



Interop

The **PROMISE** *and* **PERILS** *of*
HIGHLY INTERCONNECTED SYSTEMS

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Interoperability »

In early June 2012, Urs Gasser and John Palfrey released *Interoperability: The Promise and Perils of Highly Interconnected Systems*. The book is inspired by their 2005 study and paper —“Breaking Down Digital Barriers: When and How Information and ICT Interoperability Drives Innovation”—which examined the relationship between interoperability and innovation in the ICT environment. The book builds a theory of interoperability, and then illustrates how that theory works and why interoperability is relevant for consumers, companies, governments, and the public. [more >](#)

[Book Information »](#)[Breaking Down Digital Barriers »](#)[Interoperability Case Studies](#)[NCCR Trade Regulation Papers](#)

Interoperability Case Study: Intermodal Containers and Global Cargo Transport

This case study is part of an ongoing series developed in support of a larger text on interoperability by John Palfrey and Urs Gasser *Interop: The Promise and Perils of Highly Interconnected Systems* (Basic Books, June 2012). [more >](#)

Interoperability Case Study: The European Union as an Institutional Design for Legal Interoperability

This case study is part of an ongoing series developed in support of a larger text on interoperability by John Palfrey and Urs Gasser *Interop: The Promise and Perils of Highly Interconnected Systems* (Basic Books, June 2012). It looks into Electronic Data Interchange interoperability. [more >](#)

people

[urs gasser](#)[john palfrey](#)[caroline nolan](#)[david o'brien](#)

publications

[interoperability case study: the european union as an institutional design for legal interoperability](#)[interoperability case study: electronic data interchange \(edi\)](#)[interoperability case study: mobile phone chargers](#)[interoperability case study: cloud computing](#)[interoperability case study: the bar code/upc](#)[more >](#)

interactive

[urs gasser and john palfrey on interop: the promise and perils of highly interconnected systems](#)

related events (past)

INTEROP

- The ability to transfer and render useful data and other information across systems (including organizations), applications, or components.

“Art and science of working together”

What?

- ✓ Technological
- ✓ Data
- ✓ Human
- ✓ Institutional

Benefits

- ✓ Innovation
- ✓ Competition
- ✓ Autonomy, flexibility, and choice
- ✓ Access, diversity, openness

