

Social Media and Surveillance Capitalism: Facebook, Political Polarization, Orwellian Dystopia, and American Democracy

By Sunil K. Sahu* & Punita Sahu[‡]

Social media platforms have played a significant role in recent elections in the U.S. and other democracies. While Facebook and Twitter (now renamed X) claimed that they are “on a journey to connect the world,” to serve the goals of reforms and to bring about more democracy, their platforms have been effectively used to spread lies, misinformation, and disinformation which led some analysts to argue that we now live in a post-truth world and that the Orwellian dystopia is upon us. This paper is an attempt to assess whether big tech companies have created an Orwellian state in the U.S. We argue that the idiom of the Orwellian dystopia has been misused by scholars, commentators, and politicians on the political left as well as the political right. Our analysis of social media, especially Facebook, shows that the social media companies are not intentionally trying to subvert American democracy. Instead, as a business, they are driven by a profit motive and the logic of “surveillance capitalism.”

Keywords: Cambridge Analytica, Facebook, micro targeting, Orwellian dystopia, post truth

Introduction

The ever-increasing use of social media, digital technology, and artificial intelligence has allowed business corporations and governments to watch and scrutinize our activities, which has led observers to argue that George Orwell’s dystopia is upon us. Since social media platforms have played a significant role in recent elections, it has been argued, especially in response to former President Donald Trump’s repeated lies, misinformation, and disinformation on social media, especially Facebook and Twitter, that Orwell’s *Nineteen Eighty-Four* is more relevant today than ever before. Some analysts have argued that the United States could sink into the kind of totalitarian control that Oceania experienced in 1984 (Klein 2021) and that Trump’s use of lies and acts of falsifying reality is truly Orwellian—it is a “way of changing perception and of asserting power” (Gopnik 2017). Trump supporters, on the other hand, have called the big tech censorship—Trump’s ban on Twitter and Facebook after the January 6 riot on the Capitol—as an Orwellian overreach (Grady 2021). This paper is an attempt to assess whether big tech companies have created an Orwellian state in the U.S. We would argue that the idiom of the Orwellian dystopia has been misused by scholars, commentators, and politicians on the political left as well as the political right. Our

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analysis of social media, especially Facebook, will show that the social media companies are not intentionally trying to subvert American democracy. Instead, as a business, they are driven by a profit motive and the logic of “surveillance capitalism,” a concept advanced by Zuboff (2019). Using the concept, we will (a) examine the nature of social media surveillance in China and the U.S., (b) explore the connection between social media and political polarization in America, and (c) evaluate the impact of Facebook and Cambridge Analytica’s use of big data and microtargeting on American democracy and its electoral process.

Orwellian Dystopia: China, Not America!

In George Orwell’s fictional totalitarian state called Oceania, reminiscent of Hitler’s Germany and Stalin’s Soviet Union, citizens had no freedom. There were telescreens everywhere through which high ranking Party members could watch and record their activities. The Party and its omnipotent leader, the Big Brother, developed the idea of “newspeak” to manipulate how the people thought in order to have complete dominance over the country and its population. The Party’s demand for intellectual obedience in Oceania—that two plus two equals five, to which Winston, the hapless protagonist, finally succumbs—was based on fear, intimidation, and torture.

The contemporary post-truth politics in America, which has been dominated by former President Donald Trump, the ideology of Trumpism, and conspiracy theories such as Q-Anon, may suggest that American democracy has started to resemble the Orwellian dystopia. While it is true that liberal democracy is facing challenges from Trump and the far right and that the guardrails of democracy have become weak (Mouk 2018), it would be exaggeration to say that American democracy has degenerated into an Orwellian state. To better understand what an Orwellian state looks like in a contemporary world, we need to examine authoritarian China, where the state is ubiquitous and controls much of its citizens’ lives, especially since the pandemic. The Chinese “Social Credit System,” which determines a person’s trustworthiness, and the government, under Xi Jinping, has come to control almost every aspect of an individual’s life—from getting a well-paid job to getting a house or a car loan or even booking a hotel room. The Chinese state’s penetration of society through the use of the Internet, big data, social media, and artificial intelligence (AI) is indeed a dystopian nightmare.

In the U.S., where Trump has shown utter disregard for facts, observers have been led to suggest that America is becoming an Orwellian state. In support of this view, they cite examples such as Trump’s claim that his inauguration was the best attended inauguration ever, though the photos and other evidence suggest otherwise (Palmeri 2017) and his repeated claim, without any evidence, that there was mass voter fraud in the 2016 election, the reason why Hillary Clinton won the popular vote, and that the 2020 election was stolen from him, which he continues to repeat as he is trying to win his party’s nomination in the 2024 presidential election. These are big lies (Jones 2022), but his supporters believe in these and other lies, including the revisionist history about the January 6, 2021 Capitol riot.

In fact, some of Trump's supporters have been retelling the devastating events that occurred during the Capitol riot, captured on television and smartphone videos from inside the Capitol, stating that the entire event resembled a "normal tourist visit" rather than a deadly attack (Cillizza 2021). These and other false claims have been justified by Trump supporters as "alternative facts" (Jaffe 2017).

