Brazilian Elections and the Public-Private Data Trade

When Tactical Tech's Data and Politics research team began to investigate how personal and individual data is being utilised in modern, digitally-enhanced political campaigns, we were quickly struck by the unbalanced coverage, particularly in the media, of the methods and strategies of data acquisition, analysis and utilisation by political campaigns across countries and different political contexts.

In collaboration with international partners, we produced 14 studies to identify and examine some of the key aspects and trends in the use of data and digital strategies in recent and/or upcoming elections or referendums in Argentina, Brazil, Canada, Chile, Colombia, France, Italy, India, Kenya, Malaysia, Mexico, Spain – Catalonia, the United Kingdom and the United States. By working with journalists, digital rights advocates, lawyers, academics and data scientists, our multidisciplinary and practitioner-led approach has produced contextual overviews and tangible case studies of how personal and individual data is used by political campaigns in countries across the globe. With this collection of reports, we aim to expand our understanding of these issues beyond the contemporary, global-north focused coverage.

While the world watches to see whether the far-right politician Jair Bolsonaro will be elected the next president of Brazil, Tactical Tech took a deeper look into a more systemic problem plaguing Brazilian politics: the thriving trade of public and private data by large data firms. Although much of the reporting about the Brazilian elections so far has focused on fake news – especially via WhatsApp and bots on Twitter, Coding Rights (https://www.codingrights.org/), Tactical Tech's partner for the Brazilian country report, also delved deep into the data brokering industry, to find out how the larger structures behind the use of data in political campaigns work. Beyond how fake news is spread on social media, the interviews with the digital campaign strategists conducted by Coding Rights showed that the industry involves big telecoms and credit scoring companies making use of all kinds of data, from emails to phone numbers. All this information is available, to be used (and abused) in different ways by political parties, campaign strategists or anyone who can buy personal data.

In 2018, Brazil is facing one of the most intense elections in recent years. After 13 years and four consecutive mandates of the left party, Partido dos Trabalhadores, occupying the presidency (twice by Lula da Silva and twice by Dilma Rousseff), Dilma was impeachment in 2016. Ex-President Lula, who was in first place in the Presidential election polls, was arrested in 2018. Both the impeachment and Lula's arrest were contested by leftist supporters. Now, during the 2018 presidential elections, Brazil sees the rise of the extreme-right candidate Jair Bolsonaro. Our **Brazil country study** (https://ourdataourselves.tacticaltech.org/media/ttc-data-and-politics-brazil.pdf) shows that digital campaigning in a context with little data protection creates an environment that exacerbates the current situation of rampant social media attacks, fake news and political polarisation.

In 2015, Brazil's Federal Supreme Court (STF) declared corporate donations to electoral campaigns unconstitutional. As a result, the General Elections in October 2018 are the first elections that have forbade presidential campaigns from receiving any sort of financial support from private companies. However, other changes in the law now allow political parties, candidates and coalitions to advertise on blogs, instant messaging websites and similar Internet applications. It also allows "sponsored electoral content boosting," or what is more casually referred as sponsored ads. For the first time, content produced by candidates and their parties can be boosted on social networks that offer these services, including search-engine optimisation of this material.

With the debut of sponsored ads in the 2018 Brazilian elections, the country will perhaps experience the biggest push toward the use of personal voter data. Whereas voters were once primarily influenced by television and web ads, the introduction of content promotion in social networks, ad-targeting practices and the use of personal data (http://agenciabrasil.ebc.com.br/geral/noticia/2017-12/tecnologia-muda-estrategia-de-comunicacao-em-campanhas-eleitorais) for enhancing and directing propaganda online may subject voters to much more targeting and segmentation, yet potentially much less access to information.

