

PIBCI - Monthly Perspective

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The economics of surveillance

Summary

The commodification of our private data through surveillance has spawned a new market which is on a crash course with democracy.

Have you ever stopped to think about how often are you being monitored? When do your day to day actions get logged and recorded? And where does all that surveillance data go? How is it being used and by whom? For the past twenty years there has been a revolution in surveillance which extends well beyond the tracking of your movements, the storing of your communications and the recording of your online purchases. This revolution has an economic dimension which has transformed surveillance of each and every one of us into a very lucrative business. The data collected about your likes, dislikes, hobbies, purchasing habits, web browsing history, emotional reactions and network of friends all provide the raw materials for harvesting, analysis and packaging into a commodity eagerly sought after by businesses. Yet, today's emerging market in predicting human behaviour has potentially more sinister implications on our individual rights and on democracy itself.

The internet

The advent of the internet was to unleash a wave of benefits for humankind. Information on all topics would be democratised, making it freely available thereby setting the stage for unimaginable human progress. The communication revolution through the internet promised to link people from across the world bringing them closer together. The internet was to super-charge our ability to problem-solve, creating the conditions to eliminate the world's worst afflictions. War, hunger, disease and pollution would be a thing of the past as the internet was to help open up our collective imaginations and focus on improving the human condition. Fast forward twenty years and such dreams are turning into a nightmare. Large corporations have taken hold of the internet. The wealth of information has been polluted by

sensationalisation, spectacle, narcissism and advertisements. Large corporations have manipulated access to digital technology, so that the purchase and use of software and hardware can only be accessed once you have signed up to their lengthy and convoluted terms and conditions. Using the internet now exposes our networks, financial transactions, search history and habits to large tech corporations who freely harvest the abundance of surveillance data for analysis by the most powerful artificial intelligence (AI) processors and package it for sale. As a consequence, the democratisation of knowledge has been reverse engineered by the world's largest IT corporations.

Ubiquitous Surveillance

Since the early 2000's, surveillance has become ubiquitous. The rash of anti-terror laws have enabled governments to closely monitor its citizens. As a consequence, CCTV cameras have sprung up like mushrooms, facial recognition software is commonly used, and our internet browsing histories are 'lawfully' recorded and scrutinised. The emergence of the 'all-seeing eye' of government is very real. However, the nature of surveillance goes beyond the role of government. For over twenty years, the world's largest tech companies have learned how to harvest our most intimate data, from an array of devices and locations across the globe. Furthermore, they are refining the way in which to harness the power of surveillance data.

Despite some of its benefits, social media has opened up a gold mine rich in personal data that the largest tech companies freely feast on. Facebook has been gathering personal information from its user's accounts and funnelling it through data analytics and turning it into 'digital gold'. Google searches have enabled the Google corporation to search its users free of charge.

What about privacy?

As soon as you switch on your mobile phone, you are broadcasting your presence to an array of third parties. Your internet browsing history is monitored and recorded. The privacy terms and conditions many of us casually agree to when loading up new software are so long and convoluted that most people simply disregard them without delving into the detail. The implications of 'signing up' usually means that your personal data will be sent from one

third party who sends it on to another third party and then another. Your credit card transactions, Google searches, Facebook profiles, hobbies and friendship groups through to your power consumption and key strokes are all collected and analysed by an array of IT corporations. You may think you control your personal information when you agree to provide your details to a corporation, but they are not interested in your name, phone number, email address or location. Large tech companies are after your behavioural data. Your reactions, emotional responses, your mental state, your views and attitude on all topics are eagerly swallowed up into AI machine factories which aggregate millions of people's personal data. This private and most intimate data is taken from you for free. It is analysed and then churned out as data sets to be sold to the highest bidder. This new market has been dubbed 'surveillance capitalism.'

Despite the rules, regulations and privacy laws governing the confidentiality of data, our information is collected at every keystroke and online transaction. The novel forms of surveillance by large tech companies have managed to dodge outdated laws and out manoeuvre inept governments and a slow and distracted public from the real dangers of surveillance capitalism.

Marketing human behaviour

Instrumental to capitalism is the ability to find new markets in which commodities can be traded. Through the process of commodification, virtually anything can be bought and sold. Food, land, forests, ideas, artworks, bottled water or soft drink are all commodities in the contemporary economy. It appears that the largest IT companies have opened up the final frontier that has commodified intimate human experience and behaviours. Through surveillance capitalism, IT corporations are exploiting their access to our cameras which are co-located on our mobile phones and digital devices that move freely around our homes and outdoors. They have a free pass to monitor our geographical movements through GPS. Under the guise of biometric security, IT corporations have free admission to our biometric data such as voice recognition, fingerprint and palm prints, iris recognition, heart rate, body language and temperature.

Surveillance capitalism is fixated on monitoring and analysing our likes and dislikes, social networks, emotional reactions and purchasing habits. All this data provides the raw materials for the new market's production line.

Once processed by AI machine houses, millions of people's habits, reactions and behaviours are churned into data sets and sold on the basis that they can predict human behaviour. Businesses are scrambling to pay top dollar to purchase this data so they can maximise sales. Tailoring promotions and customising adverts that invade our screens are just the tip of the iceberg. Knowing what product to advertise when you are feeling down or when to prompt you to purchasing a special gift that happens to be in your favourite colour and matching size. This is not coincidence, this is based on dredging through your personal data and analysing your personal needs and wants. Surveillance capitalism has evolved into a profitable art which invades our intimate space and is programmed to intervene when we our guard is down. It's influence cannot be underestimated, prompting the question – did I freely make the decision to buy a product, or was my latest purchase triggered through coaxing, a digital prompt or nudge.

The underbelly of surveillance capitalism

Unfortunately, the new market in human behaviour and prediction is not interested in advancing the human condition. Nor is it about making society a better place based on peace and good will. The immense power of AI machine factories are not designed to promote the betterment of humanity. Surveillance capitalism simply exists to make a profit. Directed by large IT corporations, our personal data is being exploited to make big dollars.

Surveillance capitalism is rapidly evolving. Under the right conditions, it is likely to go beyond the scope of collecting and predicting purchasing habits fro the sake of generating huge profits. Collecting and analysing social, psychological, economic and political data is the next step. The Cambridge Analytica scandal clearly highlighted how private business harvested personal information, which was used to build psychological profiles that were analysed and later deployed in political campaigns. Such an example highlights how manufacturing consent

and manipulating support for a political party or a political ideology is a very plausible next step for surveillance capitalism.

Collective action

For twenty years, large IT corporations have been taking our intimate data for free. Dodging privacy laws and bypassing our awareness, IT companies have been exploiting our intimate data and our most private information simply to turn a buck. While they collect mountains of personal information on each and everyone of us, the public knows very little about the tech giants. Moreover, the public has little insight into the collection, analysis and trading of our intimate data.

Like all markets, surveillance capitalism knows no limits, nor does it have ethical boundaries. Through surveillance capitalism, business has demonstrated its willingness to turn towards the collection and analysis of social, economic and political data. The implications of this are potentially menacing. Predicting the behaviour of groups and remotely controlling people through digital devices places surveillance capitalism on a collision course with democracy. Through the advances in technology wielded by large corporations, the act of blurring freedom of choice with manufacturing choice can only be reversed by collective action.

Join PIBCI and be part of the solution.

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