Commentary: New approaches to keeping unwanted e-mail at bay

CHERYL GLASER, anchor: Your office e-mail program may not set you up for lawsuits. Hey, you might have gotten your warmest holiday greetings online. But few e-mail users are immune from the scourge of spam. Fortunately, Add & Pad, the numbers guys, are coming to the rescue. MARKETPLACE commentators and Yale professors Ian Ayres and Barry Nalebuff suggest some new approaches to keeping unwanted e-mail at bay.

## **BARRY NALEBUFF:**

Spam is driving me nuts. I don't know what happened lately, but my Inbox is clogged with ways to live pain-free and expand my body parts.

## IAN AYRES:

It's time for you to invest in a good filter.

NALEBUFF: I already have. But spammers keep changing their names. Ian, why can't there just be a law?

AYRES: Look, the law won't work. Music downloaders teach us that it's impossible to enforce prohibitions against thousands of small violators. What we want is something that blocks spammers but doesn't interfere with e-mail from friends.

NALEBUFF: That sounds a lot like Habeas.com's solution. They allow individuals to embed their copyrighted haiku into an e-mail and anyone with that haiku gets through. But if a spammer uses that haiku, well, it's a copyright violation.

AYRES: Enforcement's still a problem. Here's a haiku for you: Fake Greek millionaire willing to steal your money breaks copyright, too.

NALEBUFF: OK. So the sender needs to post a bond along with his e-mail. I think that's the idea behind Vanquish.com. Each e-mail comes with a 'Penalize Me' button. If I'm annoyed, I click the button and penalize the sender a nickel.

AYRES: Oh, I get it. If it's an e-mail from a friend, I won't hit the penalty button. But how do we know the spammers will have enough money in their account to pay?

NALEBUFF: Vanquish has this neat technology that erases e-mails from senders whose accounts are overdrawn.

AYRES: Sounds nice, but how do we get there? You know, my dad's never going to understand this.

NALEBUFF: Hey, the access provider has a big incentive to sign him and everyone up. They save on reduced traffic and storage and get to keep most of the penalty fees.

AYRES: You almost got me. I set up my Inbox to only accept bonded messages. But what if an old girlfriend who isn't a Vanquish user wants to contact me?

NALEBUFF: Dream on.

AYRES: Seriously.

NALEBUFF: All she has to do is answer a silly question, like: What do you call an adult kitten? And having proven she's human, she can then send you e-mail. Ian, the only think I don't like about Vanquish is that I want to be able to set my own price and keep the money.

AYRES: And why stop there? Why not use this idea to control telemarketing spam, too? Why not force telemarketers to use a reverse (900) number where they pay per minute to call us?

NALEBUFF: Imagine. No more unwanted e-mail or telemarketing. I guess there really is a Santa after all.

AYRES: In New Haven, this is Ian Ayres.

NALEBUFF: And Barry Nalebuff for MARKETPLACE.

GLASER: Ian Ayres teaches law and economics at Yale Law School and Barry Nalebuff teaches business strategy at Yale's School of Management.