NEPPI Salu Ylirisku 30.11.2020

# IDBM NEPPI 2020 WEEK VI

The dilemma of 'free' digital services

Dr. Salu Ylirisku, Senior University Lecturer

Aalto University, School of Electrical Engineering, Dept. of Electronics and Nanoengineering







### **The Dilemma of Free Digital Services**

- The availability of free digital services is wonderful when looked from an individual's point of view
- The macro view reveals a very problematic situation





### Free Digital Services An Individual's Point of View

- You get technically superior software, which is:
  - Affordable (=seemingly free!)
  - Available
  - Accessible
  - Personalized
  - Collaborative (in real-time)
- The services work on any platform globally





### Free Digital Services An Advertiser's Point of View

- Well-targeted message delivery
- Excellent analytics





### Free Digital Services The Macro View – What is the Problem?





### **Free Digital Services The Macro View – What is the Problem?**

- The Giant gets it all
  - Power
  - Money (! even though its 'free' for you)
- The ethical conduct of the Giant is questionable
  - Selling your attention to the highest bidder
  - "Social media platforms profit from our outrage, confusion, addiction, and depression. It's a feature, not a bug."



https://ledger.humanetech.com/



# How the Giant becomes unbeatable, and why it is inevitable without interventions

- Money is an outdated tool for data-economy
- Size and quality of connections define the winner



### Money: **Outdated Tool for Data Economy**

- Money is an invention for exchange
  - You get something and give money
- Archaic
  - Money has existed for thousands of years in various forms





### The Value of Money is a Belief

- Every since 1971 all (Western) money has had virtually no inherent value
- Banks, even in Finland, create money from promises
  - When you take a loan, a promise is made (debt to the central bank)
  - By fulfilling the promise, you create the money (i.e. pay the loan back)
- Belief in a money can die
  - e.g. Venezuela/Bolívar









### Data Economy Is Not about Exchange: It Is about Sharing

- Sharing works differently from exchange
- When you share
  - A new copy of data is made
  - The copy is set into a different system
  - The original copy remains in the original system





## **The Giant Values Your Data**

- You are granted access to the Giant's 'free' digital services, because you share your private data
- Your data has value (however, unaccounted)





## What is the Value of Data

- Nikander et al. (2020) has coined the term 'anti-rival' goods
- Rival goods: hammer and nails
  - Cannot be used at the same time, value is subtracted
- Non-rival goods: club benefits
  - Can be used at the same time, value remains
- Anti-rival goods: private data
  - Shared, value increases with copies in larger systems

Nikander, P., Eloranta, V., Karhu, K., & Hiekkanen, K. (2020). Digitalisation, anti-rival compensation and governance: Need for experiments. Proceedings of the Nordic Workshop on Digital Foundations of Business, Operations and Strategy. The Nordic Workshop on Digital Foundations of Business, Operations and Strategy, Espoo, Finland.





### The Genesis of the 'Big Mind'

- We are witnessing ever-bigger data ecosystems emerge
  - More sensors and interfaces collecting data
  - More complex systems in associating and actuating data
- The bigger and more complex the system, the bigger value your private data will be within that system
- Sharing of private data disproportionally benefits the Giant
  - It will gain and retain an advantage always at least a step ahead
  - Easy to eat or beat the competitors





### **How Does the Genesis of the 'Big Mind' Happen**

- Four essential repeated activities:
  - Collecting data (sensing)
  - Associating data (interpreting)
  - Synthesizing data (planning)
  - Actuating data (acting)





### **A Brief Historical Detour:** Intelligent Software Agents (2009)

 "Siri is to launch an ISA that will be able to perform simple tasks on the user's behalf. According to Cheyer, we are on the brink of an era in which the software agent will change the era of search. He hopes that it will constitute the third phase of the Web."

> Adam Cheyer, co-founder of Silicon Valley-based startup Siri. https://eandt.theiet.org/content/articles/2009/06/software-servants/





## Siri was a CALO spin-off

- Cognitive Agent that Learns and Organises (CALO)
  - U.S. Defence Advanced Research Projects Agency (DARPA) funded project 2003-2008
  - "The goal of the project is to create cognitive software systems, that is, systems that can reason, learn from experience, be told what to do, explain what they are doing, reflect on their experience, and respond robustly to surprise."



http://www.ai.sri.com/project/CALO



## **Personal Assistant the Learns (PAL)**

- https://pal.sri.com/
- The DARPA PAL program (the Personalized Assistant that Learns) focused on improving the way that computers support humans through the use of *cognitive systems*—that is, systems that reason, learn from experience, and accept guidance in order to provide effective, personalized assistance.