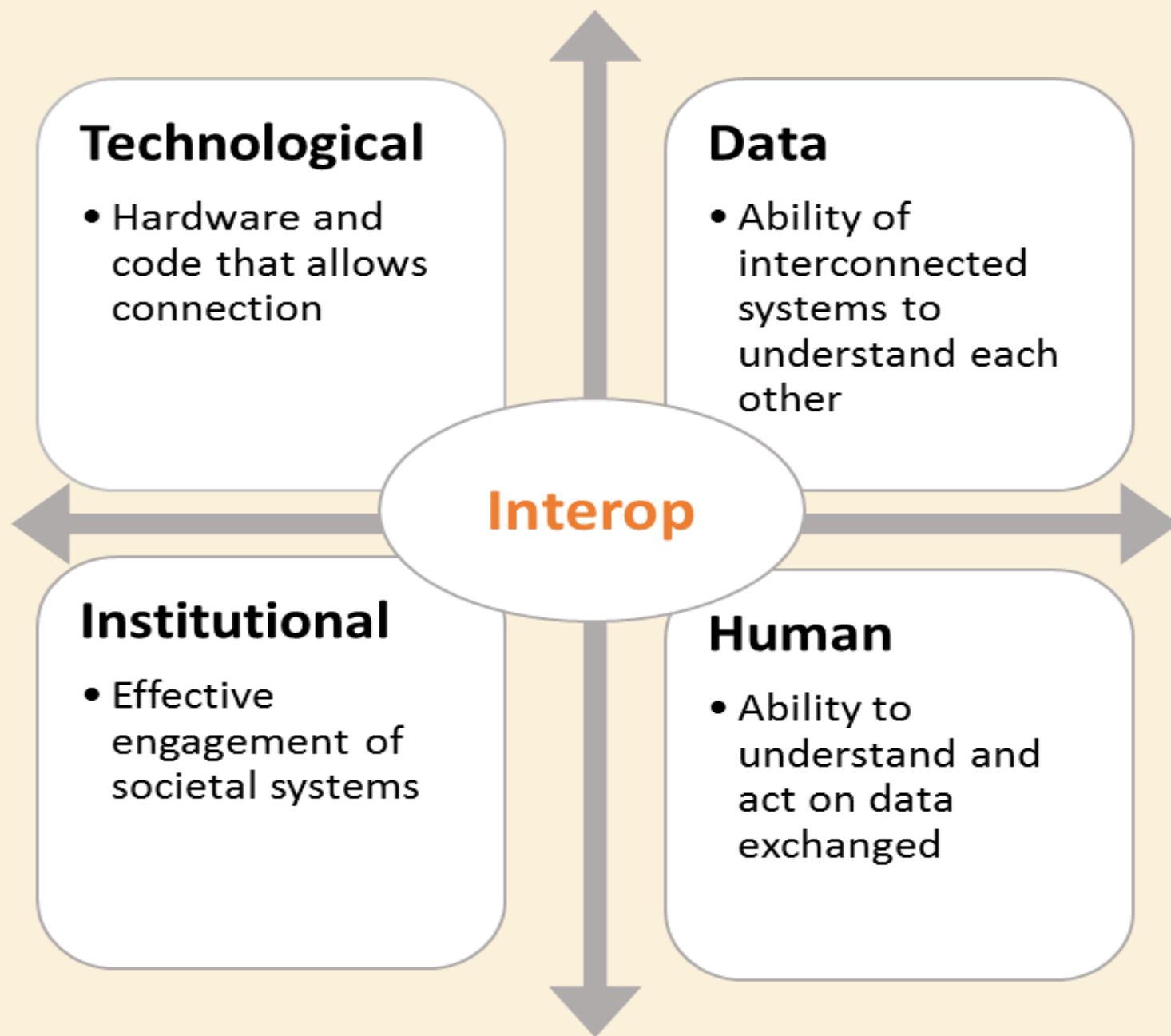
Interop

Potential Risks

- ✓ Increased security, privacy risks
- ✓ Increased homogeneity
- ✓ Decreased reliability, accountability, accessibility
- ✓ Threats to business models

