

It's Time to Force Tech Giants to End the Digital Panopticon

by Duncan McCann via claire - New Statesman *Monday, Jan 14 2019, 12:30am*

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Today we are living in a digital panopticon, a world where our every interaction with digital technology is being recorded and analysed. The rationale for much of this collecting, selling, and sharing of data is often based on the need to monetise it through the provision of personalised adverts.



Panopticon Penitentiary

There is perhaps nothing that exemplifies the modern data economy more than the way the ad tech industry and associated technical systems work. And while many major tech companies rely on personalised advertising for their revenues the system is so problematic – from both a societal and technical perspective – that we shouldn't seek to fix it, but to end it.

At the New Economics Foundation we propose that in the process of placing adverts on webpages, no personal information should be broadcast. This is not what currently happens: over the 12 days of Christmas alone our personal data was insecurely shared over 118 billion times. Also, companies like Facebook, who sell advertising space directly on their webpages, should be required to get explicit consent of their users.

Advertising has migrated online in a remarkably short space of time. In 2018 almost half (44 per cent, worth \$237bn) of all advertising spend was online. But what is more remarkable is that advertisers can now target individuals wherever they are on the internet; and that two digital giants – Google and Facebook – have captured the market with 84 per cent market share. Both companies are hugely reliant on ad revenue, with Facebook collecting 97 per cent of its overall revenue from ad spending, while at Google it accounts for 88 per cent.

When you click on a link to a page, between you clicking and the page loading, information about you is compiled and sent out to advertisers to assess the value of showing you an advert. The advertisers then bid in a real time auction for the right to place an ad in front of you.

However, these requests broadcast more data than is justified for advertising purposes, and can include sensitive information such as sexuality, ethnicity, or political opinions.

We should be concerned that whole companies and digital products are being built solely in order to gather personal data about us. Any free app that we have on our phone is relentlessly gathering data about us, selling it to data brokers, while delivering us personalised adverts.

The ad industry suffers from a number of technical problems. Around 25 per cent of ad spend is lost to fraud, with experts labelling it “one of the most profitable crimes with the least amount of risk”. In the process of placing adverts on webpages the ad tech industry is exposing every person who uses the internet to the non-consensual, and often unwitting, sharing of their data with thousands of companies who are all able, although not legally authorised, to copy, share, and sell the data on again.

The current auction process is not fit for purpose: we need new legislation. Instead of sending lots of personal information about us to the advertising network, at NEF we propose that nothing personally identifiable should be sent. This would immediately stop the massive leaking of our personal information, diminish the power of the tech giants, and remove one of the major incentives for pervasive data gathering.

In addition, because sites like Facebook allow advertisers to target users directly through their site, the government should ban all website owners from selling personalised adverts on their own sites using personal data with anything less than explicit consent. These sites would be required to make the full profiles that the advert is based on accessible to us. We would be able to correct any incorrect data contained in the profile as well as withdraw consent for our information to be used for targeting purposes.

This proposal would be transformational in a number of ways. It would prevent further data leaks, by preventing any personal data from being sent – and therefore potentially compromised – during the online advertising process. It would reduce the commodification of personal data, by diminishing the ability of companies to sell on personal data as well as reducing the incentive to collect data. It would force tech giants to diversify their business model away from services based on constant surveillance and personalised advertising. And it would redistribute power away from tech giants and towards websites that spend time producing content and have a dedicated user base.

We urgently need to move to a digital economy where the priority is protecting people, rather than exploiting their personal data. Only by resetting the terms on which we engage with the data economy can we hope to build a positive digital future where we can be confident that our privacy will be protected, and where we are able to navigate freely without being surveilled.

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