### **BDI Software Model**

- http://www.ai.sri.com/~spark/
- The belief-desire-intention software model (BDI) is a software model developed for programming intelligent agents.
- BDI agents are able to balance the time spent on deliberating about plans (choosing what to do) and executing those plans (doing it).





## Case Google:

### **Any Evidence of the Above?**

- Four essential repeated activities:
  - Collecting data (sensing)
  - Associating data (interpreting)
  - Synthesizing data (planning)
  - Actuating data (acting)





### What Are Google's Sensors?



|       | Google Fi          |    | Google Files               | 0 | Google Find My<br>Device |
|-------|--------------------|----|----------------------------|---|--------------------------|
| X     | Google Flights     | F  | Google Fonts               | - | Google Groups            |
|       | Google Input Tools | •  | Google Lens                |   | Google Meet              |
| G Pay | Google Pay         | ~  | Google Photos              |   | Google Play              |
|       | Google Play Games  |    | Google Play Movies<br>& TV |   | Google Play Pas          |
| ·     | Google Podcasts    | G  | Google Shopping            | G | Google Street Vi         |
| 9     | Hangouts           |    | Кеер                       | Q | Maps                     |
|       | Messages           | GE | News                       | 0 | PhotoScan                |









NEPPI Salu Ylirisku 30.11.2020

| C          | AdMob                        | ••      | AdSense           |   | Analytics                        |
|------------|------------------------------|---------|-------------------|---|----------------------------------|
| 8          | Blogger                      | Þ       | Business Messages | 0 | Chrome Enterprise                |
|            | Data Studio                  |         | Google Ads        | • | Google Assistant                 |
|            | Google Digital<br>Garage     |         | Google Domains    |   | Google<br>Manufacturer<br>Center |
| 0          | Google Marketing<br>Platform |         | Google Meet       |   | Google Merchant<br>Center        |
| •! ;•      | Google Podcasts<br>Manager   | #       | Google Trends     | Ç | Google Web<br>Designer           |
| G          | Google for Retail            | -7      | Optimize          |   | Search Console                   |
| $\diamond$ | Tag Manager                  | $\odot$ | Waze Local        |   |                                  |



### Android



### Chrome Remote Desktop



### Google Cloud



Google Maps Platform



Google My Business



Google Workspace



Surveys









Google Maps Platform



Search



### DeepMind

• We joined forces with Google in 2014 to accelerate our work, while continuing to set our own research agenda.

https://deepmind.com/about









### X.Company

 In 2010, Google founders Larry Page and Sergey Brin decided to form a new division of the company to work on moonshots: far-out, sci-fi sounding technologies that could one day make the world a radically better place.





Glass Enterprise Edition









### **Google is an Alphabet Company**

- Alphabet (Google's parent company) owns 422 domains
  - "Alphabet is meant to be a cleaner, more accountable holding company, says Google Co-founder Larry Page. He'll act as the Alphabet CEO, while Sergey Brin acts as the president."





## New lawsuit: Why do Android phones mysteriously exchange 260MB a month with Google via cellular data when they're not even in use?

Ad giant sued after mobile allowances eaten by hidden transfers

Thomas Claburn in San Francisco Sat 14 Nov 2020 // 00:09 UTC

SHARE

https://www.theregister.com/2020/11/14/google\_android\_data\_allowance/





- "The HTML source code of major EU webpages shows that many companies still use Google Analytics or Facebook **Connect one month after a major judgment by the Court of** Justice of the European Union (CJEU) - despite both companies clearly falling under US surveillance laws, such as **FISA 702.**"
- "Neither Facebook nor Google seem to have a legal basis for the data transfers."

https://noyb.eu/en/101-complaints-eu-us-transfers-filed





# EU strikes down key US data-sharing protocol, citing threat of mass surveillance

### US companies can't be trusted with personal data, says top EU court

By James Vincent | Jul 16, 2020, 6:06am EDT

https://www.theverge.com/2020/7/16/21326795/eu-us-personal-data-transfer-privacy-shield-invalidated-sccs-upheld

"As the EU will not change its fundamental rights to please the NSA, the only way to overcome this clash is for the US to introduce solid privacy rights for all people — including foreigners."





### **Some Good Intents**

- https://www.humanetech.com/
- https://solid.github.io/specification/
- Ethics:
  - https://developer.twitter.com/en/developer-terms/more-on-restricted-**USE-CASES**
  - https://www.w3.org/2001/tag/doc/ethical-web-principles/