Tactical Tech partnered with Coding Rights to investigate the role of data-driven campaigning in Brazil's elections. Coding Rights is a Brazil-based, women-run organisation working since 2015 to expose and redress the power imbalances built into technology and its applications, particularly those which reinforce gender and North/South inequalities. They have in-depth legal expertise, a deep understanding of the changing laws and perform multidisciplinary research to hack public policy in order to reinforce human rights values in the usage of technologies. Coding Rights worked directly with politicians on topics regarding political campaigns and personal data legislation. In this report they interviewed key players in the digital political campaign industry, previously identified in a report published at Oficina Antivigilância called Data exploitation for election means in Brazil: Between political polarization and a fragile data protection to its citizens (ES/PT) (https://antivigilancia.org/es/2018/05/big-data-elecciones-brasil/), including André Torreta from A Ponte Estratégia (Cambridge Analytica's local partner) before and after the Cambridge Analytica scandal.

On 14 August, Brazil approved their data protection law, which will go into force in the next 18 months. Because the current president approved the law with vetoes, mostly on the sanction mechanisms for companies who don't respect the new law, it is still unclear whether the rampant data broking for political campaigns will change in the near future. Below is a summary of a few key findings from Coding Rights' report. For more information about how digital campaigning is affecting Brazilian elections, see the **full report here** (https://ourdataourselves.tacticaltech.org/media/ttc-data-and-politics-brazil.pdf).

According to experts in the digital campaigning industry, social media platforms will inevitably play a major role in the 2018 Brazilian elections

- With over 130 million users (http://agenciabrasil.ebc.com.br/geral/noticia/2017-12/tecnologia-muda-estrategia-de-comunicacao-em-campanhas-eleitorais), Brazil ranks fourth behind the United States, India and China in total Internet users. According to the 2018 edition of the Global Digital Report (http://unctad.org/en/pages/PressRelease.aspx?OriginalVersionID=432), Brazil has the third largest amount of active Facebook users (130 million) and the second most active Instagram users (50 million) worldwide, along with 120 million users (https://wearesocial.com/blog/2018/01/global-digital-report-2018) of WhatsApp.
- Internet connectivity in some regions of Brazil is often compromised due to a lack of infrastructure. In some regions, mobile access predominates, to the detriment of other kinds of access. WhatsApp (and Facebook) are offered for "free" by the majority of Brazilian telecoms. Some believe that this practice, known as zero-rating, has increased the user penetration rate of WhatsApp in Brazil.

- **WhatsApp**: The mandated allocations of electoral time on TV and radio between the large coalitions tends to push smaller parties to invest more in digital campaigns, particularly in strategies that rely on WhatsApp. As Coding Rights' report points out, "The lack of provisions in the electoral reform regarding content shared on WhatsApp and the intricacies of the platform have made it almost impossible for electoral content to be flagged or even to assure candidates that it will not be used for illicit purposes, such as online political advertising outside the authorised or propagation of hate speech or the so-called fake news." Nevertheless, the biggest newspaper in the country, *Folha de São Paulo*, published an investigation (https://www.theguardian.com/world/2018/oct/18/brazil-jair-bolsonaro-whatsapp-fake-news-campaign) citing invoices that connect Bolsonaro to an illegal donation from a group of Brazilian businessmen, mostly focusing on the spreading of fake news via WhatsApp. (Some contracts were worth up to 3 million USD). As a result of the investigation, WhatsApp banned around 100,000 accounts (https://gizmodo.com/whatsapp-bans-100-000-accounts-before-brazilian-electio-1829886723) that apparently were used to spread fake news, including the account of Bolsonaro's son, senator-elect Flavio Bolsonaro. Tactical Tech's article "What's Up With WhatsApp (https://ourdataourselves.tacticaltech.org/posts/whatsapp/)" also provides more detailed information about the use of WhatsApp in Brazilian elections and around the world.
- **Twitter**: Studies show that "during the main moments of political debate in Brazil, bots accounted for up to 20% of interactions on the topic on Twitter." Due to the recent modifications to the Elections Act and new requirements for transparency, Twitter (https://gq.globo.com/Prazeres/Poder/noticia/2018/06/melissa-barnes-do-twitter-nao-vamos-permitir-que-grupos-politicos-facam-propaganda-no-twitter.html) announced that it will no longer allow political groups in Brazil to advertise on the platform until they can create a tool that can comply with the new law. The decision followed the Cambridge Analytica scandal as an attempt to minimise external influence in the the elections.
- **Facebook**: According to Coding Rights' report: "During the 2014 elections, Facebook (https://www.reuters.com/article/brazil-internet-facebook-idUSL1N0IE0H420131025%20) conducted a workshop with Brazilian politicians on how to increase their fan base and maximise "likes" on their Facebook pages. The company brought in their global manager for politics and government engagement, who spent four days in Brasilia instructing Brazilian lawmakers and staffers and even taught President Dilma Rousseff's online team how to boost her social media presence." In addition, "Prior to the 2018 elections, Facebook implemented a new feature (https://newsroom.fb.com/news/2018/05/hard-questions-political-ads/) specifically for ads with political content, which will allow users to see who's running a political ad, how much money was spent on it, how widely it was seen, and whom the ad reached, including the audience's age, gender and location. The above-mentioned requirements are being fine-tuned to conform to the new Brazilian electoral provisions, such as the "Paid for by" disclosure for political content on social media, including the name of the candidate or political party who paid for the ad. Facebook also promises it will not allow the boosting of news considered to be 'fake' by the fact-checking agencies. It will also not allow the use of ads for building or increasing audiences of such pages."

