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Foreword

By Eric K. Clemons

Western philosophical and legal traditions guarantee each individual the right to protect his own public image or persona; libel and slander laws are just a small portion of that tradition. Western democracy is based on the idea of fully informed voters making rational decisions, and traditions of freedom of speech and freedom of the press are just a small portion of how western societies protect voters' right to be fully informed. Western industrial economies are based on the idea that consumers can buy products and use services with confidence, from distant and massive manufacturers, through intermediaries, without ever being able to learn even a fraction of what the manufacturer and the seller know; western consumer protection regulations are in essence aimed at reducing these information asymmetries by ensuring that products are safe and that advertising practices cannot manipulate consumers or obscure the true nature of the products they are considering.

All these traditional pillars that protect western citizens are facing a mass extinction event.

Mass extinctions do not usually occur because the environment has changed, but because the environment has changed so rapidly that organisms do not have time to adapt through normal evolutionary practices. The asteroid impact at the K-T boundary did not immediately eliminate 75% of all species on earth; rather, the changes that

occurred, rapidly but not instantly across the entire global ecosystem, caused mass extinctions over a short period of years.

The changes in online business practices have been so rapid and so dramatic that western business regulations have not had time to adapt. And a small collection of truly massive online corporations have gained so much power that they, and not governments, may be able to control the regulatory framework intended to protect consumers from abuse by these same companies.

Interestingly, Jan's focus is not merely on protecting competition or the right to informed choice when making purchases, although he agrees that both are crucial. His focus is the protection of human agency, the ability to act in one's own interest without undue manipulation. And he focuses even more intently on the protection of human dignity, because without agency we are all mere pawns, or worse, we are clockwork oranges, not chewed up by God or the Devil or the Almighty State in their own struggles, but chewed up and discarded for an incremental contribution to corporate profits.

Despite its lofty and esoteric-sounding goals, this book is quite firmly grounded in a range of scholarly traditions, including marketing, law, psychology, and philosophy. And despite Jan's concerns about a possible dystopian future, he and the book remain surprisingly optimistic. As he writes on the very first page of chapter one,

The hypothesis is that the negative consequences can be mitigated with negligible impact on the benefits from the technologies, which will make society richer in a broad sense. The hope is to steer us away from entering a new dark age with limited scientific and cultural advancement.

No reader can be fully familiar with the range of disciplines upon which this book is based. It therefore provides essential introductions to each of these disciplines, including the assumptions that the author makes when interpreting each. Readers who agree with the author's conclusions know how the conclusions were reached. More importantly, readers who disagree with any of the conclusions also know the assumptions on which they were based, and are well-posi-

tioned either to disagree with the author's conclusions or to question their own assumptions.

Many previous authors have argued that users pay for Google and Facebook with access to their data, and that since this data is very valuable users are overpaying for services that are apparently free. Others argue that this theft of value, by observing users' behavior, is the essential and fundamental evil behind "Surveillance Capitalism." This book argues that this analysis is incomplete, and is as a result inaccurate in many ways. Most importantly, consumers simply don't care about paying with data, since they perceive that sharing data costs them nothing. The visible advantages that consumers get from this "Surveillance Capitalism" include personalized services and the absence of irrelevant ads, that is, freedom from the internet equivalent of robocalls during dinner.

This book argues that the downside is far less visible to consumers and to citizens more broadly, and far more harmful to them simply because it is less visible. There is a joke, beloved of scout masters, teachers of cultural adaptation, and politicians, of a bird who asks a couple of fish, "*how's the water today?*" The fish are dumbfounded, and ask, "*what's water?*" If water is all you know, water is no longer a thing. Google and Facebook don't just decide what to show us; for many of us they determine our realities. There is no concern among those users that their reality has been distorted, because what they are shown by Google and Facebook *is* their reality.

We are not paying for these services with data. We are paying for these services with our attention. More fundamentally, we are paying for these services not only with what we do see, but with what we do not. For many users, Google and Facebook do not present ads or present world views that distort reality; Google and Facebook replace reality in order to provide users with something tailored to be more interesting to each. I would add that this tailoring enables something far more important than the *manipulation of our attention*; it enables the manipulation of our preferences and *manipulation of our actions*. This is not "Surveillance Capitalism" but something far more dangerous. This is "Alternative Reality Capitalism" and "Manipulation Capitalism."

The author argues that although consumers have adopted so many of these platform services, it is hard to argue that they have retained control over their actions, or *agency*, and that many consumers accept these services either because they are not really certain *how* they are being manipulated, or even because they have no viable alternatives. Our own research confirms both: we generally see a percentage of 5% or less of users who are both aware of how their data are used by on-line platforms and who would approve of it if they knew about the platforms' activities.

In some ways I am less optimistic than the author. Jan sees the law and regulation as limiting the power of online marketers and social media companies; I see the companies as developing power that will be greater than regulators. Jan sees consumers, in concert with regulators and other government authorities, reining in the power of these mostly-American giant platforms and allowing more benign competitors to emerge. I see these giant platform companies developing platform-envelopment strategies, adding more and more services, and creating such super-additive value, that no companies can compete effectively. In this Faustian bargain, consumers are not paying with cash for excessively high prices, to which they would object, and for which they would get regulatory support. They are not even paying with data, for which they seem to have no serious objections. They are paying by sacrificing their agency and free will, and they are paying by sacrificing their human dignity. And nothing in American or EU antimonopoly law addresses the Faustian abuse of human dignity.

The worst abuses of Manipulation Capitalism are not getting consumers to buy products they don't need and shouldn't want. The worst abuses of Manipulation Capitalism include election manipulation, deadly activities like recruitment for extremist ideologies, and things both dangerous and apparently trivial like distorting young women's self-perceptions to make them more compliant consumers. The worst abuses involve replacing our perceived realities, so we do not, indeed, see the water. This book will help us all understand who is abusing us through big technology and how. It will enable us to see the water as it really is. And it may enable us to respond to the dangers of Manipulation Capitalism, not as threats to capitalism

based on monopoly power, but as something far more pernicious, less visible, and more dangerous to individual dignity and to the functioning of our complex societies.

If social media represent a threat comparable to global climate change, this book offers hope that we can understand and respond to those changes sooner. Unlike carbon-based threats to our environment, technological threats are emerging faster and will demand a faster response.