How Social Media Platforms Exploit User Data and Labor Without Sharing Profits

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Submitted To

Rashedul Amin Tuhin

Senior Lecturer

Department of Computer Science & Engineering

East West University

Submitted By

Name	**ID**
Anabil Sarker	2020-1-60-246
Abdullah Al Tamim	2020-1-60-127
Fatema Akter	2020-1-60-115

Introduction:

Social media platforms are widely used by billions of people around the world for various purposes, such as communication, entertainment, education, activism, and commerce. However, behind the seemingly free and convenient services, there is a hidden cost that users pay in terms of their data and labor. Social media platforms collect massive amounts of user data, such as personal information, preferences, behaviors, locations, contacts, and interactions, and use them for various purposes, such as advertising, marketing, research, and product development. Moreover, social media platforms rely on user-generated content, such as posts, comments, likes, shares, reviews, ratings, and feedback, to create value and attract more users and advertisers. However, users do not receive any compensation or recognition for their data and labor, while social media platforms reap huge profits from them. This scenario raises an ethical dilemma: Is it fair and right for social media platforms to exploit user data and labor without sharing profits with users?

Ethical Dilemma:

The ethical dilemma in this scenario can be framed as follows: Should social media platforms share profits with users who provide data and labor that create value for the platforms? There are two possible decisions that can be made in response to this dilemma:

- Decision A: Yes, social media platforms should share profits with users who provide data and labor that create value for the platforms.
- Decision B: No, social media platforms should not share profits with users who provide data and labor that create value for the platforms

Brainstorming phase:

Stakeholders

Social Media Users, Social Media Platforms, Advertisers and Marketers.

Risks, Issues, Problems, Consequences:

- **Financial impact on social media platforms:** This decision could potentially reduce the profits of social media platforms, affecting their ability to invest in innovation and improvements.
- **Complexity of profit-sharing models:** Designing and implementing fair and effective profit-sharing models can be challenging and may lead to disputes or inequities among users.
- **Privacy concerns:** Sharing profits may require disclosing more information about user data usage, potentially raising additional privacy concerns.
- **Impact on platform competitiveness:** If one platform adopts profit-sharing and others do not, it could affect the competitive landscape and potentially lead to market distortions.
- **Financial strain on platforms:** Depending on the profit-sharing model, platforms may face increased costs that could impact their sustainability.

Who gets each benefit:

- Social media is benefited if they don’t share the profit.
- If social media share the profit then users will be benefited.

Possible actions:

- **Develop alternative compensation models:** Explore non-monetary ways to compensate users for their contributions.
- **Engage in stakeholder dialogues:** Discuss and collaborate with users, regulators, and other stakeholders to find mutually agreeable solutions.
- **Adapt to regulatory changes:** Stay updated with and comply with evolving data privacy and profit-sharing regulations.

Analysis phase:

- **Responsibilities of the decision maker:**
  General Ethics:
    - Uphold principles of fairness and justice.
    - Respect individual rights to privacy and just compensation.
    - Act transparently and responsibly.

  Professional Ethics:
    - Ensure the integrity of data handling and protection.
    - Promote ethical use of technology.
    - Advocate for equitable distribution of benefits in technology-related matters.

- **Rights of stakeholders:**
  - Social Media Users:
    - To data privacy and protection.
    - To fair compensation for their data and labor.
  - Social Media Platforms:
    - To operate without excessive regulatory burden.
    - To innovate and provide valuable services.
  - Advertisers and Marketers:
    - To a stable advertising platform.

- **Impact of the action options on the stakeholders:**
  - Sharing Profits with Users:
    - Positive impact on users who receive compensation for their contributions.
    - Potential financial impact on social media platforms.
  - Not Sharing Profits with Users:
    - Users continue to benefit from free and convenient services, but without direct financial compensation.
    - Social media platforms maintain their current revenue models.