In interviews conducted with experts and insiders, Coding Rights discovered a widespread industry of data brokers and advertising agencies whose business models are largely based on a lack of individual privacy

- Political campaign experts who were interviewed by Coding Rights admitted that they combine and cross-reference information collected legally through social networks and databases containing public information – such as the ones used for the provision of public policies, census information (IBGE) with personal information sold by big companies as Serasa Experian and Vivo Telecom – which also work as data brokers in this industry. All this data, which includes detailed information on voters, such as phone numbers of WhatsApp contacts, generates enough information for the development of these companies' communication strategies via social media.
- The massive data firm **Serasa Experian** (initially called Serasa – Serviços e Assessoria S/A) was originally founded to centralise and organise personal data to perform credit analyses of individuals. At present, Seresa Experian works for private companies in three main areas: credit decisions, marketing and digital certifications, and offering consumers solutions for fraud prevention and credit scoring. As Coding Rights points out, "The origin of the data that integrates Seresa Experian's database in Brazil is not disclosed, but the company is indeed one of the greatest – if not the greatest – data brokers in the country, with a vast amount of data from around 140 million Brazilians." The company claimed to be the first provider of audience data (https://www.serasaexperian.com.br/p/aquisicao-marketing/encontrar-novos-clientes/mosaic%20) for Facebook in Brazil, but also to have the largest data set in the Latin American region, with 11 groups of audiences in the country, divided into demographic, economic, financial, Affinity models, Mosaic and B2B. After the Cambridge Analytica scandal, Facebook cancelled their contract with Serasa.

At least two major data firms involved in digital campaigns in Brazil also developed popular mobile apps

- Coding Rights investigated the most important actors in the digital campaigning field and found that some of them developed apps for the general public, as well as working for different politics and parties on campaigns. This is the case of Facemedia and Ideia Big Data.
- Facemedia (https://www.linkedin.com/company/facemedia) presents itself on LinkedIn as a "digital marketing and online communications focused in social media to promote brands and engagement." The URL of the company's website, http://facemedia.com.br/ (http://leisecarj.facemedia.com.br/), however, redirects users to the blog of Lei Seca RJ (http://leisecarj.facemedia.com.br/resumoleisecarj/%20), which promotes an app that claims to show users where police are checking cars for drunk drivers in the city of Rio de Janeiro. In 2013, Lei Seca was the most downloaded paid app (http://macworldbrasil.com.br/noticias/2013/05/21/iphone-aplicativo-com-mapas-da-lei-seca-faz-sucesso-no-brasil/%20) in the Brazilian App Store. It is uncertain if all its followers and users were or could be leveraged by Facemedia and their contracts for political campaigns, but, as Coding Rights notes, "it is remarkable that a company that operates on digital media and has such a history of contractors from the previous elections does not have a website separated from the Lei Seca Rj project."
- BBC Brazil (https://www.bbc.com/portuguese/brasil-42172146%20) conducted an investigation that showed that Facemedia started to assemble a large amount of fake profiles back in 2012, when they hired at least 40 people to manage them with a focus on political campaigns that benefit around 13 politicians.

