The Piracy of Privacy: Why Marketers Must Bare Our Souls

by Allen D. Kanner

When The Police sang their famous lines, “Every breath you take, every move you make, ... I’ll be watching you,” they may have had an obsessed stalker in mind or even a government run by Big Brother. They probably were not thinking of the exponentially expanding world of high-tech marketing. Yet corporate advertising constitutes the greatest threat to privacy in human history. It is a threat, moreover, that has arisen as a byproduct of an economic system so single-mindedly bent on increasing profits that it is only vaguely aware of what it is actually doing.

The corporate capacity to scrutinize people’s private lives has made great leaps forward in the last five years, with further advances on the horizon. To remain competitive, corporations are now compelled to probe more intimately and thoroughly than ever before. Consider the following developments.

Every Step You Take

Using built-in links to the global positioning system (GPS), smartphones such as the iPhone and Blackberry can now track individuals down to the street corner on which they stand. This enables marketers to send ads, say, for a nearby restaurant as someone emerges from a movie theater. In a similar vein, AisleCaster is a GPS-linked mobile phone program that offers shoppers specials based on their precise location in a supermarket or mall.

Further, some mobile phones collect and store an average of twenty pieces of information per customer, including the person’s age, gender, race, income, health, travel patterns, interests, purchasing history, and whether she or he has children. Using these data, smartphones can customize commercials to a particular customer. Thus, different people receive different ads.

In 2006, Google CEO Eric Schmidt predicted that within several years, highly personalized car ads will be sent based on an individual’s GPS location. Schmidt has described privacy as passé.

Quividi and TruMedia are companies that produce digital billboards with tiny cameras that gather information from passersby, such as their gender, age, race, and length of time looking at the billboard, and tailor their display ads accordingly. With the rapid spread of digital screens to stores, gyms, doctor’s offices, elevators, taxicabs, the sides of buildings, and elsewhere, these miniature snooping cameras have a bright future.

It is well known that marketers monitor online activity. But the amount of information collected is staggering. According to a study commissioned by the New York Times (see...
Louise Story’s article “To Aim Ads, Web Is Keeping Closer Eye on You” from March 10, 2008), in December 2007, Yahoo, Google, Microsoft, AOL, and MySpace recorded 336 billion transmissions in which the consumer’s data were sent back to the Web companies’ servers. Advertisers are now choosing where to place their ads not so much on the size of a site’s audience as on how much the site knows about its visitors.

In the public sphere, marketers are constantly achieving new levels of intrusiveness. Ads are appearing on supermarket eggs, airline motion sickness bags, and paper liners in pediatricians’ offices. A picture of Adidas sneakers placed in a subway station bursts into a whirl of flying shoes when someone walks past it. “Got Milk” billboards have emitted chocolate chip cookie odors in bus stops, a practice that was halted due to complaints. Some shopping carts at Jewel-Osco grocery stores are equipped with two screens, one that advertises to parents as they pass by specific products and another that plays TV shows for the children in the cart.

Neuromarketing is a growing area of research that uses brain-imaging techniques, such as MRIs, to monitor neural activity while people view commercials. In one recent study, investigators were able to predict whether a product would be bought by examining shoppers’ neuronal firing patterns as they evaluated products on computer screens. A Harvard University study sponsored by Jack Daniels compared scans of teenagers, twenty-year-olds, and older men in various drinking situations. The results were used to refine a whiskey advertising campaign. Other investigators are measuring eye blink rates in children to determine what types of images keep them glued to the screen.

The ongoing integration of various media such as television, computers, cell phones, and iPods means that information collected through one media is automatically transferred to another. Soon the electronic media will function like a giant octopus, with each tentacle monitoring our lives.

The Larger Structure

Does the Invasion of Privacy Really Matter? Imagine five years from now that you are undergoing a divorce and that you are the father of a young boy. A toy company’s marketing division has flagged your situation; its research indicates you’re likely worried about the relationship with your son. The marketers also know that you’ve just been paid and that the boy’s birthday is next week. The ad they send on your smartphone—showing an ecstatic boy receiving an expensive video game from his loving father—has been electronically tweaked so the boy looks a little like your child. You order the game on the spot.

Your love for your son has been subtly altered during this process. Instead of paying close attention to his true needs, perhaps for more time with you, your attention has been shifted at a vulnerable moment toward making him happy through buying him gifts. You might work extra hours to afford the video game, time you could have spent with him.

By exposing people to thousands of such exquisitely personalized ads, corporate marketing could surreptitiously mold the most meaningful episodes of our lives. Our greatest passions, anxieties, dreams, and losses would be distorted and redirected to serve the consumer culture.

