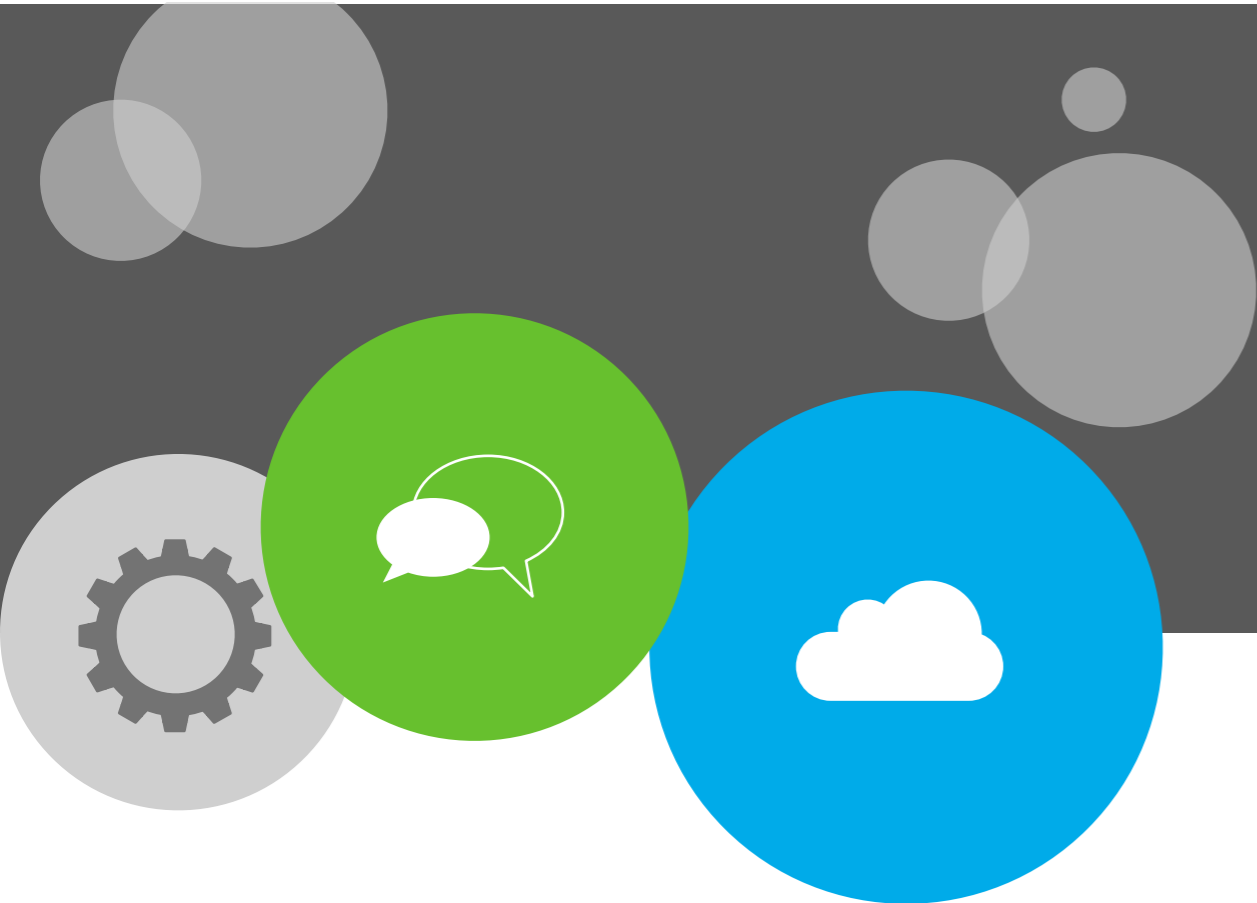# Quality of service in the Net Institutional approach

Igor Milashevskiy, the open Net Association

Applied aspect of Quality- the market value of the goods

We learned classification of quality metrics on: local - distributed, static - dynamic, multi-level...
All participants contribute to the quality (quality degradation), but no one has complete information for diagnosis and action.

What can we say about the user?

"Alas, poor Yorick!"

In terms of microeconomics -
a situation of information asymmetry.

One of the participants of market relations has a
smaller amount of relevant information.

What can be predicted with confidence?

The presence of adverse selection problem.

Inferior goods replacing goods of high quality.

George Akerlof - Alfred Nobel prize in 2001

The way to solve he problem - the creation of independent specialized organization or network of such organizations with

A) own large-scale monitoring system and the ability to aggregate information of other monitoring systems;
B) the ability to produce operative technical regulation and coordination of the relevant actions of market participants.

Principles of the new technical regulation:

1. The principle of voluntary participation.
2. The principle of openness of the participants.
3. The principle of positive selection (as opposed to "adverse selection").
The priority of ethics and reputation as a trust factor and user preferences. The availability of objective quality metrics and derived rating indicators.

How?

Don't ask

Mutual Responsibility
Self and Co-regulation