



Bottom of the pyramid and other development delusions of the information age

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The trajectory of 'digital technology for development'



- Based on a techno-euphoria not completely unfounded
 - Wealth of Networks - Digital space and unbounded potential
 - Early 90s – the promise of openness, information equality and uncensored knowledge (origin of the net)
 - Access to info, participation and voice, collaboration
- '*Creating a development dynamic*' – Accenture leads the way on MDGs and ICTs.
- The discourse of digital technology for development converges with the ascendance of neoliberalism
 - Privatization of telecoms companies, Deregulation of telecoms, No regulation of the internet

The network society



- The digital world is a world of mergers and monopolies, with spectacular incentives to privatise the Internet
 - Google, for example, holds 70 percent of the search engine market, and its share is increasing
 - In early 2011, Comcast (largest ISP) merged with NBC (owner of Universal film studios as well as television interests);
 - Walled gardens that fleece those within
- Most monopolies are in the North, ensuring Northern domination over digital futures

The network society



- Monopoly power, crony capitalism (ironically, anti-neoliberal!) and digital feudalism
 - Ensure dominance of electromagnetic spectrum licenses
 - Create ISP and telecoms bottle-necks to access
 - Create IP and copyright regimes to create scarcity of content (even though info and knowledge are non-rivalrous)
 - DRM technologies to impose artificial limitations on the functionalities of digital devices and software
 - Develop proprietary software that charges for access
 - And of course, bring in money from ads to push the digital realm into the heart of the entertainment industry and private consumption (violating individual freedoms)!!

BoP as the method of choice in ICTs for development



- Development adapted to the new economics of network society, riding on digital infrastructure
- 2007, World Bank Report – Shell, Intel, Visa and Microsoft
 - ICT BOP Markets 51.4 billion
 - The distorted logic that the poor can pay for clean water, better transport, ICT access, education, housing, energy etc etc.. all at once
- The Fortune at the Bottom of the Pyramid - the Next 4 Billion poor, waiting to be 'tapped'
 - Proliferation and growth of the microfinance industry which went awry in India
 - Unfortunately, the default approach to development futures

The logic of big systems riding on the digital



- E-choupal India
 - Network of farmers controlled by ITC, aggregating procurement,
 - Locks-in local communities, creating dependency, demonising traditional intermediaries,
 - Monopolistic Corporatisation of agri markets and knowledge
- The 'win-win of PPP'
 - Common Services Centres of Govt of India – 200,000 internet enabled centres run by private sector
 - Commoditizing ertwhile 'public' information, re-programming state-citizen relations
 - Plans afoot for privatised back-ends/ information utilities

Mobiles - distraction or liberation?



- Mobiles – digital architecture
 - Corporate control of infrastructure – unlike internet
 - Vertical integration (hardware, applications etc) and monopolisation
 - Cloud computing and remoteness of 'intelligence'
- In South Africa for eg. - in rural and urban populations not connected by the Internet, youth access data services through a closed privately owned network call Mxit
 - those wanting to share content, beyond chatting, must rent space from the Mxit corporation.
 - completely outside of the traditional net neutral internet.
- SEWA – a women's labour union describes the mobile as a 'bubble' – even as the SEWA district centres have given up on the long struggle to make good corporate partnerships in ICTs.

Development Contradictions



- The rise of monopolies and oligopolies that undermine the democratic potential of the Internet
 - The myth of “friction-free capitalism,” (Bill Gates!) – unleashing entrepreneurs, slaying monopolies and promoting innovation
- The illogic of scarcity of the Internet paradox in a capitalist society - *Lauderdale Paradox* – contradictions bet `public wealth and private riches – capital accumulation overtakes democratic possibility; public morphs into private
 - Electromagnetic spectrum remains extensive and largely unutilised !!!
 - In 2011 AT&T alone had license to \$10 billion worth of spectrum that is fallow, while it lobbies to have more spectrum diverted to it.
- State-corporate alliance that makes a mockery of traditional economics and political thought

Development Contradictions



- International political economy and vacuum in global public policy on the Internet
- Cooption of private / community entrepreneurship for enhanced surplus extraction – The example of 'co-creation'
- Institutionalisation of techno-managerialism in governance – Indian HR Commission objects to UID
- Collaborative potential, arguably the democratic genius of the Internet, runs up against the pressure of capital to consolidate monopoly power, create artificial scarcity, and erect fences wherever possible.

Development Contradictions



- Complete disconnect with community-centric local development models, which is about social capabilities, local autonomy and sustainable futures
- Maintained through the perpetuation of the 'digital divide' – of those not connected, and the bottom of the pyramid that desperately wants to be connected but must pay what it takes
- The logic of the current digital technology regime is - "get big, stay big and squelch the small".
- Its method is to create scarcity and coopt openness to serve capitalist accumulation
- Membership in digital ecologies is thus
 - Voice without agency
 - Presence without politics
 - Labour without appropriation

'Network publics' as a framework for development



- In terms of dev policy and practice - reclaiming publicness / public openness in the digital - not the commodified, privatized world of capital accumulation
- Retrieving the 'corrupt netherworld of government regulation and bureaucracy' in new democratic models for 'local' control.
- Openness – has a negative rights meaning
- Commons – Shareable resource
- Public – positive rights connotation, implies a complex institutional ecology for creating and preserving the commons, public goods and for redistributive justice

Meso level interventions



- Public digital and socio-technical platforms using community labour for common good
- Open source platforms, open search engines, opens ocial networking applications, open APIs and open content platforms
- Public investment the starting point but network publics much more and derives from participatory, community embedded development methodologies
- Appropriate policy regimes – where the overriding logic is developmental