Is Facebook Exploiting Our Info?

Answer by Lori Andrews

A. You're smart enough to know that posting drunk party pics on Facebook can cause you to be passed over for a job. But even the most harmless-seeming activity on the social-media network can have a potentially disastrous impact on your life.

That's because your public Facebook activity is monitored by outside companies that collect and analyze your online activity—your posts, friends, Google searches, and more. They then sell that info to businesses, like credit-card companies or insurance agencies.

Health and life insurance used to be based on your health history and certain medical tests. But now insurers have begun to research the effectiveness of looking to your Facebook activities. If you Like a cancer-research organization or mention that you eat fast food, you could be deemed a higher risk, because other people with those same Likes or posts are more likely to have medical complications. An industry consultant even urged insurers to consider friends' interests and potentially deny a person life insurance if she had Facebook friends who were skydive—on the assumption that the individual must be a skydive too.

As we all know, our meanderings across the web may not reflect us accurately. I don't ride a motorcycle, but I once bought a Harley-Davidson shirt for a friend. As a result, I could be labeled as someone who might die young in a crash...and denied a credit card or life insurance.

The Federal Trade Commission, the government agency tasked with protecting consumers, is pushing for greater protections. Commissioner Julie Brill says that people should have a right to know what data is collected about them, to correct inaccuracies, and to opt out of sharing their information if it is collected for marketing purposes. But it will take time for regulations to catch up with new technology. In the meantime, we all need to look before we Like.

Lori Andrews is a law professor and author of I Know Who You Are and I Saw What You Did: Social Networks and the Death of Privacy.