Lei Seca app, showing police's sobriety checkpoints in the city of Rio de Janeiro. Source: Baboo
(https://www.baboo.com.br/arquivo/software/lei-seca-maps/?doing_wp_cron=1538039901.9473929405212402343750)

- For their report, Coding Rights interviewed Maurício Moura, president of **Ideia Big Data**, who mentioned that the company uses data available on public databases along with information collected through surveys. In July 2017, Ideia merged (https://projetodraft.com/como-a-pinion-se-juntou-a-um-instituto-de-pesquisas-na-ideia-big-data-que-quer-revolucionar-o-mercado/%20) with a mobile app called PiniOn (http://pinion.com.br/), which collects marketing data by rewarding users for their answers to surveys. PiniOn also sends its users on "missions," including taking pictures and videos from specific places or of certain products, and compensates them for each completed challenge (20 cents each).

A Ponte Estratégia: Cambridge Analytica's Brazilian partner

Extract of André Torreta's presentation at the House of Representatives in Brazil on the use of personal data for political campaigns and opinion persuasion. Source: Camara Legislativa do Brasil (http://www2.camara.leg.br/atividade-legislativa/comissoes/comissoes-permanentes/cctci/Eventos/2018/2018-05-22-seminario-dados-pessoais/painel-2/andre-torreta-a-ponte-estrategia)

• **As part of their report, Coding Rights also interviewed André Torreta, CEO of A Ponte Estratégia, which recently came under scrutiny for being the Brazilian representative of Cambridge Analytica.**

• **Ponte CA, the partnership (http://www.meioemensagem.com.br/home/ultimas-noticias/2017/03/13/a-partir-de-parceria-internacional-andre-torretta-lanca-nova-empresa.html) between the two companies, was established in February 2018 with the goal of replicating the strategies Cambridge Analytica applied in Donald Trump's presidential campaign. In Torreta's opinion, Ponte CA differentiated itself from other political marketing companies because of the types of solutions they offered: "Cambridge Analytica poses itself as selling argument, we get the appropriate argument by data analysis, but what we sell is data," he told Coding Rights.**

• **Torreta stated that A Ponte Estratégia has partnerships with data brokers, including Serasa Experian. According to him, the company uses traditional marketing research and opinion polls, along with methodologies like the Big Five and OCEAN models, mixed with traditional sources of information like interviews and personal databases bought from data brokers.**

• **The result is a micro-targeted campaign strategy across different platforms, including WhatsApp (https://www1.folha.uol.com.br/poder/2018/03/whatsapp-entra-no-radar-de-pre-candidatos.shtml%20), which includes the acquisition of phone numbers to assemble a database for communication from companies like Vivo (one of the biggest telecom companies in the country).**

An introduction to the Influence Industry project can be found at The Influence Industry: The Global Business of Using Your Data in Elections (https://ourdataourselves.tacticaltech.org/posts/influence-industry) and an introduction to the tools and techniques of the political data industry can be found at Tools of the Influence Industry (https://ourdataourselves.tacticaltech.org/posts/methods-and-practices). Similar, country-specific studies on the uses of personal data in elections can be found here (https://ourdataourselves.tacticaltech.org/chapters/dap-ii-country-studies/).

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