It is true that Trump made countless false and misleading claims over the four years he was in the White House—30,573, according to the Washington Post (Kessler and Rizzo 2021)—and he continues to do so. It is also telling that Trump's statements such as "what you are seeing and what you are reading is not what is happening" or "who are you going to trust, me or your lying eyes?" has the ring of an Orwellian dystopia (BBC 2018b). That there has been an erosion of democratic norms under President Trump and that political polarization has deepened since Trump declared his candidacy in 2015 is undisputed. Yet America is far from being an Orwellian state, the state where the Big Brother controlled every aspect of a citizen's life in Oceania. The American state, which is well institutionalized, continues to be governed by the rule of law and the principle of separation of powers. It is worth noting that, as of this writing, over 1,100 January 6 rioters have been charged and 366 sentenced to incarceration, and more prosecutions are forthcoming (Sneed and Perez 2022). Moreover, Trump himself was indicted on August 1, 2023 for his efforts to overturn the 2020 election and block the transfer of power; the House Select Committee had earlier investigated the January 6 attack on the U.S. Capitol and had concluded that Trump was ultimately responsible for the insurrection (Final Report 2022). While conspiracy theories abound on the Internet, and while conservative talk radio and cable television shows continue to carry stories in support of Trump's false claims that the 2020 election was stolen, the results of the 2022 midterm elections suggest that the majority of American voters did not buy into conspiracy theories of the far right and that they are exhausted with the politics of grievance and victimhood, the hallmark of the Trump brand. These and other developments of the past two-and-a-half years suggest that the guardrails of democracy have held, though weakened, despite the countless violations of democratic norms by President Trump. The fact that none of the major institutions that protect Americans from rule by an aspiring dictator—Congress, the courts, the federal system, the press, and the civil servants—lost power during the Trump Presidency speaks volume to the strength of our democratic institutions (Kamarck 2021).

China, by contrast, presents a case where the tyranny of the government over its people appears to be something right out of *1984*. In the 1960s and 1970s, the Chinese Communist Party (CCP), under the leadership of Mao Zedong, infiltrated all aspects of civil society, and Mao carried out radical Marxist experiments like the Great Leap Forward (1958-60) and the Great Proletarian Cultural Revolution (1966-76). Though there was reform and opening in China under Deng Xiaoping and his two successors, the country is once again becoming totalitarian under the leadership of Xi Jinping. Xi's China is denying its citizens their freedoms, and the state is tracking online communication, tracking people physically using facial recognition technologies, controlling all mass media and most social media, and imprisoning large sections of its population in concentration camps (Babones

2021). According to the Council on Foreign Relations (2022), an “estimated eight hundred thousand to two million Uyghurs and other Muslims, including ethnic Kazakhs and Uzbeks, have been detained since 2017,” which may amount to crimes against humanity.

The Chinese state has built a huge digital surveillance system by gathering a massive amount of data. Though the democratic governments also indulge in electronic and web surveillance, such surveillance—for example, in the U.K.—is mitigated and constrained by the existence of a free press and the Freedom of Information Act (FOIA) available to all citizens (Wired 2023). The Chinese state, by contrast, maintains control through coercion and social management: “There is no rule of law as it is universally understood,” writes Vlahos (2019), “and elections are compulsory, with all candidates, most local to the top, pre-approved by the party. Only sanctioned religious worship is allowed. Private enterprise is only free by courtesy ... The Internet of course is strictly censored.” Xi’s social credit and facial recognition systems, mentioned above, and the repression and reeducation of Uyghurs in Xinjiang, evoke all the dark imaginings of the Orwellian dystopia (Maizland 2022). And the pandemics opened the floodgates for more pervasive and sophisticated forms of surveillance (Hillman 2021). In the so-called “brain” of Shanghai, authorities have an eye on everything: “On huge screens they can switch to any of the approximately one million cameras, to find out who’s falling asleep behind the wheel, or littering, or not following the Coronavirus regulations” (Vlahos 2019). Orwell seems to have been prophetic.

Surveillance in America, by contrast, is mainly carried out by big tech companies such as Google, Facebook, Amazon, Apple, and Microsoft for a profit. According to Zuboff (2019), it is surveillance capitalism, a new economic form. In this form, companies collect our personal information we voluntarily or unknowingly submit and then they monetize our data, which is used to manipulate our thoughts, emotions, and ultimately our actions—what we buy and who we vote for. In other words, tech companies collect huge troves of users’ data based on their human experiences and turn them into behavioral data, which is then fed into advanced machine intelligence technologies for processing. Such data are then manipulated into predicting products (music, games, books, politicians, etc.) that anticipate what users will likely do or behave in the future (Gray 2019). According to Zuboff (pp. 10-11), our smartphones, computers, and cloud accounts are monitored by over 5,000 e-trackers per week. She calls the network of social media companies “Big Other” and argues that surveillance capitalists know everything about us, but their operations are designed to be unknowable to us. They predict our future for the sake of others’ gain, not ours. They accumulate vast domains of new knowledge from us, but not for us. The advantage goes to the firms that can acquire vast and varied data streams. Social media platforms are “expanding both the scope of surveillance (migrating from the virtual world into the real world of automobile dashboards and home appliances) and the depth of the surveillance (accumulating data on individuals’ personalities, moods, and emotions)” (Schleffer and Miller 2021, p. 81). Zuboff’s concept helps us understand better the power of social media and its effect, social and political, than the Orwellian dystopia framework.