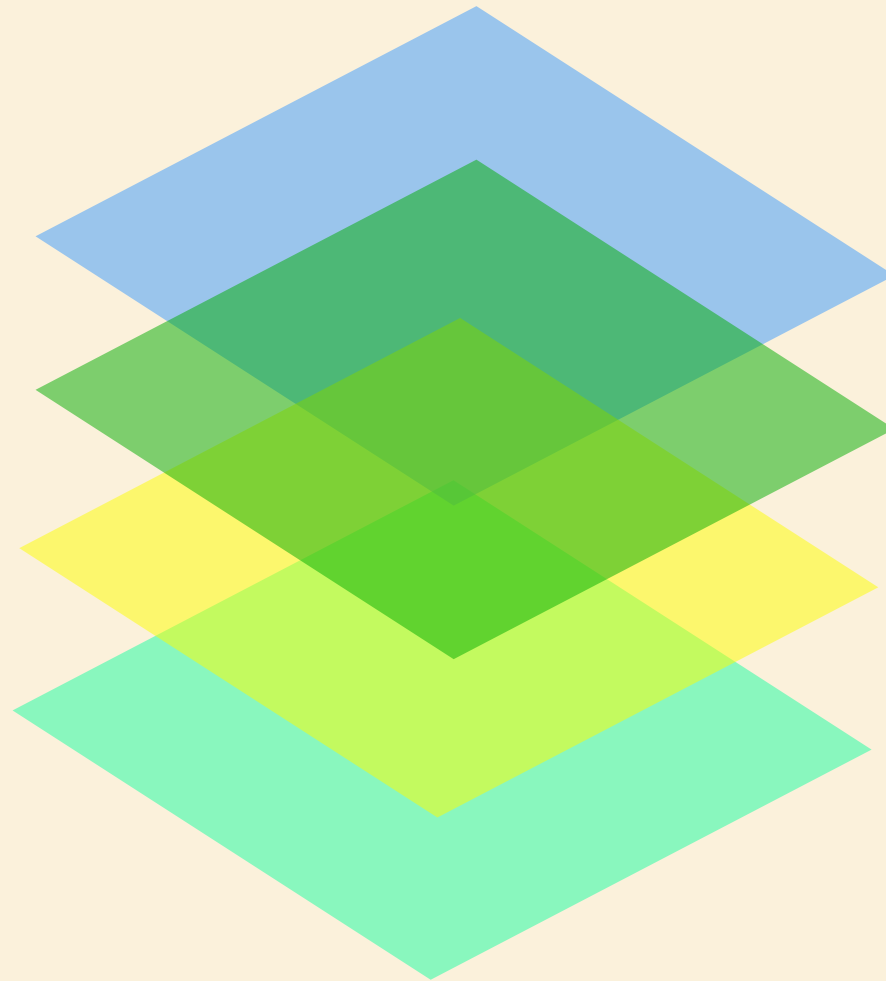
Approaches

- ✓ Non-regulatory
- ✓ Regulatory



KEY FINDINGS

- Solutions to big societal problems increasingly depend on interop
- Interop relevant to both public and private sector
- Interop as design challenge within and across layers
- Optimum levels of interop, not maximum
- Benefits are manifold
 - Systems efficiency
 - User autonomy and choice
 - Innovation and economic growth



Institutional layer
(Organizations, Law & Policy)

Human layer

Data layer

Technological layer

BENEFITS



