first European country to deal with Internet liability with a specific Act. The purpose of the Act on the Utilization of Teleservices is "to establish uniform economic conditions for the various applications of electronic information and communication services" [International Law and Policy Forum, 1999b]
France	In 2000, France announced a series of measures (e.g., catching cyber criminals) aimed at increasing its ability to cope with the growing influence of the Internet. [Lexis-Nexis Academic Universe, 2000].
Thailand	Thailand put together laws to be enacted on the subject of the Internet: 1. Internet Promotion Act, 2. Computer Security Act, 3. Computer Privacy Act, 4. Electronic Commerce Act, 5. IT-Related Anti-Trust Act [Bangkok Post, 1997].
Caribbean and Central America	Internet wagering on games and lotteries is very popular. The problem is spreading in countries where gambling/internet wagering is illegal [Lexis-Nexis Legal Resources, 2000].

IV. NETLAW BENEFITS

Although civil and criminal laws have been passed and enforced for a long time, NetLaw has no such history. People assume that the laws that are used in the physical world also apply online. If this is to be the case, there remains the question of how the laws will be applied and what restrictions or extensions must be created?

International NetLaws benefit corporations that do business on the Internet and increase consumer confidence in them. For example, if universal Netlaws were enacted, several benefits would likely occur:

- protecting innocent Internet users from criminal acts and unfair prosecution;
- protecting intellectual property, defamation, content liability and data protection,
- clarifying aspects of providing Internet service, including telecommunications and broadcast regulation, contracts between hosts and content providers, making contracts over the Internet, and payment mechanisms for Internet commerce,
- defining prohibited and regulated activities, and
- regulating transborder data flows, competition laws, enforcing judgments in other countries, and international arbitration

Currently, those NetLaws that are most enforced are for copyright infringements, patent infringements, certain commerce, and selected illegal practices. Having a standard of rules governing trade on the Internet will provide additional security, regulatory protection, and consumer familiarity.

In 1993, U.S. professional computer societies, including the Association for Computing Machinery (ACM), the Data Processing Management Association (DPMA), the Institute for Certification of Computer professionals (ICP), and the Information Technology Association of America (ITAA), adopted the ACM Code of Professional Conduct. Such conduct includes:

- honoring property rights, including copyrights and patents,
- accessing computing resources only when authorized, and
- respecting the privacy of others.

As NetLaws develop, at least some of these codes may be drafted into laws, giving Internet users greater protection of their rights and more clearly defining their responsibilities.

V. TOWARD A HOLISTIC APPROACH TO NETLAW

NetLaw provides an understanding of how laws intermingle with other aspects of online culture and society. Socio-legal, ethical, and political issues confront customers, suppliers, and trading participants; therefore those using the Internet must learn the online norms, business practices and laws applicable to make the best possible decisions. Existing NetLaw is the first step in understanding how online law may evolve over time. It helps identify legal rights that apply to the Internet, explains their meaning and serves as a guide to the laws of the online world.

The Internet is an open medium for people across the world. This characteristic makes drafting laws that govern Internet usage difficult because what is legal in one country may not be legal in another. An example is the simple question of what can or cannot be posted on a Web page. American civil rights groups such as the American Civil Liberties Union believe that the Internet should be an unrestricted, open medium on which anything can be posted. Clearly, such issues are controversial and open to challenge in the U.S. by free speech activists. This is why there has been a push for some agreement on standards among countries so that policies and practices for the Internet can be applied globally.

These conflicts raise the question of how best to develop NetLaws that are both acceptable and enforceable across national borders. To the authors, it

seems obvious that developing Internet laws piecemeal, or by letting local, regional, or even national governments each draft their own legislation, is like micro-managing a large company. Such an approach is likely to be neither cost-effective nor enforceable. Instead, what is required is international consensus about rules that span political and geographical boundaries.

Forging international regulations poses a particularly difficult task for its framers because current bodies of law embrace an amalgam of cultural, economic, sociological, ethical, and political issues, mixed with custom, traditional, and common law (Figure 1). The challenge, therefore, is to integrate all these many disparate perspectives into a consistent and coherent body of knowledge.

To meet this challenge, it seems clear that the governing bodies must take a holistic approach to NetLaw. We define a holistic approach as a systems viewpoint that considers the wide range of disciplines and factors that potentially influence both human and programmed activities on the Internet. For e-commerce in particular, such rules must account for business areas (e.g. marketing, purchasing, billing, payment collecting, and supply chain management), technical areas (e.g. telecommunications, network security, personal security, and authenticity), and legal areas (e.g. copyrights, intellectual property rights, contractual law, and legal settlements). These laws must be developed with great care and diligence, for this area is without precedence.

