

Five Reasons Why U.S. Consumer NGOs Support a Strong EU Privacy Law

1. U.S. citizens/consumers lack comprehensive protection for their personal information under federal law and will benefit from a strong EU approach.

The European Union must act to help set a global standard protecting the fundamental right to privacy for citizens and consumers. U.S. consumer NGOs have relied on the EU privacy framework and initiatives as a critical foundation for their own work with policymakers. The proposed comprehensive EU approach to protecting its citizens in the 21st century will enable consumer and privacy NGOs to advance how data can be protected outside the EU as well.

2. The growth of Big Data and the absence of privacy regulation threaten consumer welfare and undermine citizen rights.

Consumers increasingly rely on the Internet to engage in transactions related to their most personal decisions involving finance and health. But in the U.S., information on these highly personal matters is largely unprotected online. Combined with the growth of geo-location technologies that instantly recognize both *where* and *who* we are, consumers now face a formidable, pervasive, and highly intelligent data collection infrastructure.

3. Threats to privacy are growing in the EU, especially from U.S. companies and techniques.

There is a dramatic expansion of data collection of online users, a digital “arms” race that is being fought in the U.S., EU, Asia Pacific, and other areas. Personal data are compiled and sold to the highest bidder in “milliseconds” via online auctions—all without the knowledge or consent of the consumer. By setting the global standard for the data collection industry, U.S. companies “push” these practices to their EU and global subsidiaries, partners, and industry associations.

4. U.S. consumers are concerned about their lack of privacy.

Polls and surveys from leading academics and consumer organizations reveal a U.S. public that wants to see their privacy protected online. But although there is overwhelming support for the passage of federal legislation protecting privacy in the U.S., because of industry opposition Congress has been unable to consider comprehensive privacy legislation.

5. Future growth of the online economy requires consumer confidence that their personal data will be protected.

The future growth of the digital economy depends on consumers feeling that their data—and their most personal transactions—are safe. Today, in the absence of regulatory safeguards, data collection “maximization” is the norm. Effective action from the EU setting a new standard for data protection will spur global public support for the digital economy, unleashing greater growth for the online sector, fostering innovation, and ensuring that citizens have meaningful rights in the Digital Era.

Prepared by Center for Digital Democracy and Consumer Federation of America