- **Analyze consequences, risks, benefits, harms, and costs for each action considered:**
  - Decision A (Sharing Profits with Users):
    - Benefits Users (positive right to compensation).
    - May harm Platforms' profitability (negative right to operate without excessive regulation).
    - Positively affects Society at Large (positive right to a well-functioning digital ecosystem).
  - Decision B (Not Sharing Profits with Users):
    - Benefits Platforms (negative right to operate without excessive regulation).
    - May disappoint Users (negative right to data privacy).
    - May positively affect Society if it encourages platform innovation.

- **Kant's Approach (Deontology):** According to Kantian ethics, the primary focus is on the moral duty and principles that should guide our actions. Kant emphasizes the concept of the categorical imperative, which dictates that an action is morally right if it can be consistently applied as a universal law, without contradiction. In the context of the social media dilemma, Kant would stress the importance of respecting the autonomy and dignity of users. Users have the right to control their personal data and labor, and any exploitation of this data without fair compensation could be seen as treating them merely as means to an end. Therefore, from a Kantian perspective, it would be ethically obligatory to share profits with users (Decision A) as it aligns with the principle of respecting individual rights and treating users as ends in themselves. Kant would prioritize the moral duty to uphold user rights and autonomy.

- **Mill's Approach (Utilitarianism):** Mill's utilitarian ethics centers around the principle of maximizing overall happiness or well-being. In the social media dilemma, Mill would evaluate the decision options based on their consequences for the greatest number of stakeholders. Sharing profits with users (Decision A) could lead to increased happiness for users who receive compensation for their contributions, potentially enhancing their well-being. However, Mill would also consider the impact on the platform's ability to provide free and convenient services, as not sharing profits (Decision B) might allow the platform to invest in innovation and improve user experiences, leading to greater overall happiness. Therefore, Mill would conduct a thorough calculation of the potential benefits and harms to all stakeholders, ultimately selecting the decision that maximizes the overall happiness, which could vary depending on the specific circumstances and magnitude of benefits.

- **Rawls' Approach (Justice as Fairness):** John Rawls' theory of justice revolves around the idea of fairness and justice as the primary principles for societal organization. In the social media context, Rawls would be concerned with ensuring that the distribution of benefits and burdens is fair. He would advocate for a just and equitable arrangement that respects the basic rights and interests of all individuals, regardless of their roles or contributions. Sharing profits with users (Decision A) aligns with Rawls' principles of fairness, as it seeks to provide compensation for the labor and data provided by users. However, Rawls would also consider the potential impact on the platform's ability to serve a wide user base efficiently. Rawls might suggest that if sharing profits leads to reduced service quality or accessibility, it could be ethically acceptable to find alternative ways to compensate users while maintaining the platform's ability to provide its services effectively. Rawlsian justice prioritizes the fair treatment of all individuals in society, and the decision should be made in a way that avoids unfair disparities and respects the fundamental rights of users.

- **Categorize each potential action:**
  - Sharing Profits with Users (Decision A):
    - Ethically Obligatory: According to the principle of fairness, users who contribute should be compensated for their contributions.
  - Not Sharing Profits with Users (Decision B):
    - Ethically Acceptable: Provided the platform is transparent about data usage and respects privacy rights, it can be considered ethically acceptable. However, it may raise concerns about fairness and justice.

<u>Decision Phase:</u>

Mill's utilitarianism focuses on maximizing overall happiness or well-being. In this scenario, the goal is to ensure that users receive fair compensation for their contributions to the platform. By prioritizing the collective well-being of all users, Mill's approach aligns closely with the objective of providing fair compensation.

Kant's deontological perspective, which emphasizes individual autonomy and rights, may not directly address the issue of fair compensation in the absence of a strong emphasis on individual rights. Rawls' theory of justice, while concerned with fairness, may also place a significant emphasis on individual rights.

Utilitarianism, in this context, allows for a straightforward evaluation of the options based on their overall impact on user satisfaction and well-being. The decision that leads to the greatest increase in overall happiness, achieved through fair compensation, would be the most ethically sound choice. Therefore, in our specific scenario, Mill's utilitarian approach is the most suitable framework for determining fair compensation without a strong emphasis on individual rights.