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I would like to address two key questions about data brokers and their collection of information about Americans for marketing purposes:

First, haven't data brokers and their lists been around for over a century and if so what makes today any different from the past? Second, if we take sensitive topics like health treatments and employment issues out of the equation--which many agree should be done – what possible harm can come by using people's data for marketing purposes? After all, what we're talking about is simply targeting for product advertising.

Let's start with the history question. It is true that marketers compiled and bought lists of prospects way back into the 19th century. These lists became more detailed into the 20th century. But the difference between list of even 35 years ago and those of today is extreme. The biggest distinction is the amount of information brokers have and how they deal with it. Lists of the old days were pretty static. The numbers of data points companies had about us was rather small, it was difficult to interconnect pieces of data, and the data did not change all that quickly. Today's data brokers can collect huge amounts of information about tens of millions, even hundreds of millions, of people. They update that information frequently, and they use high-speed computers and advanced statistics to draw conclusions in ways previous generation of data brokers could hardly imagine.

Consider Acxiom's recent data catalog, which was available online until the company abruptly took it off a number of months ago. It contains 41 pages of information about individual Americans that Acxiom sells to marketers. That information ranges from the amount of money the people make, to the kinds of vacations they take, to the number of friends they have on social media, to the value of the neighborhoods they live in, to diseases they have an interest in, to how tall they are, to whether they gamble, to their media usage, and much more. Axiom sells any number of these items about individuals as well as packages of these data tailored to marketers from different industries. In addition, through its Axiom Operating System the data broker has created a kind of universal cookie to find and follow people across desktops, laptops, mobile phones, and tablets as well as to collect yet more information about them from these media.

Like Acxiom, other data brokers continually run programs that connect our dots for marketers—and then attach them to other ideas the marketers have about us. The brokers often bring together pieces of information that people did not expect would be merged when they disclosed them separately to various online and offline entities. The results are buckets of descriptions and interpretations—stories—of our lives, our economic value, and our potential that we don't know exist and may not agree with. The consequences of their use in marketing can be profound and disturbing. For example:

- Merchants can charge you more than others for products based on features they tag you with that you don't even know you've shared. Say a data broker's knowledge you regularly buy antacids blends into a complex algorithm to predict that you are inclined to accept higher prices for recreation than most people. That's great news to travel companies searching online for those types of people.

- Using apps and personalized coupons, physical and virtual stores can change their prices based on what they know about you. Data brokers can add information about your “lifetime value” to retailers’ understanding of you from receipts. The result can dictate the kinds of items you will see at discount and how much that discount will be.
- Negative data broker signals about you can mean having to wait longer than others for customer service, being rejected as a valued customer, and being offered coupons for non-nutritious foods.
- Based on predictions of your “engagement” with the digital or “addressable” ads, media firms can change the news and entertainment offerings that you receive compared to the news and entertainment neighbors or coworkers get. The result: you systematically see different worlds from your friends or work colleagues because of the stories brokers tell about you.

Many of these examples are already taking place. All of them are quite plausible. Data brokers trumpet that they often make the individuals they sell marketers for ads anonymous, so there is no problem. But anonymity of this sort is not reassuring. If I am followed online and offline by buckets of data that tell particular stories about me, it doesn’t matter if my name is Joe Turow or 2588704. Anonymously and with our full personal information, data brokers are encouraging a world of data-driven social discrimination that is becoming widespread *precisely* because it comes with all sorts of advertising. Surveys I have conducted since 1999 consistently suggest Americans worry about what firms learn and think of them. Poignantly, I have heard people say they will change their activities or how they talk about themselves online to be treated better by marketers. The difficulty, of course, is that it’s often impossible to know what will work.

We're only at the beginning of a data-driven century. Data-brokers will be central to how we think of ourselves and lead our lives. For the sake of democratic ideals and relationships, let's limit what and how much data brokers can collect and share until as a society we know how to create regime of data respect where people have control over the most important elements of their identity.