Social Media and Political Polarization

Social media, born in the explosion of the Internet in the 1980s and 1990s and currently used by approximately 4.8 billion people or 60 percent of the world population (Global Social Media Statistics Report 2022), has fundamentally changed the way we communicate and interact with each other. Social media platforms such as Facebook, Twitter, Instagram, and TikTok have created new opportunities for individuals and groups to engage with others and promote their ideas, causes, and products. Indeed, social media has increasingly affected our culture, politics, and relationships. Everyone today seems to be on some social media platform: teenagers—and increasingly adults—are on TikTok, influencers and small businesses are on Instagram and Facebook, and professionals are on LinkedIn. There are around 221 million Americans who use Facebook (techjury.net), and 58 million are on Twitter (oberlo.com), 166 million on Instagram, and 95 million on TikTok (statista.com). According to a PEW Research Center survey, 86% of American adults use social media (Pew 2022).

Social media has become so powerful that corporations, small businesses, NGOs, professional and non-professional sports, educational institutions, politicians and political organizations, lobbyists, and other social entities have made big investments in building their presence on these platforms. Social media can give voice to those who were previously silenced. For example, in the pro-democracy Arab Spring protests and uprisings in the Middle East and North Africa—Tunisia, Morocco, Syria, Libya, Egypt, and Bahrain—in 2010 and 2011, activists used Facebook and Twitter to organize and amplify their demands. Online networks were crucial in organizing activists, and civil society leaders emphasized the role of the Internet, mobile phones, and social media in the protests (Howard and Hussain 2011). Social media allowed Arabs to exercise freedom of speech and provided a space for civic engagement; it became a platform for political activism and resistance. Since the Arab Spring, dubbed the “Facebook Revolution” and “Twitter Revolution,” social media companies have claimed that their platforms serve the goals of reforms and have highlighted the democratizing potential of social media platforms. Facebook asserted that they are on a “journey to connect the world” (West 2022, p. 9) and that their platforms were used to serve the goals of reform and to bring about more democracy. Progressive groups such as Black Lives Matter have used social media to organize political protests to bring attention to their issues since the beginning of the movement in 2013. However, these platforms have been simultaneously used for spreading misinformation, disinformation, and lies with dire consequences. The hope that social media was a tool of positive social and political change and that it would help spread democracy around the world has been dashed as we have witnessed savvy politicians like Trump weaponize Twitter to attack the media and shape public discourse across the media landscape and engage those whom he perceives to be his enemy. Trump successfully pushed his lies—“Russia never meddled in the 2016 presidential election,” “Coronavirus is a hoax,” and “the 2020 election was stolen”—and constructed an alternative reality which did not rely on

empirical evidence. His lies, however, drew millions of Americans to his orbit (Monahan and Maratea 2021).

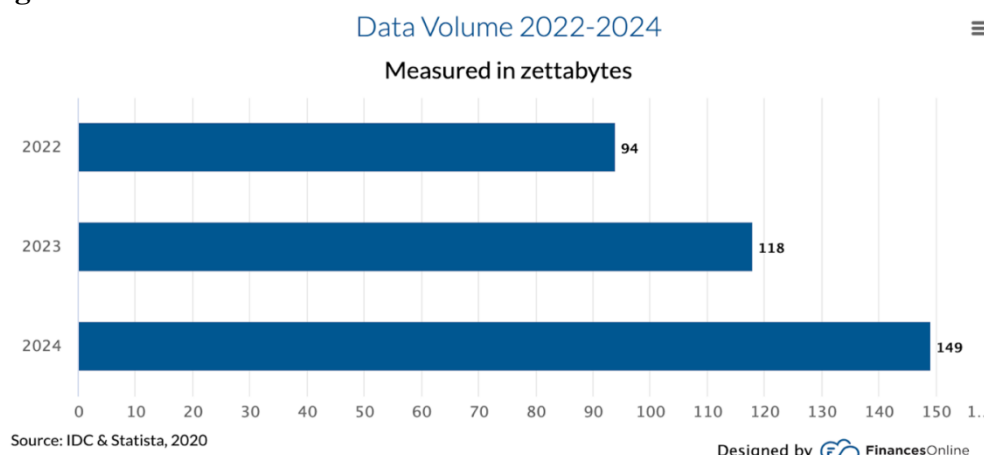
The ease with which information can be shared on social media makes it possible for misinformation and lies to spread quickly and widely, leading to the proliferation of fake news and conspiracy theories. Studies have shown that lies laced with anger and hate spread faster and farther than facts (Dizikes 2018) and that people often pay attention to news online that revolves around politically divisive topics. Online messages containing extreme views are more likely to be noticed, circulated, and amplified by the public due to the “echo chamber” nature of social media outlets (Hong and Kim 2016, p. 778). Communicating through Twitter, Trump indeed won the Presidency in 2016 (COWLS and Schroeder 2020). Trump, a prolific tweeter, sent 23,858 tweets in four years as President (Madaminov 2020), and his tweets have been characterized as establishing his version of events and amplifying his scorn (Quealy 2021). The very platform that delivers the news we need, argues Maria Ressa, the Nobel Peace Prize laureate and co-founder of Rappler, an online news website in Manila, “is biased against facts.” Though an early believer in the power of social media in bringing about positive social and political change, Ressa has been critical of these platforms and has documented how technology’s god-like power has “infected each of us with a virus of lies, pitting us against one another, igniting, even creating, our fears, anger, and hatred, and accelerating the rise of authoritarians and dictators around the world” (Ressa 2022, p. 4). She argues that lies “repeated over and over become facts in this online ecosystem” (p. 139) and concludes that “without facts you can’t have truth. Without truth, you can’t have trust. Without all three, we have no shared reality, and democracy as we know it—and all meaningful human endeavors—are dead” (p. 4).

