Protecting US Consumers rights in the Modern era

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US citizens have inalienable rights protected by their federal and state governments Understanding how best to protect these rights requires us to understand the framework under which the government determines right action. Locke argued that the purpose of government is to protect the rights of the people and promote the public good (https://plato.stanford.edu/entries/locke-political/), and this principle continues to guide government into the modern era.

These objectives can be at odds. Limiting certain rights of the citizens promotes the public good. Banning fast food would reduce obesity, promoting the public good, but limit the choice and expression of citizens. In order to balance these competing objectives modern governments traditionally turn to negative utilitarian frameworks when constructing policy. This approach acknowledges the difficulty of maximizing pleasure of citizens and instead attempts to minimize pain.

The advent of new technologies is traditionally accompanied by new policy. Development of automobiles lead to everything from traffic laws to emission regulations. Consumer protection laws are a long-term staple of modern public policy.

As per John F Kennedy's 1962 speech to the united states congress, consumers have 4 basic rights:

1. The right to safety.
2. The right to be informed.
3. The right to choose
4. The right to be heard.

It's reasonable then to investigate our previous model of consumer protections to determine if they are applicable or even necessary with respect to this new industry.

The technology companies of the modern era operate differently than those we have seen in the past. They sell very few products at a low volume, and largely offer services to the public without payment. Instead they make money through selling advertising data about their users. The product-oriented model for consumer protections is thus inapplicable, as the consumer role has changed significantly. Consumers are no longer paying with currency, which is easy to regulate and recoup, but rather with information, which is significantly harder to regulate. Additionally, consumers no longer possess a physical or even digital copy of the products or services they are paying for. These services are run remotely.

However, consumer rights can still be violated. Look to the Facebook Cambridge Analytica scandal as a case study. Cambridge Analytica, a data analytics company, harvested personal the personal information of 50 million Facebook users with Facebook's permission. They then sold this information for political advertisement purposes against Facebook's wishes.

First and foremost, the consumers right to be informed was violated. Users were not informed that their raw profile data could be scraped for targeted political action. Regardless of whether the actions of Cambridge Analytica actions violated Facebook's terms of service, they performed collection with Facebook's assistance, and then caused widespread damage. Facebook may not have endorsed this action, but they built a shoddy product and endorsed dangerous third-party modification without informing their consumers. Proper consumer protection policy in any other industry would have prevented these behaviors, for the benefit of society. (https://www.nytimes.com/2018/03/19/technology/facebook-cambridge-analytica-explained.html)

A common counterargument brought up when discussing the necessity of regulation to the technology industry through public policy is that regulatory market practices already exist. This argument looks to Facebooks drop in stock price after the Cambridge Analytica scandal as evidence the market is self-regulating, and that Facebook has been punished for their transgressions.

However, this approach is insufficient to achieve the objectives of the government. Remember that the framework the government uses to resolve these quandaries is negative utilitarian. Relying on market pressures to punish bad actors only compounds pain. From the government's perspective it is better to prevent disaster from occurring in the first place through policy than to attempt retributive justice either internally or through a third party such as market forces.

Understanding that consumer rights can and have been transgressed in the past we are faced with the difficulty of preventing future transgressions. Obviously, the previous policy is not enough. Consumer protection disasters occur frequently, and perpetrators remain in business to continue to commit consumer protection atrocities.

No ethical consumer review board currently exists for tech companies. It is easy to find ethics ratings for conventional goods companies (see https://www.ethicalconsumer.org/) but no significant headway has been made in evaluating the morality of tech giants. Because we don't have a framework for rating or discussing the actions of these companies, it is difficult to suggest policy.

Thus, in order to establish effective consumer protection policy in the modern era we must accomplish three goals. First, we must fund and perform research quantifying the ethical impact of the business practices of tech giants. Second, we must use these findings to craft policy. Third, we must enact this policy.

Failure to accomplish these goals only ensures the continued transgression of the rights of the citizen and consumer. While the first objective is the responsibility of the research community, and the second is the responsibility of policy makers, the third falls squarely on all citizens as only we can elect a government capable of protecting our rights.