Inputs to the Global Learning and Strategic Convening on the Political Economy of AI, Data, and Digital Technologies

IT for Change

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Anita Gurumurthy's Inputs

The AI economy, as is well understood is about a new geopolitical/geoeconomic polarity, between the US and China. But there is a need here for nuance. The nature of global markets in a platformized world must be understood through a lot more specificity— just as an example, in 2023, 99% of Baidu's revenue came from China, whereas Google generated less than half of its revenue from the United States. This does not mean Chinese ambitions in the global digital economy are less relevant to our understanding of geoeconomics and politics, but that the devil, as always, is in the detail. More so, since we live in times of narrative slippage, and admissibility to context becomes so vital.

What we see by and large is an easy and seamless adoption of concepts and categories– of race, colony, gender– to signify some of the crisis at hand. This seemingly bold politics of recognition and identity in the global discourse – for example the AI debate on diversity and inclusion has done little to acknowledge maldistribution. It has also hijacked representational politics into obscure territory– as if fairness, non-discrimination, and justice in digitality is about tinkering the edges, making input data diverse, following DEI toolkits etc., without disturbing the core. Take another example, the Gen AI debate has thrown up the issue of the usurpation of traditional knowledge and indigenous people's right to their sui generis knowledge systems. While the theft of traditional knowledge in the creation of AI systems cannot be refuted, the point here is who gets to decide what is legitimate and what is illegitimate; and how are such decisions normalized as common sense. Is the theft we are talking about only about traditional knowledge? The political economy of legitimation– that is, the power to make norms, rules and practices and carve out what is a rightful exception– is therefore key to our analysis.

What I am submitting here is that a complex institutional arrangement, of fragmented rules and practices, draw attention away from the foundational anomalies in the digital economy:

- the refusal in 20 years of the US to recognize the internet as a global commons;

- the normalization of data as commodity, and hence, data value, as private by default;

- the abuse of existing and pre-digital global regimes in IP– trade secrets for instance– to lock away data resources;

- the idea that consent can be reduced to an individualized contract;

- that data and AI infrastructures are most efficient only when they operate as global facilities owned by supra-national, private entities;

-      or that free flow of data is the vital engine of free trade– and this dogma cannot be examined or qualified under any circumstance, doesn't matter that decades of free trade agreements have done little to change global inequality.

For those inspired by Marx, his wonderful observation comes to mind, we are witness to what Marx observes is: "a fetishism peculiar to bourgeois economics, which transforms the social, economic character that things are stamped with in the process of social production into a natural character arising from the material nature of these things."

In this narrative slippage – a naturalization of the digital discourse as one that belongs to silicon valley's ingenuity, the value character of data and AI commodity becomes independent and autonomous from producers – workers who make the AI possible or people and places that contribute the data that makes the AI.

The casualties of this totalizing, universal, essentialist digital economic model for those who are most marginalized, from the Global South are manifold.

1.   First is the sheer human indignity baked into its ideology; the brazen denial by the protagonists of this model of the rights of the next generations in the Global South– rights that include claims over past gains, claim to disposable time in the present, and claim to a future of freedom.

All talk in policy spaces about digital literacy and upskilling ring very hollow– because what the majority of young people in the South need and don't get is well-rounded education that can provide a means to live a life of freedom and dignity.

The reality of work in the global algorithmic order is well documented now; we know platforms extract value in the Global South where laws are lax and guarantees minimal, through a never-before seen labor squeeze– constant surveillance of workers, penalization for behavior deemed deviant, and brazen dismissal of the wage-labor relationship.

Platforms resocialize the labor contract as fragmented units based on tasks— multiple gigs per worker, managed through expanding networked geographies that include work and life, but constantly preventing workers from being able to define their collective experience of work as a shared material reality.

In our ethnographies in Bengaluru, we have seen the uphill task for workers to build solidarity. Paradoxically though, the geographic clusters where migrants live are important sources for platforms who use these geographies of precarity to recruit and onboard labor, scouting for very specific social profiles; supervisory teams are routinely sent to lower income areas to onboard women from oppressed castes for stigmatized jobs. Platforms assetize embedded community in various ways, but deny workers the basic right to build community.

As local skills and knowledge are hollowed out in the new global division of labor in algorithmified workplaces– the discourse of worker rights in the platform economy is barely able to scratch the surface.

Platform companies evade taxes, do not share valuable data for public use and refuse to contribute to the social security pot. (Big platforms refuse to contribute even a tiny percentage of their turnover to the social security pot of gig workers, and even where the law pushes the bar so low and imposes transaction-based levies, they simply don't comply.)