Hack the Graph

Build with the Open Graph. Integrate deeply into the Facebook experience. Grow lasting connections with your users.

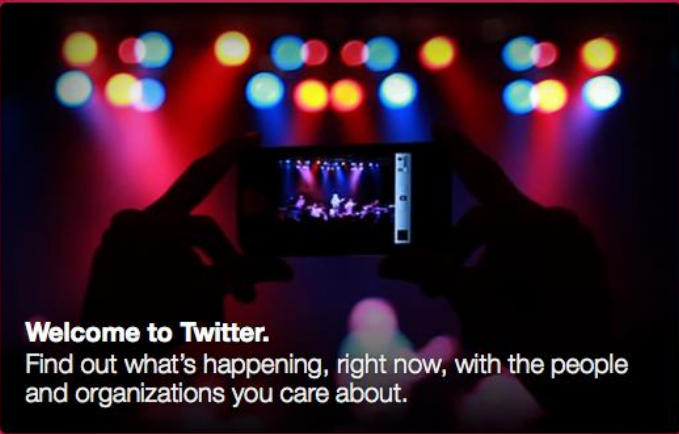
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twitter Language: English



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Haiti

The 2010 Earthquake in Haiti

Ushahidi-Haiti @ **Tufts** UNIVERSITY

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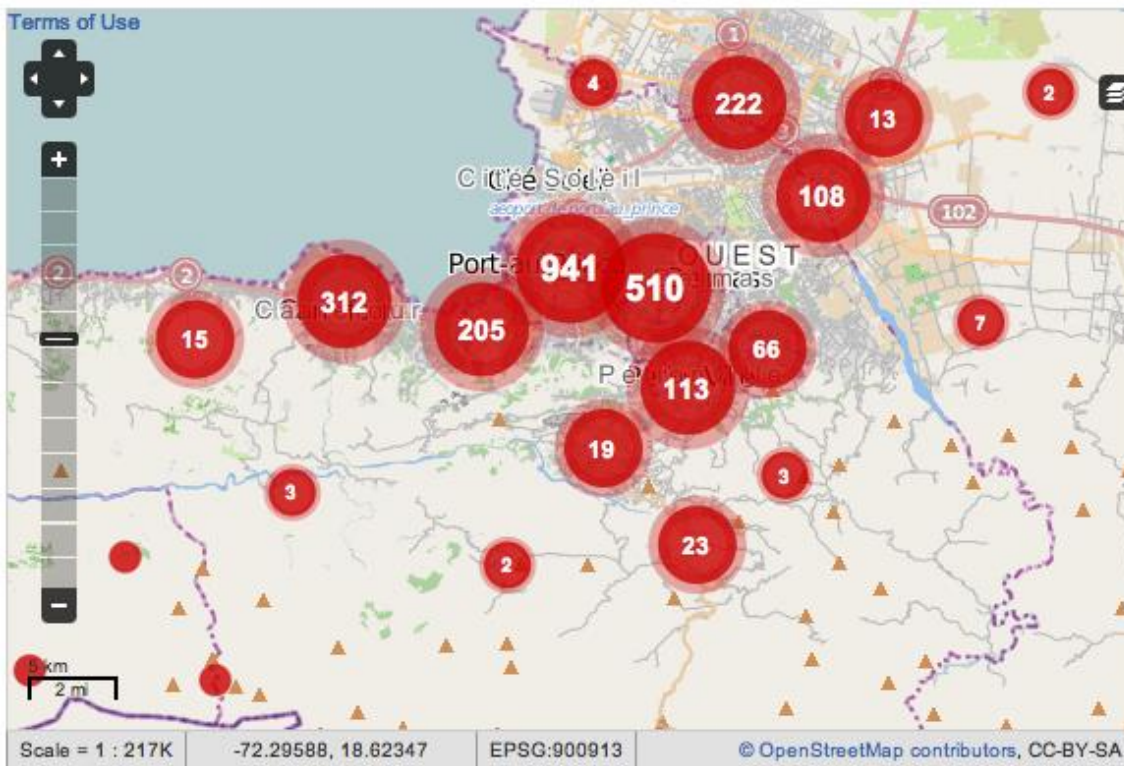
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TUDO