Social media has therefore played a major role in some of the biggest events in the recent past—from the Arab Spring of 2011 to the U.K.’s Brexit referendum in 2016 and from the victory of Modi in India in 2014 and Trump in 2016 to the election of Ferdinand Marcos Jr. in the Philippines in 2022. Social media platforms have amassed over the past few years an unprecedented concentration of knowledge power which are increasingly used by individuals and groups for their own objectives: white supremacists in the U.S. can assemble far more effectively, and radical Buddhist monks in Myanmar can easily spread incitement to ethnic cleansing (Schleffer and Miller 2021, p. 81). The reliance of politicians on social media has increased exponentially: these platforms are being used for grabbing headlines, responding to opponents, fundraising, contacting voters directly, and organizing election campaigns. As a result, social media companies, which are unregulated, have come to exercise an oversized power to influence how we access information, communicate with those around us, and develop our views of the world. These platforms have come to be viewed more negatively in the U.S. than most other countries. A recent survey by Pew Research found that 64% of Americans view social media, which has made it easier to manipulate and divide people, as bad for democracy (Pew 2022).

What is Big Data and why does it Matter?

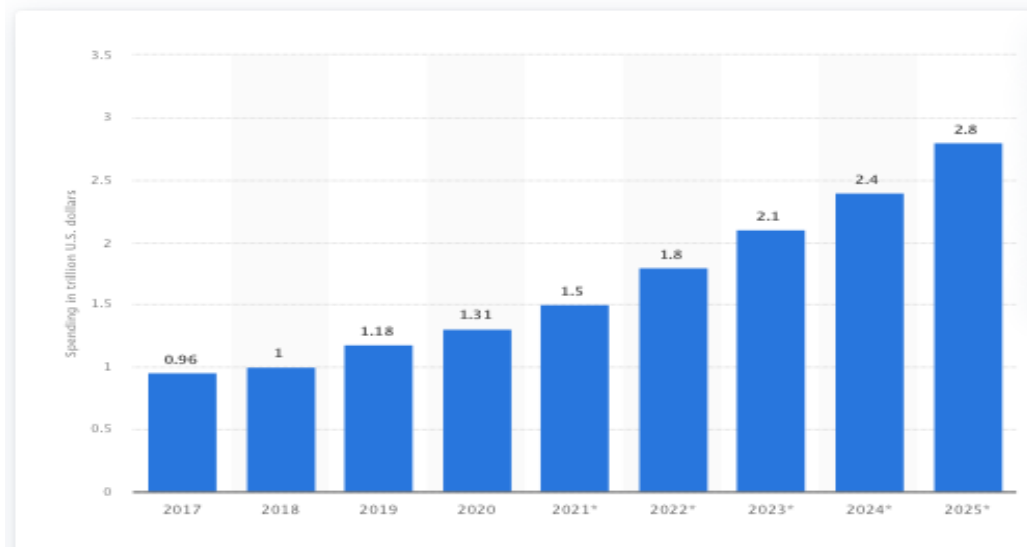
There has been an unprecedented advancement in computing power, wireless technologies, AI, mobile communication, and display technologies in the last four decades. The introduction of digital data storage in various forms—magnetic storage, optical discs, and semiconductor memories, which became cost-effective since 1996—has changed the way we produce, manipulate, and store information. We have undergone a paradigm shift in the way we collect, store, process, and analyze data. We are now generating and using data at an unprecedented pace—the global production of data in 2011 had reached a level (1.8 zettabytes every other day) that was higher than what the world had produced from the beginning of civilization until 2003 (Chen et al. 2014). In 2018, the total amount of data “created, captured, copied, and consumed in the world was 33 zettabytes (ZB) – the equivalent of 33 trillion gigabytes, which grew to 94ZB in 2022 (see Figure 1) and is projected to reach a mind-boggling 175 ZB by 2025 (Vopson 2021). (1 ZB is equivalent to 1,000 exabytes or a trillion gigabytes). Digital technologies—social, mobile, analytics, and cloud—are impacting organizations and most areas of human activity, including politics and elections.

Figure 1. Data Volume 2022-2024



The digital transformation—the adoption of digital technology to transform business processes and services from non-digital to digital—has grown rapidly; it has been partly driven by the COVID-19 pandemic. The growth numbers speak for themselves: In 2018, spending on digital transformation (DX) was \$1 trillion, which was projected to reach \$1.8 trillion in 2022 and is expected to grow to \$2.8 trillion by 2025 (see Figure 2). The emergence of Big Data—and cloud computing—has fundamentally changed the paradigm of computing in data transformation and delivery (Chen et al. 2014).

Figure 2. *Spending on Digital Transformation Technologies and Services Worldwide from 2017-2025 (in trillion U.S. dollars)*



Source: Statista 2022.

