

Big Data: A Tool for Inclusion or Exclusion?
Closing Remarks

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Good afternoon. We've had a great day of discussion and debate regarding consumer protection issues surrounding Big Data and, in particular, its potential impact on certain consumer groups. My remarks will be short and sweet since I know it's been a long day for everyone.

First, I want to thank the team that put together this event: Tiffany George, Katherine Armstrong, and Chris Olsen from our Division of Privacy and Identity Protection; Katie Worthman, Patrick Eagan-Van Meter, and Malini Mithal from our Division of Financial Practices; and Jessica Skretch and Lesley Fair from our Division of Consumer and Business Education. Thanks also to our event planning and web teams, press office, and honors paralegals for all of their help. And thanks to our great panelists, audience, and all of those folks who we spoke to and met with in planning this event.

This workshop was part of the FTC's ongoing program to examine emerging or growing consumer protection issues. It was an inevitable follow up to what we learned at our seminars on Big Data last spring; in our Data Broker study; and what we learn every day just by opening up the paper (ah – I've said it – I still get a hard paper on my doorstep) and following industry developments.

Today, we heard about many beneficial uses of Big Data. For example, we heard case studies about how Big Data can help fight discrimination, predict the risk of

homelessness, increase diversity in the workplace, help ensure certain populations are getting the healthcare they need, and actually *empower* traditionally vulnerable populations.

But we also discussed the risks that Big Data can lead to selective opportunities, stigmatization, and discrimination. For example, LaTonya Sweeney presented some interesting preliminary questions about how Big Data may impact the ads that visitors to certain websites see, based on the presumed race of the visitor. Solon Barocas discussed the ways in which existing patterns of discrimination and inherent biases present in the use of “little data” – such as the categorization of consumers based on their likelihood to buy – can be replicated, with potentially greater scope or scale, in the use of “bigger data.” Other panelists talked about how predictions developed for one purpose – such as whether a person will drop out of school or buy a particular product – could be re-used for more harmful purposes, or as a proxy for income level, race, or other characteristics.

We discussed many important questions for which we need to continue seeking answers: How will Big Data be used for marketing, fraud detection, or the eligibility for various offers? How do existing laws apply to Big Data? Even apart from laws, how do traditional approaches to privacy apply to Big Data? Are transparency and choices still important and feasible in this environment? What about data minimization and de-identification?

We also discussed what happens when certain populations do not have the same sort of access to technology as other consumers. Will inequalities result from this *lack* of collection or use of data that could otherwise provide benefits to those populations?

And we began – but hardly finished – discussing the overarching question that was the basis for this workshop: How will all of these new and evolving practices impact certain populations, and what steps can and should businesses take to make sure particular groups are not disproportionately or negatively affected?

I think it's fair to say that everyone here today agrees that Big Data is only going to get bigger. Our collective challenge is to make sure that technology continues to provide its many benefits and opportunities to consumers while adhering to core consumer protection principles.

To that end, our Chairwoman outlined three steps for moving forward, which I'll reiterate as my parting message. First, as a law enforcement agency, the FTC will work to identify areas where big data practices violate the laws currently on the books – including the Federal Trade Commission Act, the Fair Credit Reporting Act, and the Equal Credit Opportunity Act – and bring enforcement actions as appropriate. Second, we will continue our efforts to examine and raise awareness about the consumer protection concerns surrounding Big Data – through speeches, education, and potentially a report and follow up events. And third, we will encourage businesses to design their analytical systems with an eye to the concerns we've discussed here – avoiding bias or disparate adverse impact on particular consumer groups or populations.

Finally, I want to mention that our comment period will be open until October 15th. Don't be shy - please comment! You can file electronically or by paper – the details are on our website.

With that, let me thank everyone for coming once again. Have a great evening.