

Meta's \$17 billion settlement hopefully to reshape global teen safeguards on social platforms

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Meta (Figure 1) agreed on Aug 26 to pay about \$17 billion to settle lawsuits brought by 47 US states, the District of Columbia and several US territories over allegations that its platforms were deliberately designed to addict young users, in a landmark deal that could fundamentally change how American teenagers use social media.

Under the settlement, a series of safeguards on Facebook and Instagram will be switched on by default for teenage accounts and cannot be disabled without permission from a linked parent or other guardian.

"This is a down payment, if you will, on protecting our kids," California Attorney General Rob Bonta said at a news conference on Wednesday. "It is transformative. It is a watershed moment. It is a milestone mark."

The agreement came after Meta was taken to federal court in Oakland, California, on Aug 12 by the attorneys general of California, Colorado, Kentucky and New Jersey. The states had sought as much as \$1.4 trillion in damages over allegations that Meta used addictive design features that harmed minors.

Twenty-nine states also alleged that Meta knowingly designed addictive products that contributed to anxiety, depression and even suicide among young people, while frequently collecting data from children under 13 without parental consent.

A central issue in the litigation was the effectiveness of Meta's existing safeguards, as many of the company's earlier teen-safety tools depended on users choosing to activate them. During questioning, an attorney for the Colorado attorney general's office said that just 1.8 percent of teenagers had activated Meta's "Take a Break" feature.

The settlement marks a fundamental reversal of that approach. The repeated use of the word "default" in the agreement means protections will be automatically applied to minors' accounts, with parents required to actively remove restrictions rather than teenagers having to opt into safeguards themselves.

During opening arguments, California Deputy Attorney General Megan O'Neil characterized Meta's business model as hooking users, keeping them on its platforms for as long as possible, harvesting their data and concealing the consequences from the public. "It's especially bad for kids," she said.

Former Meta engineering director Arturo Béjar testified that Instagram had taken what he called a "don't ask, don't tell" approach toward children under 13, despite having technology capable of identifying potentially underage users.

The two sides reached a settlement before Meta founder and CEO Mark Zuckerberg, who had been expected to testify, took the stand.



Figure 1. Meta headquarters signage

Under the agreement, Meta will pay about \$17 billion over 10 years, including an initial payment of roughly \$12.7 billion, part of which will be used to fund programs aimed at improving children's and teenagers' online safety.

More significantly for ordinary users, the settlement requires Meta to change core features of the everyday Facebook and Instagram experience in the US.

Accounts belonging to users aged 13 to 17 will generally be limited to two hours of use a day, excluding activities such as messaging and writing longer posts. The system will also be required to identify multiple accounts belonging to the same teenager and combine their usage when calculating the limit.

Access to feeds will be restricted by default between midnight and 6 am. A "school mode" will silence notifications between 8 am and 3 pm on weekdays, while notifications will also be muted from 10 pm to 7 am.

Parents or guardians will receive considerably greater oversight. They will be able to see how much time their teenagers spend on the platforms and the usernames of people with whom they communicate. When a teenager sends a message to an adult account for the first time, the linked parent will receive a daily notification containing a link to that account. Parents will also be alerted if their child searches for terms associated with suicide, self-harm or eating disorders.

Meta will additionally be required to verify users' ages using identity checks or facial-age estimation technology, while the systems will undergo annual independent third-party testing.

The agreement represents the first time Meta has been compelled through US litigation to make sweeping changes to core elements of the Facebook and Instagram user experience, while its consequences are expected to extend far beyond that platform alone.

According to reports, Meta's lawyers pushed during settlement negotiations for other technology companies to be brought under similar rules, argu-

ing that the company should not be placed at a competitive disadvantage.

Meta Chief Legal Officer C.J. Mahoney subsequently called publicly for TikTok and YouTube to adopt the same framework immediately. Teenagers move freely among dozens of apps, he argued, making an industry-wide solution necessary rather than restrictions imposed on a single company.

The Guardian captured the broader implications in the headline of its analysis: "Meta's settlement will compel others to bend the knee and set up teen guardrails."

If competitors eventually adopt similar standards, no matter voluntarily or under regulatory and legal pressure, the agreement could become a template for nationwide rules governing children's access to social media.

"Algorithmic addiction is the nicotine of the digital age", said Qidian Finance, a Chinese financial commentary account on WeChat, describing the case as paralleling with the 1998 settlement in which major US tobacco companies agreed to pay states more than \$200 billion after being accused of concealing health risks and marketing cigarettes to minors.

The commentary noted that tobacco companies had argued that smoking was a matter of individual choice, an argument it compared with social media companies' claims that users themselves choose how long they spend scrolling through content.

Following the tobacco settlement and subsequent restrictions on marketing to minors, the smoking rate among US high school students fell dramatically over the following decades.

The lesson, the commentary argued, is that what appears to be individual choice can to a considerable extent be shaped by product design and the marketing environment.

DECLARATION OF INTERESTS

The author declares no competing interests.