Liberal Radicalism for the Digital Age

Panel Discussion
Bruegel
December 4, 2018

Jaron Lanier
Microsoft

E. Glen Weyl
Microsoft & Princeton
ERIC A. POSNER & E. GLEN WEYL

RADICAL MARKETS
To meet today’s crisis
But confront radical challenges
That stymied superficial liberalism.
To build new philosophy
But today, narrower canvas: Restoring balance to digital life
Data economics and privacy

Attention

(Dis)information
An Anxious Time For Labor

Fears about future of AI and job displacement

Growing inequality

(Autor et al. 2017)
AI and Productivity

• The “free-data” model has failed to induce the “AI-revolution” in productivity.
The High Cost of Free Data

• Root of all of these problems is that returns to data are being treated as payments to capital rather than to labor.
Data as Capital

1. **Data is exhaust** to be picked up by whoever is smart enough to make useful
2. **AI success mostly driven by algorithms**, computational power, brilliant programmers
3. AI will flourish if there are **big payoffs to entrepreneurs** and innovators
4. **AI will displace workers**, so either they will work in other areas or we will give them a basic income now that they are useless
5. People will have to **find meaning in areas of life other than work** and “get over themselves”
6. Individuals are happy to consent to **surveillance in exchange for “free stuff”**, so companies deserve to use their data

VS.

Data as Labor

1. Data created by user actions and efforts, so fruits **belong first to individual contributors**
2. **AI is really collective human intelligence**, driven by innate knowledge/data in ordinary people
3. AI will flourish if the **individual contributors who make it possible** have a real economic stake
4. AI is just another production technology that **raises individual productivity** by allowing people to amplify the value of their data
5. The value of data will support sense of **meaning and “digital dignity”**
6. Individuals on their own have little bargaining power in face of digital monopolies, **must be protected by countervailing power** (competition, unions or governments)
Mediators of Individual Data (MIDs)
“He who pays the piper calls the tune.”

In medieval times, people were entertained by strolling musicians. Whoever paid the price could choose the music. This proverb means that whoever pays is in charge.
Inalienable provenance
The share of economic output that workers receive has fallen.


Source: Productivity and Costs, BLS BLS-AC50
Note: Labor share is defined as the sum of employee and proprietor labor compensation, divided by gross value added minus capital goods purchased.
Competence
Biological realism
Longevity

PRE-ICO SALE IS LIVE
15% BONUS ENDS IN
14 : 22 : 24 : 13

Learn More
(Dis)information quality
Very quickly from theory...

Media coverage is mostly positive...

- NYTimes: Your Data Is Crucial to a Robotic Age. Shouldn’t You Be Paid for It?
- The Economist: What if people were paid for their data?
- NPR: Dollars for Data

...with some skepticism

- Why change things if they’re not broken?
- Is this a practical idea?
- Aren’t you trying to commodify human beings?
- Doesn’t information want to be free?

Large institutions begin to weigh in
MIDs popping up everywhere

Steady increase in startup activity

Some even interesting...