There has been a big spike in interest in Big Data in the last decade as seen in the 2022 Google Trends (see Figure 3). Though there is no widely accepted threshold for classifying data as Big Data, it is generally accepted that the concept refers to data sets which are too complex to be dealt with by traditional data-processing software. Dumbill (2013, p.1) defines Big Data as “data that exceeds the processing capacity of conventional database systems. The data is too big, moves too fast, or does not fit the strictures of your database architectures. To gain value from this data, you must choose an alternative way to process it.” Technological constraints are key in this definition, i.e., when the dataset does not fit in the available hardware. Davenport et al. (2012) corroborate this definition by focusing on the “new, challenging, and more granular data sources, which require the use of advanced analytics to create or improve products, processes, and services, as well as adapting rapidly to business changes.” Other experts have defined Big Data with the “Four V’s:” Volume (size is enormous), Variety (heterogeneous sources and nature of data), Velocity (speed of generation of data), and Veracity (uncertainty of data). Big Data, as Priya Kantaria puts it, is a combination of structured data—such as age, height, or gender in a relational database—and unstructured data—such as videos and tweets—at scale and speed. The goal for the enterprise, she continues, is “not collecting data, but deriving actionable insight from the wealth of information that they accumulate on a daily basis. This is where Big Data technologies come in” (Kantaria 2019). Big Data is now fundamental among organizations for productivity growth, innovation, and customer relationships in diverse areas such as manufacturing, health care, public sector, elections, and retail (Chen et al. 2014). In electoral politics, the importance of big data and analytics has been recognized since the 2012 reelection campaign

of President Obama, especially the power of segmenting and microtargeting potential voters.

Figure 3. *Increased Interest in Big Data, Google Trend, Accessed 11/10/2022*



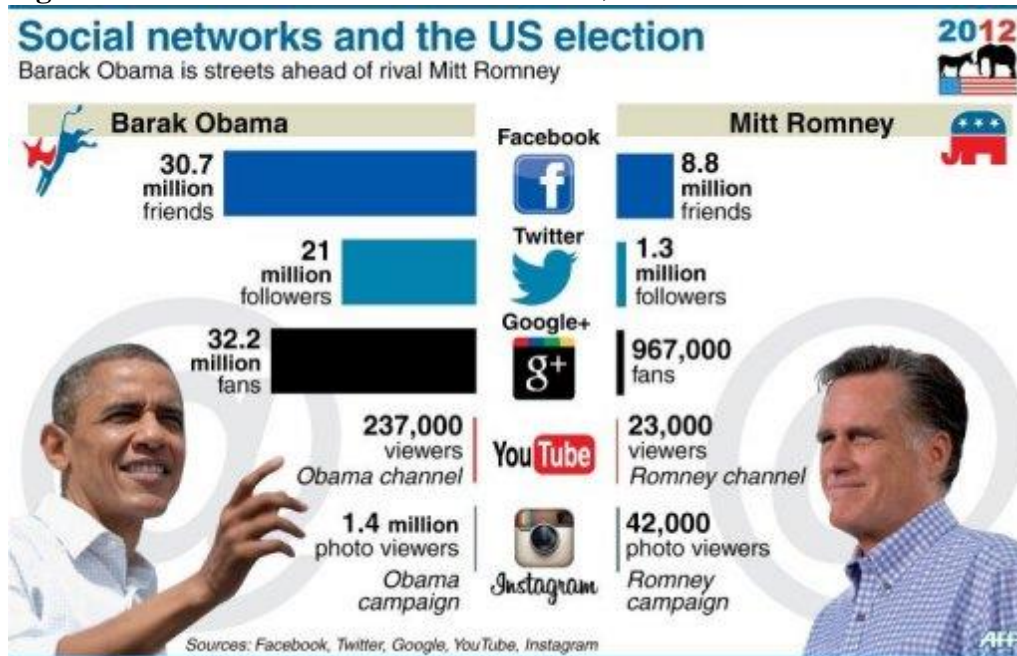
Big Data and Elections

With the rise of Google, Facebook and other social media, Internet of Things (IoT), and E-commerce, more and more data is collected every day than ever before. For example, in 2020, the amount of data generated in the world was over 44 zettabytes (ZB), but today 2.5 quintillion bytes of data is collected every day. Currently, Google handles 1.2 trillion searches every year, and people around the world are spending \$1 million per minute on commodities on the Internet. Today, five billion people use the Internet, and it is estimated that by 2025 nine out of every ten people over age six will be digitally active. Data growth statistics show that by the end of 2022, 70% of the globe's GDP will have undergone some form of digitization (Bulao 2022). In the digital economy, data is a valuable asset—"Data is the new oil"—and Big Data is growing at an unprecedented rate. Data visualization tools are used to make big data understandable, and they are used by companies, organizations, and political campaigns.

The first Obama campaign in 2008 kicked off a technological revolution in electioneering. He ran a sophisticated digital campaign in which cloud computing played a big role for the first time. Obama's successful use of online advertising on social networks—MySpace, LinkedIn, Facebook, Twitter, YouTube, and Flickr—and his own social space, My.BarackObama.com, transformed the landscape of political advertising. His campaign integrated social networking features into his own social space, where supporters could "form groups, raise money, organize local events, and get information on the voters in their neighborhood" (Howard 2018). The Obama campaign and his team understood the power of the Internet in getting people engaged in the process on a scale never done before. They showed that technology is not just a tool, it can be a transformative force. Obama's victory in 2008 made history, as he was the first African American to be elected as president. His campaign changed the way elections were run and would be run in the future (Aaker and Chang 2009). Thereafter, it became common for candidates to use social media as a communication tool to engage with voters and mobilize them in election campaigns (Lampitt 2013).

In 2012, Obama's reelection team used Big Data and created "sophisticated analytic models that personalized social and e-mail messaging using data generated by social media activity," especially on Facebook (Howard 2018); predictive analytics targeted campaign activities, strengthening the army of volunteers by driving their activities more optimally. The Obama "team of nerds" took the political application of data science to unprecedented heights (McCain 2018). On all social media platforms, Obama was way ahead of Romney (see Figure 4). His online campaign was flawless, while Romney's campaign experienced severe technical problems, especially the "Orca" platform, which was designed for volunteers to get out the vote on election day.

