



Palantir listing may shine light on secretive Big Data firm

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Perhaps the most secretive firm to emerge from Silicon Valley, Palantir Technologies is set for a stock market debut this month that may shed light on the Big Data firm specializing in law enforcement and national security.

Created after the September 11, 2001 terror attacks with initial funding from a CIA venture-capital unit, Palantir and its predictive analytics platform reportedly have helped the US military locate Osama bin Laden and track weapons movements in the Middle East.

Its platform has also been used in the controversial practice of "predictive policing" to help law enforcement, detect medical insurance fraud and fight the coronavirus pandemic.

While Palantir's data practices and algorithms are secret, the company claims it follows a roadmap which is, if anything, more ethical than its tech sector rivals.

It moved its headquarters to Denver this year, partly in an effort to set itself apart from its Silicon Valley rivals.

"Our company was founded in Silicon Valley. But we seem to share fewer and fewer of the technology sector's values and commitments," Palantir says in its prospectus.

"From the start, we have repeatedly turned down opportunities to sell, collect or mine data."

- Mystical stone -

Palantir, whose name comes from the mystical, all-powerful seeing stone in "Lord of the Rings," is opting for a direct listing, expected on September 29. This will not raise capital but will allow shares to be traded on the New York Stock Exchange.

Palantir's filing suggests a valuation of some \$10 billion, down from a private value as high as \$25 billion, according to Renaissance Capital.

The company posted a loss of \$580 million last year on revenue of \$743 million. But it sees prospects improving as it offers solutions to what it calls "fractured healthcare systems, erosions of data privacy, strained criminal justice systems and outmoded ways of fighting wars," its regulatory filing says.

Palantir's biggest shareholder is Peter Thiel, an early Facebook investor and one of the rare tech executives who backed Donald Trump's campaign in 2016.

"We are in a deadly race between politics and technology," Thiel wrote in a 2009 essay for the libertarian Cato Institute.

"The fate of our world may depend on the effort of a single person who builds or propagates the machinery of freedom that makes the world safe for capitalism."

- Security and ethics questions -

Activists argue that Palantir's technology -- which scoops up financial records, social media posts, call records and internet records -- enables unprecedented opportunities for mass surveillance with little oversight on privacy and fundamental rights.

Human rights activists have staged protests against Palantir after US agencies used its technology to hunt down illegal immigrants in the United States.

The immigration rights activist group Mijente claims Palantir technology is used in operations to track and arrest thousands of people "just for being undocumented."

Palantir is a major player in "predictive policing," a technology which critics say can amplify bias in law enforcement.

A 2017 research paper by University of Texas sociologist Sarah Brayne found the Palantir platform can connect seemingly unrelated bits of data for investigators, but can also lead to "a proliferation of data from police" collected without a warrant.

- No apologies -

Palantir does not apologize for its work in national security and law enforcement.

"If you're looking for a terrorist in the world now, you're probably using our government product and you're probably doing the operation that takes out the person in another product we build," chief executive Alex Karp told Axios this year.

Karp also defended Palantir's immigration work, writing in the Washington Post that tech firms should not be making policy decisions.

"Immigration policy is not a software challenge; it's a political one," said Karp, whom the Wall Street Journal called a "self-described socialist."

Palantir points out that it created a privacy and civil liberties board in 2012, ahead of most tech rivals. It also rejects working with China as "inconsistent with our culture and mission."

Chris Hoofnagle, faculty director of the Center for Law & Technology at the University of California at Berkeley, said Palantir may be a lightning rod for critics because of Thiel's politics and because it operates differently from its tech rivals.

"Palantir does not have data. Palantir is software, like the (Microsoft) Office suite," Hoofnagle said.

"Thus, many of the narratives surrounding the idea that one can 'Palantir' a person are wrong."

Critics argue that Palantir must do more than simply follow the law, and should be accountable for harmful consequences of its technology.

Palantir should consider the social impact of its applications, said Ryan Calo, a University of Washington researcher affiliated with the Stanford Center for Internet and Society.

"Palantir stands out as a company willing to work with groups that others have shied away from," Calo said.