

Contribution to the February 2020 – December 2020 Open Consultation of the ITU CWG-Internet
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Summary

As stated in one of the essays for the collection Digital New Deal, it is important to focus on the political context in which the consolidation of the dominant digital paradigm takes place. The essay is structured into three parts: we first describe the role of technology companies in restructuring the global economy and creating the economic and social vulnerabilities that have been exposed by the current global health crisis. We then identify some trends that are likely to be exacerbated by the pandemic, specifically the growing public reliance on tech firms for basic services, the influence of tech firms on public debates, and the attempts by tech firms to capture civil society organizations and social movements through their philanthrocapitalism. We eventually sketch a policy framework to help address these dangers and to avoid a corporate hijack of the post-Covid 19 future, arguing that state regulatory and fiscal capacities must be strengthened and that independent research must be funded by the tax revenues extracted from tech giants. Civil society organizations could contribute by forming transnational alliances to keep tech giants in check and help engage citizens in public debate.

Background and Introduction

The topic for the February 2020 – September 2020 Open Consultation is:

Expanding Internet Connectivity

1. What are the challenges and opportunities for expanding Internet connectivity, particularly to remote and under-served areas? What are the roles of governments and non-government actors in overcoming these challenges?
2. Are there particular challenges facing land-locked countries in securing affordable Internet access? What can be done to overcome these challenges?
3. How can small/community/non-profit operators help in promoting the increase of Internet connectivity?

1. What are the challenges and opportunities for expanding Internet connectivity, particularly to remote and under-served areas?

A coalition of civil society organizations has recently published a series of essays under the title “A Digital New Deal: Visions of Justice in a Post-COVID World”, see:

<https://itforchange.net/digital-new-deal/>

One essay is particularly relevant to the question at hand. We reproduce here the Introduction of that essay:

It is hard to fathom what kind of social and economic future lies on the other side of Covid-19. In the early days of the pandemic, some were hopeful that the crisis might usher in a new economic order. Others cautioned that the long-term economic and social impacts would be grave. One group, however, seems to be having an unambiguously ‘good crisis’. Amidst dismal GDP figures, mass layoffs, hiring freezes, and bankruptcies, the world’s top six tech giants – Amazon, Microsoft, Apple, Tencent, Facebook, Alphabet (Google), and PayPal – added an overall market capitalization of \$1.2 trillion during the first six months of 2020. Amazon alone, despite

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spending \$4 billion on logistical upgrading, saw its value climb by \$401.1 billion, boosted by the expansion in online shopping and cloud computing. The second biggest winner, Microsoft, has likewise benefited from the mass shift of work from office to home, and the growing reliance of workers and households on its cloud services.

In addition to hefty market capitalizations, these tech Leviathans have also used the Covid moment to strengthen their political capital, positioning themselves as reliable actors in the face of government shortcomings. In several US states, health departments are leveraging the data power of Google, Facebook, and Apple for contact tracing. Amazon Web Services (AWS) is helping support CommCare, a mobile data collection platform developed by Dimagi, a for-profit social enterprise, which initially sought to provide e-health solutions in Africa and Asia, but has since branched out to the US and Ireland. And Facebook CEO Mark Zuckerberg published an op-ed in The Washington Post to burnish his company's public utility credentials.

This moment of potential consolidation risks unsettling the precarious balance between tech giants on the one hand, and the public sector, labor organizations, independent research, and civil society, on the other. Yet, the current crisis is not a watershed; for these tendencies have been long in the making: the platformization of public services, the creation of corporate-led economic ecosystems, the restructuring of production, and the datafication of workers and customers. While most governments were caught by surprise, tech giants were ready, and are now poaching smaller firms on the verge of collapse – a trend that is likely to accelerate after the pandemic. The world that lies on the other side may, therefore, be a world in which a handful of large companies can move capital, produce knowledge, and shape the political and public conversation in their favor.

This series has asked contributors to imagine a 'Digital New Deal' akin to Roosevelt's Keynesian revolution. Our contribution draws attention to the varied political context of this paradigm contestation and the political strategies deployed by tech firms to thwart wholesale paradigm shifts. Section 1 describes the role of tech companies in restructuring the global economy and creating the economic and social vulnerabilities that have been exposed by the current global health crisis. Section 2 identifies some trends that are likely to be exacerbated by the pandemic, focusing on growing public reliance on tech firms for basic services, the growing influence of tech firms on public debates, and attempts by tech firms to capture civil society organizations and social movements through their philanthrocapitalism. The final section sketches a policy framework to help address these dangers and to avoid a corporate hijack of the post-Covid 19 future. In particular, it argues that state regulatory and fiscal capacities must be strengthened in order to tackle the opacity of their business operations and to extract tax revenue to fund more independent research. In pursuit of these policies, activists can help by forming transnational alliances to keep tech giants in check and help engage citizens in public debate.

The full text of the essay is available at:

<https://itforchange.net/digital-new-deal/2020/10/29/a-digital-new-deal-against-corporate-hijack-of-the-post-covid-19-future/>