Figure 4. Social Networks and the U.S. Election, 2012



After 2012, the money spent by U.S. presidential campaigns on social media advertising has increased dramatically: it went up from \$0.16 billion in 2012 to \$1.4 billion in 2016 and \$2.9 billion in 2020 (Statista 2023). In the 2016 presidential election campaign, the Clinton team devoted less resources to data and analytics compared to Trump—15% and 38%, respectively. And Trump's effort paid off.

Microtargeting on social media platforms allows a political campaign to exploit the strongest emotions and plays on the fears of the most easily manipulated among us. It is worth noting that until the emergence of Big Data and data analytics in the 2000s, political candidates and political parties used data provided by state or local officials to target voters. Such data had serious limitations as they gave very little or no information about the issues that actually motivated the voter. Microtargeting overcomes this limitation by finding extra datasets, such as commercial data about a voter's mortgage, subscriptions, or car model, to provide more context to each voter. "Using this data along with polling and statistical

techniques,” Wylie notes, “it’s possible to ‘score’ all of the voter records, yielding far more accurate information” (Wylie 2019, p. 24).

In the data-driven election campaigns since 2008, Facebook and Google have emerged as the main players; together they account for about 40% of America’s digital content consumption. It is worth noting that political advertisements were never a prominent feature for other platforms such as Twitter, TikTok, and Pinterest (Nott 2020). Political campaigns have increasingly used Facebook and Google platforms for harvesting personal data for targeting potential voters. Social media therefore came to wield extraordinary influence. They collect data on users in order to have AI algorithms to determine “what will catch the [user’s] eye in an ‘attention economy’ that keeps users scrolling, clicking, and sharing—again and again and again.” (Economist 2017). In the early years of social media there was a hope, as mentioned above, that social media would become a global force for plurality, democracy, and progress. Those hopes have, however, been dashed by the increasing social and political polarization caused by these platforms. Critics of social media have argued that these platforms have become a threat to democracy (Halton 2020). We will explore this critique by analyzing the record of Facebook, especially the ways in which the Obama team harvested data from Facebook and used it for political advertisement, and how that compares with Cambridge Analytica’s efforts at harvesting and using personal data in the Brexit referendum and the American presidential election in 2016.

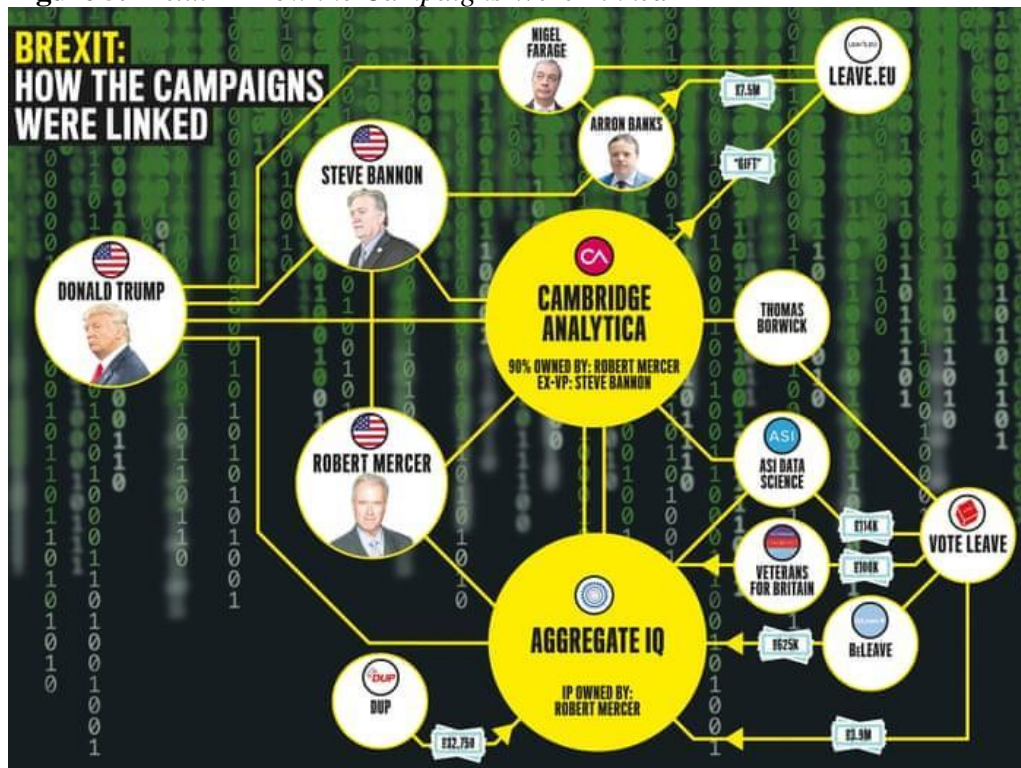
Cambridge Analytica

Cambridge Analytica (CA), founded in 2013 as a U.S. subsidiary company of the Strategic Communication Laboratories Group (SCL Group), a British messaging and public relations firm with close ties with the Conservative Party and British royal family, was a British political consulting firm. It had done work for governments, politicians, and militaries around the world. A unique feature of the company, according to its website, is its ability to combine commercial and public big-data sets with large-scale quantitative research to predict everything from “whether people are likely to vote through to what products and services they are most likely to buy.” CA and its parent company SCL have worked in more than 200 elections across the world, including Kenyan presidential elections in 2013 and 2017, Nigeria’s presidential election in 2015, and the Indian parliamentary election in 2014, which swept Prime Minister Modi to power (BBC News 2018a). The company claims that it uses “data modeling and psychographic profiling to grow audiences, identify key influencers, and connect with people in ways that move them to action” and that its “unique data sets and unparalleled modeling techniques help organizations across America build better relationships with their target audience across all media platforms” (<https://cambridgeanalytica.org/>). The company filed for insolvency in 2017 and was acquired by the newly formed successor company Emerdata Limited, which is largely owned by the Mercer family.

