

TAKING BACK CONTROL OF MY DATA!

The case for data ownership rights.

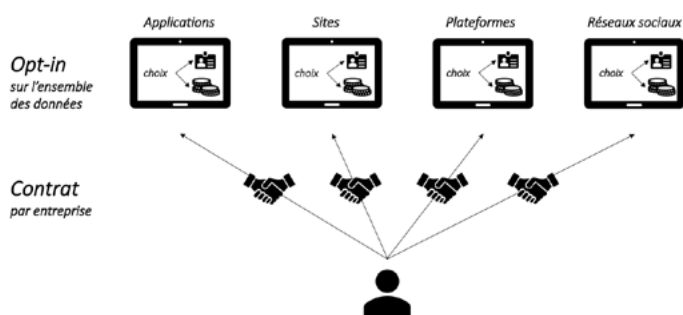
Personal data is the new raw material of the economy. From now until 2020, the personal data market is forecast to reach the size of one trillion euros, i.e. 8% of the EU's GDP. Online users are permanently producing personal data and yet have almost no control over their use. The legal framework needs to be updated to avoid being overrun by technological and economic developments. Europe is the right scale to act.

Polls show that data protection and personal privacy are major issues for users. Yet this is clearly at odds with their online behaviour. Users fall victim to this 'intimacy paradox'. The less they feel their data are protected, the less they will value them, leading to a downfall of their online confidentiality preferences. Conversely, the more their data seem protected, the less they tolerate their misuse. Failing to grasp the true economic value and purpose of their data, users get used to giving them away. Thus, they do not act according to their own preferences but to what they consider being the norm. Due to a lack of information, they therefore find themselves giving away unwillingly their privacy. It is a key problem that GDPR, despite its benefits, fails to solve. Users can only decide in a free and informed manner if their personal data's value, and therefore prices, are unveiled.

Furthermore, the digital economy is highly concentrated because various effects strengthen the influence of big players. The main online platforms benefit from strong network effects: the more data they collect, the better they can customize the user experience, the more competitive they are and can therefore collect even more data. They can increase their attractiveness for advertisers, and thus their profitability, which allows them to innovate further to be even more competitive. They also benefit from scale effects: their fixed costs are high but adding a new user has a very low marginal cost. Finally, because of their dominant position the major platforms set for the rest of the field the programmatic languages for all standards.

How to protect online users' privacy while fostering competition in a market characterised by monopolistic tendencies? Thanks to a subtle balance between market and regulation, by introducing a price system. It would allow online users to become aware of the value of their personal data and so decide consciously to give them away, sell them, exchange them for a service, or pay that service with money rather than data. Personal ownership rights are needed for personal data to be exchanged. We put forward two models of data ownership:

The « contractual » version: users become able to choose between data or money payment in exchange for any provided online service. This is the follow-up logic of GDPR policies and is already tested by some companies.



The « proprietary » version: users store their data in a virtual portfolio and decide upon their use on a case-by-case basis. They would become real entrepreneurs of their own data, also allowing their commercial use.