The global context of platform work as we know it is in fact programmed for desolidarization and atomization, implying alienation of labor on a scale where the interconnection between institutional frameworks that shape rules in labor markets and workers' shared reality and sense of meaning about value creation loses any and all correspondence.

2.   Secondly, the fundamental issue of the economy today is also that it is driven less by a logic of innovation in production and more by the forces of distribution. (As Sabine Pfeiffer argues, there is little to achieve by way of productivity gains in manufacturing businesses and global value chains). All market forces therefore, are now directed towards ubiquitous consumption and fast disruption, i.e., finding new markets and being the first to realize value. The innovations we celebrate are mostly rooted in non-productive distributive forces sought to be perfected by first mover monopolies and not linked to real value generation. First movers like Alibaba/Amazon have been able to build logistics chains in large parts of the world with the market dangerously (and poisonously) tilted towards an endless consumption cycle vying for eyeballs on-loop. The environmental consequences of ecommerce on steroids are already beginning to show in our cities.

The revolution in distribution and consumption has also seen data-enabled market segmentation used by tech businesses to mop up household surplus. Ed-tech companies come with infinite product offerings geared towards low-income households– never mind the pointlessness of micro certifications in an employment market where they are unwelcome. Fintech offers bountiful 'products' in a largely unregulated market, exploiting those desperate for credit as little as 8 to 10 dollars.

Digitalization of the food sector has meant "incursion of new financial actors and institutional investors into food, as pension funds, hedge funds, and private equity firms have invested heavily in agricultural land to secure fixed, long-term income streams (Lawrence and Smith, 2018)." Food actors on the other hand have turned to financial markets to "generate returns through new channels (Stephens et al., 2022). This underscores the blurring of the boundaries between financial and food actors (Isakson, 2014)."

3.   Now to my third point: the liberal conception of digital freedoms has created a host of challenges in how we conceive of the AI paradigm.

The aphorism 'information wants to be free' was coined in the 80s by Steward Brand– as a clarion call for democratizing knowledge. In the neoliberal economy, the cultural hegemony of some forms of information and knowledge has effectively seen a caricature of information freedoms, prompting Southern activists to say information wants to be free is equal to 'all information wants to be American'! This is true for data as well. Data wants to be free, as in, American, and all AI is on a neo-colonial mission to civilize the masses in the Majority World that must be rescued.

Our individual rights to consent, privacy, and more lack the teeth to democratize the purpose and value of AI. There are no public rights in the AI economy– despite the hundreds of Human Rights guidelines. What we have at best – and that too for the privileged few– are consumer or user rights. The infrastructural publics in the AI value chains– the political communities that must be vested with rights, sub-national jurisdictions and communities of fate– municipalities, small farmers, peasants, street vendors, in the Global South -- are disenfranchised and lack the legitimacy to have a say. The OECD is just about waking up to update its business and human rights protocols for AI value chains, but this is likely to be within the narrow frameworks of liability that do not reflect duties and commitments of corporations and nation states within a structural framework. Many governments in the South are already part of bilateral trade deals through which they have written off their right to scrutinize algorithms. This means, even courts will not be able to intervene in instances of algorithmic injustice.

Similarly, the recent agreement on genetic resources and traditional knowledge is an instance where developing countries, who have long been calling for greater transparency on the origin of genetic resources, managed to forge a deal for such recognition. Yet, how this will prevent biopiracy, how benefits will be distributed, and how patents on DSI /synthetic organisms will impact the reproduction of the genetic material – questions that are ethical and material– remain open ended.

The negation of the societal, democratic, and infrastructural aspects of algorithmic systems transplanted at alarming rates in the Global South is part of a classic, historical problem in international economic law; the weaponization of human rights in global value chains for geoeconomic advantage.

4.   Fourthly and finally, the takeover by Big Tech of innovation and of socio-economic infrastructures signifies a loss of the publicness necessary for economic democracy and innovation.

Activists and independent CS actors in the south are confronted with the tall order of working our way through a short-sighted opportunism and lack of vision and courage of our own governments, while addressing the global political economy of the digital, and the criminal capture of public and policy space by Big Tech.

The question for us is: how do we de-naturalize the current neo-liberal consensus on data and AI?

What are the regimes of public reason we seek nationally and what do we see as appropriate global regimes to further collective freedoms in relation to the digital economy?

In what he terms a love letter to GenZ, Walden Bellow wrote a few days ago– reminiscing about Seattle and the anti-globalization protests of 1999. The enduring lesson, he says, is that truth is not just out there, existing objectively and eternally. Truth is completed, made real, and ratified by action. Facts need a mass movement to convert them into truth.

With my generation and that of our Millennials having failed in this task, will Gen Z assume the role of Neo, the hacker, played by Keanu Reeves, and lead the effort to unplug our people from the Matrix?