In 2014, Cambridge Analytica was engaged in “44 U.S. Congressional, U.S. Senate, and state-level midterm elections” (SCL Group). Two years later, the company was hired by three candidates in the Republican Party presidential primaries—Ted Cruz, Ben Carson, and Donald Trump. CA earned \$15 million in the U.S. doing political campaign work in the 2016 election cycle (FTC). According to investigative journalist Carole Cadwalladr, a finalist for the 2019 Pulitzer Prize for National Reporting, the “dystopian data company” ran psychological operations (Psyops)—the same methods the military use to effect mass sentimental change (Cadwalladr 2017). The data analytics firm played a major role in both the Trump presidential election and the Brexit campaigns.

It is worth noting that the Mercer family, known for supporting conservative candidates, was the financial backer of Cambridge Analytica. Robert Mercer, a hedge-fund billionaire, owned 90% of the company, and 10% was owned by SCL. His two daughters, Rebekah Mercer and Jennifer Mercer, sat on the company’s board. So did Steve Bannon, until he joined the White House (Prokop 2018). Bannon was President Trump’s chief strategist, who held the position of senior counsel for eight months in 2017. In July 2022, he was found guilty of contempt of Congress charges for refusing a subpoena about the January 6, 2021 attack on the U.S. Capitol. Cadwalladr has graphically illustrated the links between the Brexit referendum and the 2016 Trump’s presidential campaign (see Figure 5).

Figure 5. *Brexit — How the Campaigns Were Linked*



Source: Cadwalladr (2017).

CA came to prominence because of the controversy surrounding its role in Trump’s presidential campaign and in the Leave-EU Brexit campaign. As

mentioned above, CA's psychographic profiling of U.S. voters, built on Facebook user data, became highly controversial. The firm used those techniques to learn about individuals and "create an information cocoon to change their perceptions." In doing so, according to Chris Wylie, the co-founder of CA, "the firm took fake news to the next level." The psychographic profiling aimed to explore mental vulnerabilities of people based on the idea of "informational dominance," the idea that "if you can capture every channel of information around a person and then inject content around them, you can change their perception of what's actually happening." The firm created "a web of disinformation online so people start going down the rabbit hole of clicking on blogs, websites, etc. that make them think things are happening that may not be" (Associated Press 2018).

CA used the data of about 87 million Facebook users, some of which was allegedly used to psychologically profile American voters, acquired via a quiz that invited users to find out their personality type, and target them with material to help Trump's presidential campaign. After a year-long investigation of the Cambridge Analytica data breach, the Federal Trade Commission found that the company's method of creating behavioral profiles and tailoring and delivering content to social networking sites (SNS) was illegal as it violated the autonomy of Americans and limited their ability to make rational voting decisions. The FTC imposed a \$5 billion penalty on Facebook in July 2019, the largest ever imposed on any company for violating consumer privacy. Though the penalty imposed was record breaking, it represented less than 10% of Facebook's 2018 revenues (\$55.8 billion), most of which, according to the FTC, was generated by monetizing user information through targeted advertising (FTC 2019). While the effect of this form of microtargeting may have had—and indeed, it did have—a negative effect on the American democratic process and presented challenges to some of its institutions (Hu 2020, pp. 1-6), the company's deceptive privacy disclosures and settings were designed to monetize users' personal information and make a profit, not to influence a particular outcome. After all, Facebook—and other social media platforms—had offered to embed their staff in the digital headquarters of major presidential candidates. Hillary Clinton, however, had refused the offer. But Trump embraced it and made Facebook "both a political consultant and distribution outlet," and the social media company became an active partner in shaping the electorate. Trump used Facebook as "the conduit for fundraising, message shaping, message delivery, volunteer recruitment, merchandise vending, and—most pernicious—voter suppression" (Vaidhyanathan 2018, p. 205).

Microtargeting and Facebook

Microtargeting—the ability to send highly differentiated audiences just the right messages to change attitudes or inspire action—has emerged as a highly effective advertising campaign strategy. Levy (2008) defines microtargeting as "a way to identify small but crucial groups of voters [or customers] who might be won over to a given side, and which messages would do the trick." "Through the advancement in campaign technology and increasingly large amounts of personal

information for sale to organizations willing to pay for it,” writes Bunting (2015), “campaigns have continually narrowed their scope from targeting large demographic groups to targeting voters individually through a process called microtargeting.” It does so by going deep into Big Data for segmenting. It uses consumer data such as what they like, who they’re connected to, what their demographics are, and what they’ve purchased in order to segment them into small groups for content targeting (Smiley 2018). Microtargeting in elections was pioneered by Obama in 2012, and it has since been used by all presidential candidates. In fact, microtargeting has transformed the nature of modern electoral campaigns.