VIEWS →

CLUSTERS

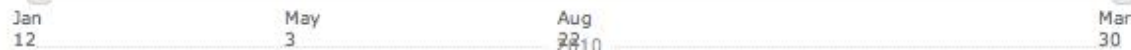
↓ CATEGORY FILTER



↓ TIMELINE OF EVENTS

From: Jan 12 2010 To: Mar 31 2010

PLAY

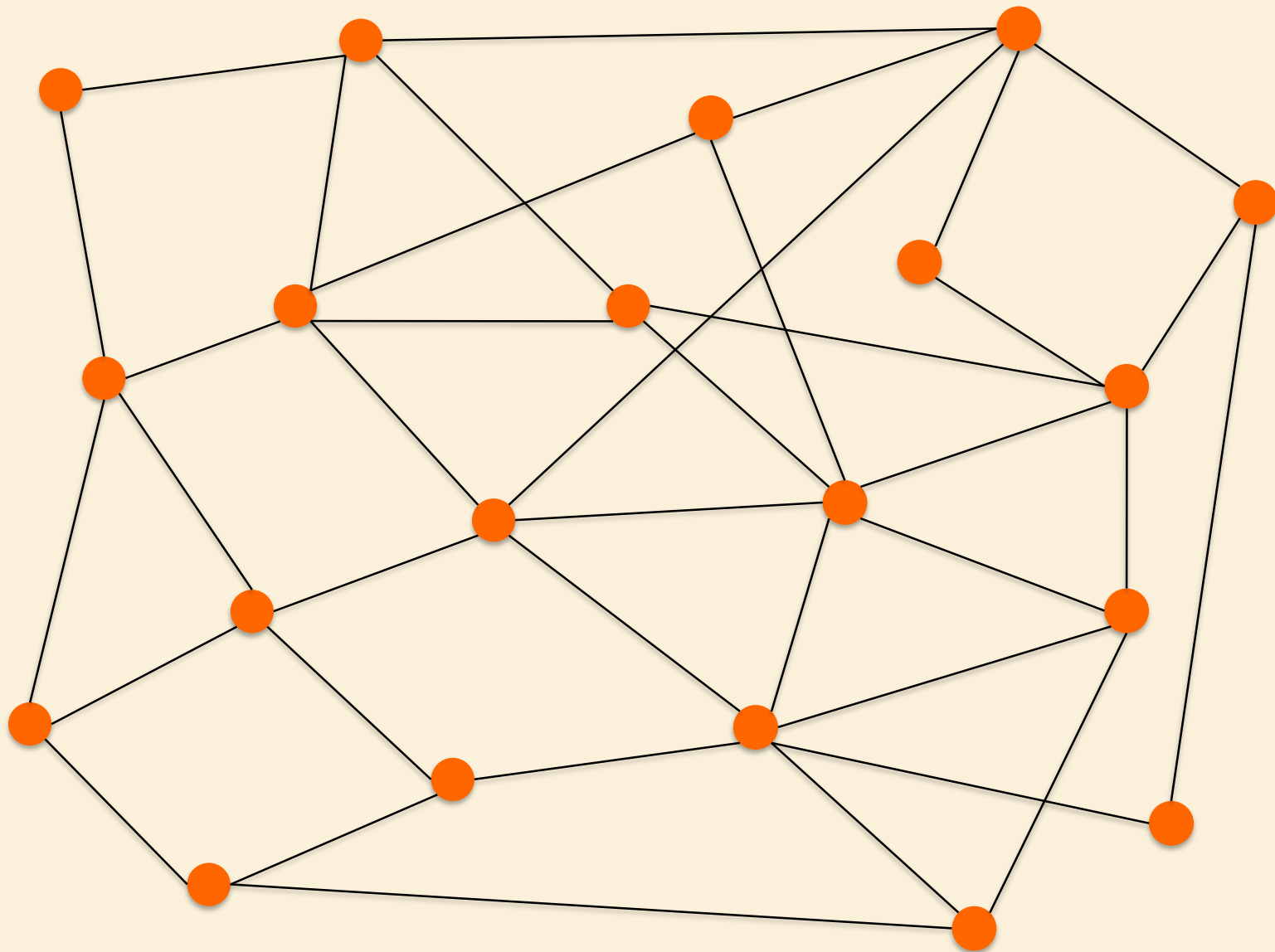


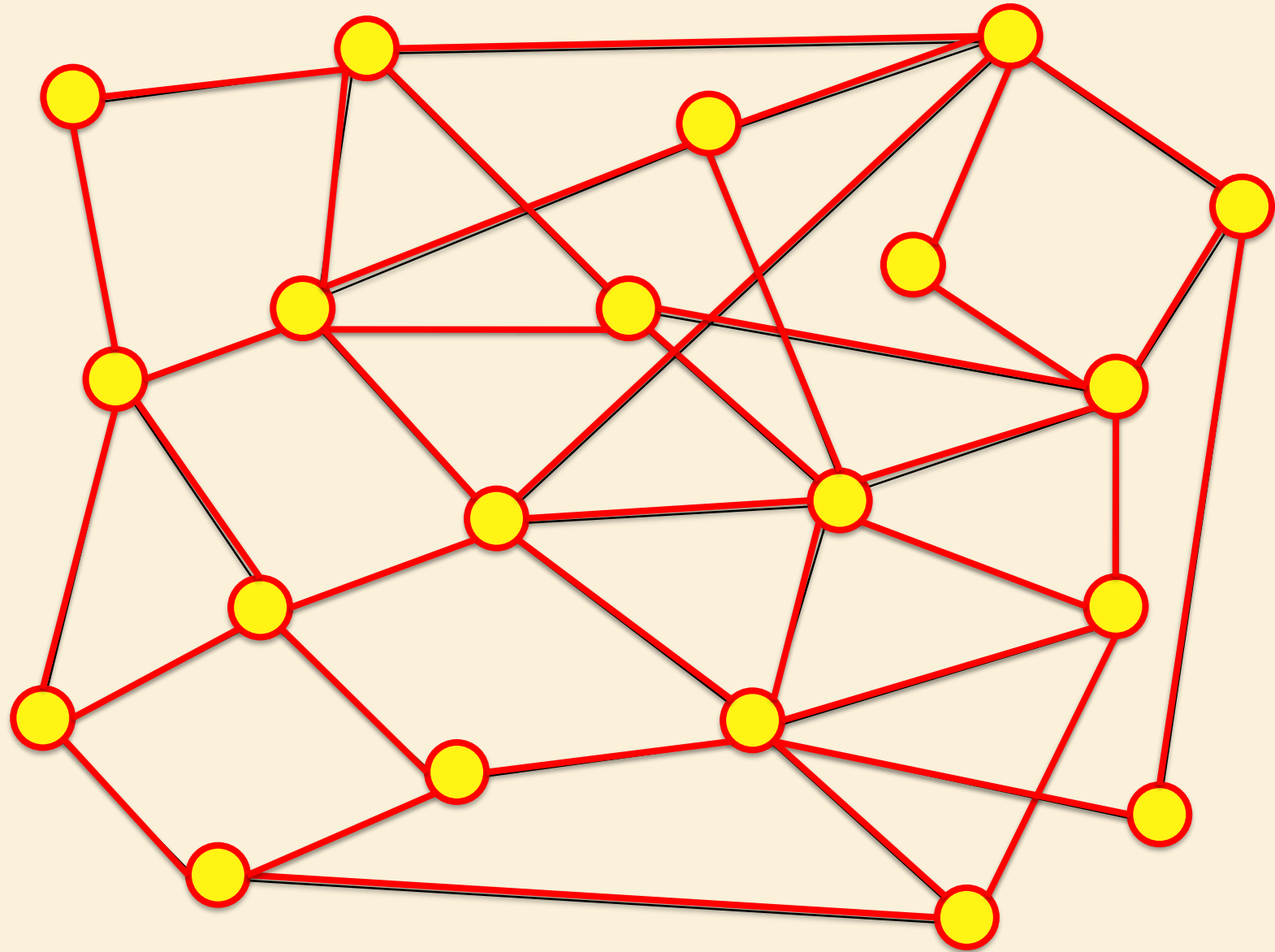
- ALL CATEGORIES
- 1. URGENCES | EMERGENCY
- 2. URGENCES LOGISTIQUES | VITAL LINES
- 3. PUBLIC HEALTH
- 4. MENACES | SECURITY THREATS
- 5. INFRASTRUCTURE DAMAGE
- 6. NATURAL HAZARDS
- 7. SECOURS | SERVICES AVAILABLE
- 8. AUTRE | OTHER

