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Sarah Lamdan never directly identifies with the political economy of communication or references its conceptual apparatus. Nonetheless, *Data Cartels: The Companies That Control and Monopolize Our Information* makes a substantial contribution to that approach as well as to the sociology of knowledge. Lamdan brings a fresh, first-person perspective of a practitioner to the analysis of what has been called “the data gold rush” (Kristoff, 2023, p. 1). She applies the lenses of her multiperspectival experience as a librarian, lawyer, and law professor to an analysis of the digital commodification of knowledge. More specifically, she demonstrates how proprietary data platforms increasingly shape “how” and “what” we know: creating a socially stratified information system that cultivates political polarization, exacerbates social inequalities, and imperils the survival of democracy.

The opening sentence of Lamdan’s Preface, “I got into studying data analytics companies by accident” (p. ix), exemplifies the modesty, candor, and reflexive character of her authorial voice. In her career as a law librarian at law schools and law firms, she claims that she spent so much time training students and colleagues on how to use LexisNexis Legal and Westlaw databases that some days she felt like “a glorified product rep for the parent companies” (p. ix). Lexis Legal is the research platform of RELX Corporation (formerly known as Reed Elsevier), a multinational headquartered in London. Westlaw is the platform of Thompson Reuters, headquartered in Toronto. Lamdan describes these data platforms as providing “the gold standard” for legal research in the United States (p. ix).

As a law librarian, she trusted these companies, viewing them as benevolent agents that provided essential services to the advancement of knowledge. That trust was, however, shaken by a 2017 news article that covered other divisions of these businesses, which specialize in “risk” analysis, including developing surveillance databases for policing agencies. The U.S. Immigration and Customs Enforcement (ICE) was the subject of the article. Lamdan initially assumed the report was inaccurate because ICE surveillance violated the professional ethics of both librarians and the legal profession, which value confidentiality and oppose unwarranted government searches. As she sought reassuring explanations from the companies, however, her queries were not merely rebuffed, her work activities were suddenly subjected to close monitoring by a Lexus representative. And a blog post she coauthored for the American Association of Law Libraries was immediately taken down by the organization, which traditionally serves as a bulwark against censorship.

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Lamdan’s attempt to disprove the ICE story shattered her career as a law librarian; her research opened a Pandora’s box that revealed a wide range of ethically fraught markets served by these data analytic behemoths. She discovered that these and other data brokers have created a two-tier system operating across the global economy, in law enforcement, healthcare, finance, insurance, real estate, academia, news, and more, which systematically protect and advance elite interests. She found that risk assessment is not only used for policing but also to predict who is a viable candidate for a job, surgery, tenure, or a mortgage. And, in fast-moving contemporary financial markets, risk data is used to advantage institutional and expert investors who are able to pay high fees for time-sensitive data, over retail investors—to favor what economists refer to as “smart money” over “dumb money” (p. 104). (There are of course forms of risk analyses that serve prosocial goals in engineering, medicine, weather, navigation, etc.)

Lamdan’s focus is on data cartels that are “paywalling critical information, including law and science, so people who aren’t wealthy, or affiliated with wealthy institutions, can’t get access” (p. xi). Due to a lack of antitrust enforcement in the United States in recent decades, she argues, RELX and Thompson Reuters—like Amazon, Google, and Facebook/Meta—have gotten so big that they dominate the markets they serve but without the visibility of the more public-facing tech giants. Their size enables them to crush competitors and tacitly divide their market between them. They buy publishers and their inventories, which sometimes go back centuries; assume ownership of the work of academics, scientists, and medical researchers who receive no compensation from them; access public records; and harvest and sell Internet users’ personal data. With the increased concentration of ownership, Lamdan contends, the quality of the information is degrading. Curation is being sacrificed for volume, and users are often left to do quality vetting themselves. Moreover, the RELX-Thompson Reuters duopoly distorts the information ecosystem at its source as marketability determines what data is collated, refined, and preserved, and predictive analytics identify what constituencies are most profitable to serve. My colleague, media scholar Jefferson Pooley (2022), refers to these platforms as “surveillance publishers.”

Lamdan expands her analyses beyond RELX and Thompson Reuters to include Bloomberg L.P., Refinitiv Eikon, and major U.S. media organizations as well as some smaller data brokers. She devotes four chapters to case studies that examine the effects of data privatization on academic research, legal information, finance, and news. The case study of news is least fully developed, not because the research is flawed. On the contrary, Lamden provides a good brief summary of concentration in the news industry, but the subject is vast, specialized, and like its product, rapidly changing.

Commitments to professional ethics drive Lamdan’s quest. History is her reference point, U.S. legal precedents are her building blocks, and constitutional democracy provides her theoretical grounding. Fifty pages of richly sourced footnotes support her analysis. Incorporating more of their specifics within the text could have put even more meat on the bones of her compelling narrative. However, she is addressing her audience primarily as citizens, not experts: citizens who, without their knowledge or consent, have helped create and fund these information resources with their personal information, tax and tuition dollars, and uncompensated scientific, scholarly, and creative labor. Yet, the end product is locked behind expensive paywalls. Lamdan points out that this is not what was envisioned by the venerable concept of a democratic public sphere in which a “free marketplace of ideas” could flourish (p. 13).
Instead of protecting this foundational principle of free expression, “the [U.S.] government is a data company partner, not a data company regulator” (p. 22). In support of this claim, she reports Thomson Reuters has at least 512 federal government contracts, while RELX has at least 527, and data companies spend millions on lobbying and campaign contributions. Indeed, the U.S. government is a primary consumer of personal dossiers with 70% of local governments and 80% of federal agencies using RELX’s products. Lamdan provides an important reminder to those of us who may be jaded by neoliberalism and Silicon Valley exceptionalism that democracy depends on an equitable balance of public and private powers and that regulation is required to maintain that balance.

Lamdan’s recommendation: uncouple this partnership. Build an open, public, online digital infrastructure funded by tax revenues accrued by closing the loopholes that big-tech and data corporations used to avoid supporting public initiatives. Physical public libraries, subsidized by federal, state, and local taxes, provide exemplars that successfully serve citizens and democracies. She acknowledges that her plan requires substantial funding, changes in copyright laws, and regulation, including treating data companies like information fiduciaries whereby the more powerful party is required to act in the mutual interest of the less powerful party.

She recognizes the fierce opposition that such proposals ignite, but also the gravity of what is at stake. A functional democracy treats “information that’s created by the public, and that’s essential to public decision-making, like a public resource” (p. 128). We are currently experiencing the alternative and imposing it on the world through de facto digital colonization, and it is increasingly proving untenable. A wide majority of Americans now approve of government regulation of the Internet (YouGov, 2023). And while the U.S. Congress vacillates, the European Union has taken the lead in advancing regulation of both the Internet and artificial intelligence, and it is currently imposing billions of dollars in fines on American tech companies that operate within its borders (Wilowski, 2023). Even many U.S. tech leaders now advocate regulation. While their motives may be mixed, including, for some, regulatory capture, Sara Lamdan offers a compelling case for regulation of data brokers and data cartels.

References


Wilowski, M. (2023, May 2). Facebook’s $3.1 billion fine is one of the largest levied by EU against big tech. Retrieved from https://www.investopedia.com/biggest-eu-antitrust-fines-against-big-tech-7501089