Facebook (renamed Meta Platforms or META.O), which owns four of the seven most-used social media platforms outside China—Facebook, Messenger, WhatsApp, and Instagram—is the leader in microtargeting. The company’s use of Big Data and AI allow “advertisers to identify and reach the very people most likely to react to their messages” (Singer 2018). Facebook likes on hobbies and interests are used to predict personal attributes such as sexual orientation, ethnicity, religious and political views, personality traits, intelligence, use of addictive substances, parental separation, age, and gender. The platform’s algorithm enables business and political ad buyers to select audiences based on their profile such as user’s location, hobbies, political leanings, and interests as specific as the Museum of the Confederacy or online gambling. Facebook developed and perfected the tool for companies that sold merchandise such as shoes and cosmetics, and in 2014, it decided to move forcefully into the realm of political advertisements. Thereafter, Facebook became the preferred platform for running political ads to microtarget potential voters. It was attractive to candidates because it could target a narrow subset of voters—as few as 20 (Vaidhyanathan 2018, p. 202) out of the 2.9 billion daily users on this most popular social media platform (Dixon 2022).

Facebook’s data-mining services, which provide “Custom Audiences from Customer Lists,” assembling the right audience from the scattered fragments of potentially similar ones, were used in the 2016 and 2020 presidential elections to influence voter behavior by weaponizing ads in political campaigns. Technological advancements in Big Data analytics and AI meant that there was no longer the need for Cambridge Analytica or the Obama 2012 app; Facebook itself did voter targeting and did it better than anyone else. According to Vaidhyanathan (2018), “Facebook would meld commercial consumer behavior data, census data, public voter records, and records of party and political interactions (donations, volunteering, etc.) to code every voter in the country with an indicator of likely behavior.” The company thus provided an ideal data system for targeting voters.

According to Brad Parscale, Trump’s digital director, Facebook and Twitter were the reason Trump won in 2016. Facebook was Trump’s key advertising channel, where his campaign ran what has been called an “A/B testing on steroids”—running 40,000 to 50,000 variants of its ads on a given day that went up to 175,000 on the day of the third presidential debate in October. Also, these ads were designed to dissuade potential Clinton voters. The microtargeting technology allowed the Trump campaign to target ads at voters in select states with remarkable precision, especially in the battleground states of Wisconsin, Michigan, and

Pennsylvania, states that delivered the Electoral College majority to Trump (Vaidhyathan 2018, p. 176). In addition, the platform was used to raise the bulk of his \$250 million in online fundraising (Lapdowsky 2016). While microtargeting played an important role in Trump's victory, he was skillful in his "earned media strategy"—media coverage that he got for free by saying controversial and outrageous things, and he often succeeded in turning a news cycle by sending a message in 140 characters or less on Twitter. It has been estimated that he earned \$5.9 billion in free media coverage, more than every other candidate combined in the 2016 race (Confessore and Yourish 2016, Terrill 2020). That social media—Facebook and Twitter—played a major role in Trump's victory in 2016 is undisputed, but there were other contributing factors—the media savviness of Trump, who came from a 14-season reality-show hosting career and presented himself as a successful businessman and an ultimate political outsider; his messages, which were perceived as authentic and resonated with audiences; and his unconventional approach to campaigning—and later governing—by breaking all political norms.

Conclusion

Facebook (META.O), with its net worth of \$230 billion, dominates the commercial and political advertising business, which generates 97.5 percent of its revenue. This dominance amounts to digital imperialism by one company. We have shown that political advertising on the Facebook platform was a game changer for campaigns, candidates, and the public discourse. The company played a major role in Trump's victory in 2016. It is currently the subject of investigations, which started in response to a whistleblower's complaint that the company's products harm kids, particularly teenage girls—and democracy—and that it prioritizes profits over user safety. Facebook, however, has become a much less effective platform after Apple's iOS privacy update in 2021, which made it more difficult for political campaigns to reach potential voters with targeted ads (Feiner and Vanian 2022). The company's continued dominance in political—and commercial —advertising is therefore not guaranteed. In fact, its dominance is being challenged by the growth of Connected TV (CTV) advertising, which is fast becoming a critical component of political advertising campaigns after the pandemic, as evidenced by the growth in the share of CTV in political ads: it is estimated at \$1.5 billion out of the projected total of \$9 billion in the 2022 midterm elections (Karrek 2023).

There remains, however, a danger that the government security and intelligence services may tap into the data flows of Facebook and other social media, as revealed by Snowden (2023), making Facebook users vulnerable to the power of state surveillance. For now, the guardrail of democracy has generally held, though there has been erosion of some democratic norms under Trump. However, if Trump, the four-times indicted ex-president and the Republican front runner, is his party's nominee for presidency in 2024, which looks likely as we write in October 2023, and if he gets elected, that will mark the beginning of further democratic

backsliding in American political life (Davies 2023). Trump's second presidency would be more extreme and challenging to the rule of law than his first. And there is a possibility that Facebook and other social media platforms could face government regulation soon as Democrats and Republicans are united on this issue. The reform may include possible carve-outs in the decades-old law known as Section 230 that immunizes social media companies from being sued over what their users post. These developments and others discussed above suggest that social media companies, like other private enterprises, are primarily interested in profit making and will do everything in their power to maximize profit. American democracy, though messy, is far from being an Orwellian dystopia.

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