

The Consumer Privacy Bill of Rights: Are We the Consumers, Or Are We the Product?

Brendan Greeley

Yes, we want Google, Facebook, and all other online services to keep our information private. But if we want them to remain free, something's gotta give

This morning the White House released its Consumer Privacy Bill of Rights, a proposal to protect online users from being tracked by websites without their knowledge. "American consumers can't wait any longer for clear rules of the road that ensure their personal information is safe online," President Barack Obama said in a statement. "As the Internet evolves, consumer trust is essential for the continued growth of the digital economy."

Hard to argue with that. In response, Google released a statement, as did industry group Digital Advertising Alliance, agreeing on the importance of protecting consumer privacy. The administration's plan offers a thorough, considered recommendation that "stakeholders"—industry, government and, one hopes, consumer advocacy groups—agree on a set of standards, in line with those in other countries, to be codified by Congress and enforced by the Federal Trade Commission. Google, for instance, has offered to put a "do not track" button on its Chrome browser. All you need to know about the DAA's announcement is that its title included the phrase "self-regulatory program." Facebook kept noticeably quiet.

We're not being honest with ourselves. And by "we" I mean consumers, those whose privacy the President, Google, and the DAA would protect. Google, Pandora, Facebook—each offers value in exchange for no money. This is not to lionize these three companies, because they're not doing the Lord's work out of love for mankind. They are companies, and soon all three will be answerable to shareholders. This is not a bad thing, but we shouldn't pretend it's not a thing.

What's important to remember in this discussion is that we are not their customers. We are their product. Or, rather, when we use their services for free, information about our habits, friends, and preferences becomes their product, which they then sell to the companies of the Digital Advertising Alliance—their customers. When we demand that they not track us, remember us, store our information, or take notice of what we like, we are in fact telling them to give us something for nothing. That's not how business works.

This is not to shuck off the problem of protecting consumer data. We are tracked offline as well, for example, when we swipe our credit cards at a gas station and enter our zip codes for confirmation. And at a gas station, since we can correctly consider ourselves customers, we have a reasonable expectation that the transaction ends after we pay. The administration's white paper spelling out the details of the proposed law explicitly recognizes a basic justification for regulation: Unless all companies are forced to incur a cost, no single company has an incentive to put itself at a disadvantage. The White House, at least, seems to understand the problem.

We, the consumers, need to as well. Instead of expecting the companies that serve us for free online not to be evil, we must be honest about what they give us and what they can expect in return. When they talk of privacy, their business models demand that they negotiate with fingers crossed behind their backs. The only way this will change is if we ask them to change their business models and, consequently, their incentives.

We have a reasonable expectation that Google, Pandora, and Facebook be explicit, in clear English, about what they're tracking. This is one of the White House's goals, and it will be fun this year to watch the administration's stakeholders try to finesse this. I'm not sure I want a "do not track" button, because whatever free online services promise, I'm going to have a hard time trusting them when my incentives are so terribly misaligned with theirs. This is not a moral judgment. I don't think they're evil. I think they're human. What I do want is a "pay to be Jason Bourne" button, where for 10 dollars a month I can become a customer, rather than a product, and in return be allowed to slip, unknown, into the darkness.

Fonte: Bloomberg Businessweek, 23 Feb. 2012. Disponível em:
<<http://www.businessweek.com>>. Acesso em: 27 Feb. 2012. On-line.

