



## THE ETHICS OF BIG DATA

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### THE ISSUE

- Predicting future outcomes – no matter the endeavor – is compelling
  - Big data isolates correlations humans cannot see
  - This leads to predictions based on non-intuitive data relationships
- There is exponentially more data in an observational world to drive insights – most beyond the individual's knowledge and control
- Assessment is no longer based on whether an activity was covered by a notice, but whether an application is a legal, fair, and just application
- This requires understanding the broad range of risks to individuals and whether risk mitigation is effective

## IF ISSUE IS NOT RESOLVED

- A vacuum leads first and foremost to reticence risk
  - Your organization doesn't use data aggressively enough to drive innovation
  - Behavior at other companies will drive norms impacting whole industries
- Legal and regulatory bright lines that prohibit data creation and use
  - It can happen here
- Lost trust – a killer to brands

## BIG DATA HAS TWO PHASES

- Discovery – where one “thinks with data” to discover insights that are not visible without heavy processing
  - One explores many data sets on many people to discover the real predictors of heart incidences
- Application – where one “acts with data” to improve business, social, or societal processes
  - A heart attack risk score is assigned to an individual that determines the level of intervention, the cost effectiveness of treatment, where one sits in the triage process

## WHEN IS BIG DATA ALLOWABLE?

- United States – “Thinking with data” is a form of expression, always allowable except where prohibited. “Acting with data” is prohibited where it is (a) in violation of an explicit protection, (b) deceptive, or (c) unfair
- Everywhere else with a privacy or data protection law – “Thinking with data” is a processing that needs to be permitted in some fashion. “Acting with data” requires a permitting that may be very different from the permitting for “thinking with data.”

## PRIVACY AND DATA PROTECTION AREN'T NECESSARILY THE SAME

- European law differentiates privacy and data protection
  - Privacy protects individual autonomy and family life
  - Data protection assures fair processing even if individual control is not fully effective
- Many legal systems integrate the two into information privacy
- Using the term privacy without explanation triggers different understanding in different people
- Purely for functional reasons I use the European definitions

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"The Ethics of Using Big Data"