Yet the intersection of corporate capitalism with modern communication technology necessitates the sacrifice of privacy. The reason is simple: the more advertisers know about their customers, the greater their chances of making a sale. Knowledge is power. But as each new area of privacy is transgressed, it soon becomes saturated with commercial messages. Competition among marketers guarantees that the industry maintains its (continued on page 74)
radiation sickness within two weeks—bleeding from multiple orifices and suffering from an imploding immune system, as occurred with many Japanese atomic bomb victims at the end of World War II.

No major TV networks carried the news that buried within the Senate version of the economic stimulus bill was up to $50 billion for nuclear loan guarantees, of which more than 50 percent was expected to end up in default according to the Congressional Budget Office. Sadly, our major networks never mentioned anything about the removal of these loan guarantees in the reconciled stimulus bill, either. The nuclear story exists in the shadows. Americans, beware that this unwarrantedly subsidized industry may sneakily gain loan guarantees in the future if the light of the media does not shine on the next attempt to bail out the nuclear cabal.

Renewable Renaissance

Importantly, no new nuclear plant would be ready for ten years, while we could be supplying all our energy from alternative sources within a decade. For this reason, we should spend our precious resources wisely. Denmark today gets 25 percent of its electricity from wind. Spain expects to generate almost 30 percent of its electricity from renewable resources by 2010, requiring all new and renovated buildings to use solar power for part of their energy.

A 2.5-megawatt Clipperwind turbine can be made in one day. New thin-film photovoltaics could be part of a rooftop renaissance of solar energy at competitive cost without the need for new electric transmission lines. “Small” hydropower capacity (from facilities generating less than 30 megawatts, theoretically not impacting fish spawning) in the United States today is more than 275,000 megawatts—nearly triple our current hydropower production. And then there is energy efficiency or “megawatts, not megawatts” decreasing combative pollution. As Amory Lovins famously says, “because saving electricity is cheaper than making it, pollution is avoided not at a cost but at a profit.”

It is time to create an electricity system for the United States that relies neither on fossil fuel nor nuclear power. We can do it, starting now—yes, we can!

PIRACY OF PRIVACY

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trajectory toward a more complete inner invasion and outer immersion, a total marketing envelopment of our being.

Of course, once personal information is gathered, it can be used for purposes other than selling products. We saw this recently with the Bush administration’s requisitioning of phone company information to spy on American citizens. Since corporations are profit-driven, their valuable data banks will not remain within the confines of their sales departments.

Just to be clear, corporations do believe in privacy—for themselves. Their privacy is called proprietary information or trade secrets. The possible revelation of trade secrets is routinely, and successfully, used as an argument against regulation.

Similar to environmental destruction or the exploitation of labor, the corporate violation of privacy reflects fundamental structural flaws in corporate capitalism that transcend the type of product or service being sold. In each of these instances, the damage wrought is an inevitable byproduct of the economic system. Corporations do not destroy nature because their charters demand it, nor exploit labor because they have a mandate to see working people suffer, nor intrude upon privacy because they wish to embarrass and expose people. Rather, the manipulations necessary to increase sales require drastic interventions with side effects that rain ruin upon the world and ravage the psyche.

The long-term answer is not more regulation. There is something deeply amiss about a perennial battle between marketers and regulators over corporate access to our inner and outer lives. We must escape from the battle itself. This will require an economic system that cherishes the planet and its people, and does not compel its businesses to demolish our privacy for their quarterly profits.

NEW IDEA FOR ISRAEL AND PALESTINE

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Arab national identity and national citizenship to the Palestinian state) would solve the dilemma posed by this clash of symbolic loyalties.

18) Since two-state condominialism would enable Palestinian Arabs to attain most of what they most want—i.e., an internationally recognized state within all of its pre-1967 borders, a right of return and to settle anywhere within Mandate Palestine, East Jerusalem as Palestine’s capital, the free movement of people and goods across Israeli/Palestinian borders, etc.—the settlement would create a powerful incentive for ordinary Palestinians to police their ranks against terrorists and extremists who would jeopardize the condominial agreement and all its benefits by continued violence and hostilities directed against the state of Israel and its Jews.

19) With the establishment of the Condominial Territory as a unified settlement community, and the free movement of both Palestinian and Israeli citizens across state boundaries, the Jewish concern with maintaining a “united Jerusalem” and access to sacred Jewish shrines in Palestinian territory (e.g., the Cave of the Patriarchs, Rachel’s Tomb, the Western Wall, etc.) would disappear. Citizens of both states would be allowed to live in and visit the territory, cities, and holy places throughout historical Palestine without fear of ethnic exclusion.

20) Since the Palestinian state, by treaty obligation, would have a restricted military, and would implicitly be protected by the state of Israel from invasion from hostile outside powers, the new Palestinian state would be free to devote most of its resources to domestic projects and the educational and social welfare needs of its people, rather than to huge military budgets.

21) As a win-win situation, two-state condominialism would transform Israel’s image in the Mideast region, dramatically altering its pariah status among its