

Anita Gurumurthy's Inputs at

**IT for Change and FIAN International's
Briefing for the OHCHR Committee on
Economic, Social and Cultural Rights**

IT for Change

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Inputs by Anita Gurumurthy

1. As the Declaration on the Right to Development observes, “*the right to development is an inalienable human right, and equality of opportunity for development is a prerogative both of nations and of individuals who make up nations.*” Current trajectories of market-led digitalisation pose a huge challenge for the realization of this right—as they have entrenched global inequality; they affect the opportunity structure.
2. Developing countries are [often the most vulnerable](#) to the potential negative environmental and social effects arising from digitalization, relating to raw material extraction, carbon emissions, water consumption and waste from digitalization. At the same time, they lack the productive capacities—patents, connectivity and computational infrastructure—to catch up in automation, robotics, and supply chains.
3. A [2024 research by UNCTAD](#) highlights that Foreign Direct investment (FDI) trends in global value chains are unquestionably shifting towards investment in high value, knowledge-intensive activities and low-income countries who are digital latecomers do not have a pathway to this. To make matters worse, the share of FDI in manufacturing and product distribution and logistics capacity has steeply declined.
4. All of this means long term dependency, limited value added, foot-looseness/capital flight, and intensification of labour and environmental exploitation.
5. We have rich evidence from the work of the special rapporteurs to map some of these shifts:
 - the outsourcing of digital welfare state to technology companies and its deep impacts on the [realization of the right to social protection](#);
 - [increasing dependence of public education systems on proprietary vendor-dependent EdTech](#) and how this curtails the right to education of marginalised populations;
 - the rise of [contemporary slavery in the digital labour markets of transnational platform firms](#); and
 - the perpetuation of racism, sexism, ableism, and discrimination based on sexual orientation or gender identity in [transnational digital health innovation](#).

Not to forget the environmental decimation in the material infrastructures underpinning data and AI.

6. To sum up, the current trajectories of digitalization affect Economic, Social and Cultural Rights (ESCR) in two critical ways:

- One, they affect the ability of states to progressively realise ESCR by thwarting their autonomous

development pathways. (They cannot tax, they cannot have access to data locked up in private enclosures—thanks to trade secrets— to use for emergencies, city planning, public policy in health, education etc.) Basically, low-income countries are unable to gain a foothold to enhance their productive capacities and increase domestic value creation. Here, I would like to acknowledge that [the CESCR General Comment No. 3: The Nature of States Parties' Obligations](#) notes how maximising the resources available for progressive realization of ESCR refers to “both the resources existing within a State and those available from the international community through international cooperation and assistance” (para 13). The current development financing, trade, Intellectual Property (IP), and taxation regimes in the global digital economy prevent the mobilization of resources through effective international cooperation.

- Two, as [General comment No. 24 \(2017\) on State obligations under the International Covenant on Economic, Social and Cultural Rights in the context of business activities](#) observes that states' failure to ensure compliance from the multinational enterprises under their jurisdiction with internationally recognized human rights norms and standards, has resulted in a situation where corporate activities have rampantly violated economic, social, and cultural rights—a situation that gets worsened in the virtualization of business activities in Global South jurisdictions. We are likely to need a binding treaty on trans-national corporations (TNCs) and the current business and human rights guidance has only generated promises from Big Tech that are seldom respected—with regard to democratic integrity or development justice.