The international legal issues of the Internet are of interest to IT professionals. The fact that a number of interesting and global issues arise demonstrates the usefulness of a broad viewpoint that embraces both global and interdisciplinary perspectives. While some existing studies deal with the nature of NetLaw, the studies come from diverse disciplines and are not yet integrated. This lack of a holistic, unified approach on the subject of NetLaw hampers efforts to develop a solid basis for NetLaw research.

As shown in Figure 1, NetLaw research suggests linkage among socio-

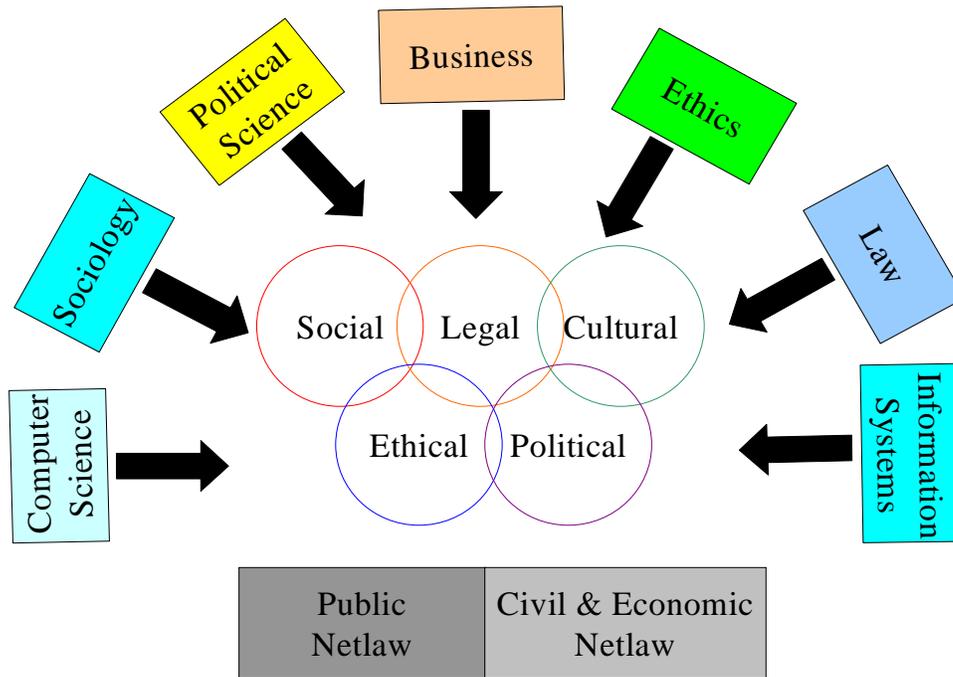


Figure 1. Holistic Approach to NetLaw

legal, cultural, ethical, and political issues with diverse fields of computer science, sociology, political science, business, ethics, law, and information systems. It is therefore appropriate to develop “public NetLaw” and “civil and economic NetLaw.” Public NetLaw deals with such issues as Internet taxation, national rights jurisdiction, and legislation responsibilities. Civil and economic NetLaw deals with rules of competition and domain names. Cultural, socio-legal, ethical, and political differences in countries often lead to varying types of regulatory responses toward similar issues. But some progress is already being made as governments find ways to overcome these differences and to agree on coordinated policies that provide an international framework for e-commerce [Adam et. al., 1999].

One particularly promising international approach to establishing standards for copyright protection was implemented by the World Intellectual Property Organization [WIPO]. The outcome of WIPO conventions shows a significant move in preserving the balance between intellectual property rights of

creators and distributors of information [Adam et al. 1999]. International cooperation in creating NetLaws should in turn have positive effects on the quality of Internet usage, can help educate the public (including customers, suppliers, and trading participants) on the ethics of computer use, and can provide procedures for reducing conflicts attributable to different cultural backgrounds.

VI. CONCLUSION

As e-commerce grows and more businesses and individuals use it, the legal issues governing Internet usage are becoming increasingly important. NetLaw describes the rules drafted by user nations to regulate the flow of information over the Internet as well as the activities such flows entail. Like current international laws regulating global waters and air space, international solutions must be adopted to provide the necessary infrastructure to allow the free exchange of information, goods and services under a common set of rules.

Although the legal issues of the Internet are still unresolved, an attempt to codify the law and agree on international standards seems valuable when dealing with the complex problems of Internet law. We expect international forums such as the Internet Law & Policy Forum and organizations such as WIPO to be important vehicles for tackling the international legal issues of the Internet.

NetLaw requires a holistic approach with clear principles rooted in international law; only through these principles can courts in all nations be persuaded to adopt uniform solutions to the questions of NetLaw.

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