INNOVATION

- Interop – competition – innovation cycle
- Theories of innovation
 - Generativity (Zittrain)
 - User-driven innovation (Von Hippel)
 - Small-step innovations (Christensen)
- Caveat: Competition for the market; anti-competitive behavior (e.g. standards)
- Also: Diffusion of innovation (e.g. HDTV)

Downsides



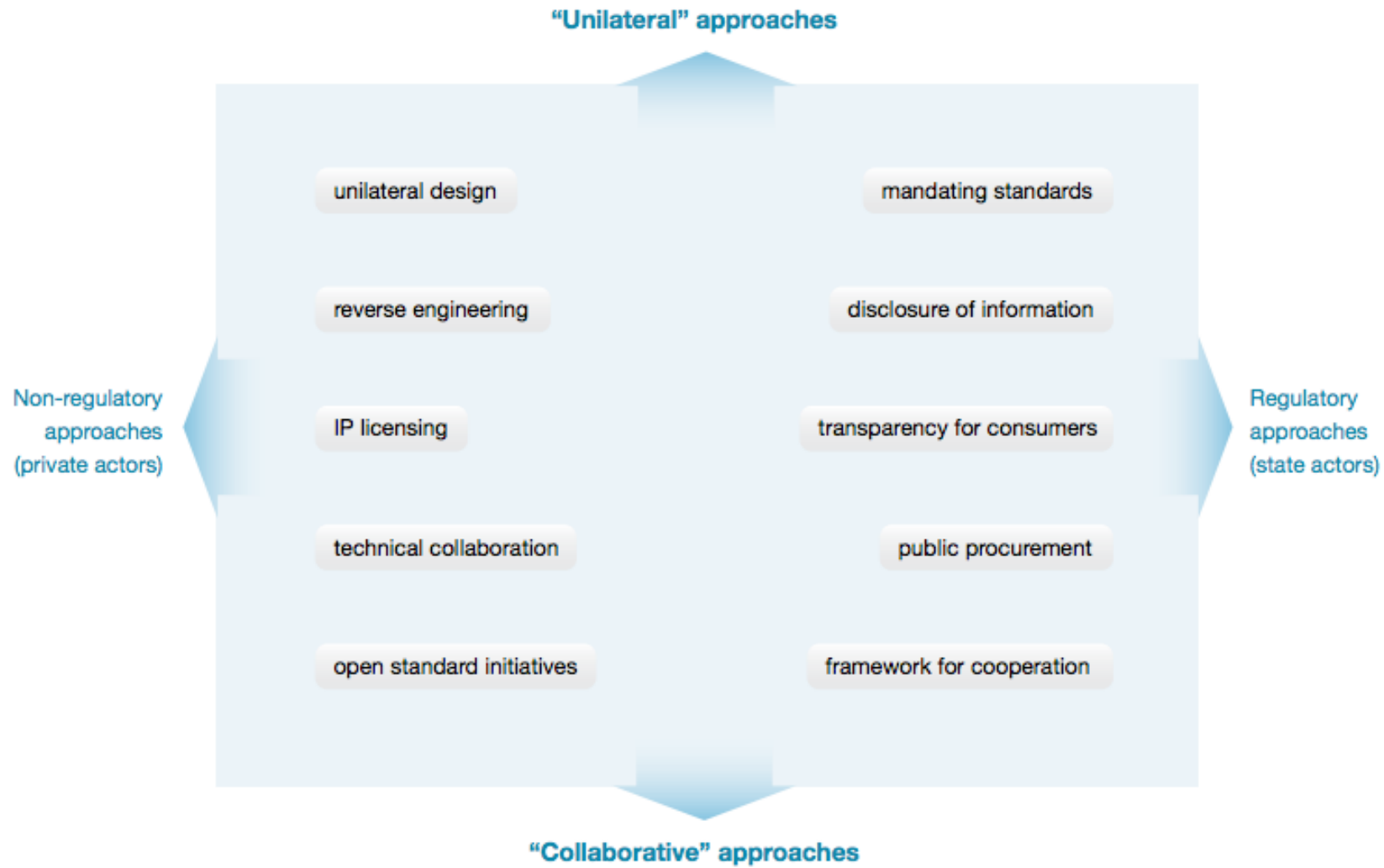


PRIVACY & SECURITY RISKS

- Privacy and security as possible drawbacks of high interoperability (multiple entry points)
 - How about diversity?
- On balance, however, benefits outweigh risks
- Privacy and security as design/implementation problems
 - “Design” includes not only technology, but also law, social norms, and shaping of market forces

APPROACHES

- Achieving interop can take a long time
 - Many actors (e.g. health care)
 - Legacy problems (e.g. air traffic)
 - Complexity (e.g. smart grid)
- Many ways to work towards more interop
 - Private vs. public sector driven approaches
 - “legislation by threat”



INTEROP STRATEGY

- In Digital Business, Interop strategy is key
 - Defensive, mixed, interconnected, truly interoperable approaches
 - Design, interfaces/APIs, licensing, collaboration
- Various factors shape strategy on markets with strong network effects
 - Initial competitive advantage (e.g. strong user base, reputation) suggests non-interop strategy
 - Case in point: Apple

CORPORATE STRATEGIES

DEFENSIVE APPROACH

- Sony PlayStation 3
- “HBO Go” & Games of Thrones
- Apple, Mac OSX and non Apple Hardware

MIXED APPROACH

- iPods, iTunes, DRM + Record Labels
- iPod, iPhone + iPad Accessories
- Microsoft and Novell Joint Venture

HIGHLY INTERCONNECTED

- Google + Android
- Google’s Open Social API
- History of Microsoft Windows

TRULY INTEROPERABLE

- Facebook
- Twitter
- Pinterest

APIs means a lot of exposure for web giants...

twitter

13

billion API calls / day

Google

5

billion API calls / day

facebook

5

billion API calls / day

NETFLIX

1,4

billion API calls / day

ACCU WEATHER

1,1

billion API calls / day

ebay

1

billion API calls / day

Source: Open APIs, What's Hot What's Not, John Musser

faberNovel 2012 ••• 14

<http://nbry.wordpress.com/2013/02/10/open-innovation-and-distributed-business-model-through-api/>

CHANGES OVER TIME

- A company's Interop strategy is likely to change over time
 - Example Microsoft (active role in cloud interop)
 - Example Twitter (more restrictive API use)
- Management of Interop strategy over time is essential
 - Not only tech and data interop, but also organizational, human, and legal interop

