

The logo for the Escuela de Economía Feminista is centered in a white circle. It features the text "ESCUELA DE ECONOMIA FEMINISTA" in a bold, purple, sans-serif font. The text is enclosed within a square frame with rounded corners, which is itself surrounded by three overlapping, stylized lines in green, pink, and purple. The background of the entire page is orange with a network of purple lines and dots.

**ESCUELA
DE ECONOMIA
FEMINISTA**

ECONOMIES THROUGH DATA: SOUTHERN FEMINIST PERSPECTIVES

SUMMARY OF THE LECTURE GIVEN
BY ANITA GURUMURTHY AT THE ONLINE
SCHOOL OF FEMINIST ECONOMICS
ON NOVEMBER 4TH, 2020



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“ FROM A SOUTHERN FEMINIST PERSPECTIVE, THERE IS A LOT TO BE DISCOVERED AND THERE IS A LOT TO BE UNRAVELLED. IN THE DOMAIN OF THE ECONOMIES OF DATA, DATA POLITICS AND IN THE POLITICAL ECONOMY OF DATA. WE NEED TO START FROM THE EXPERIENCES, INSIGHTS AND ANALYSIS OF COLLECTIVES OF WOMEN FROM THE GLOBAL SOUTH WHOSE VOICES WE DON'T HEAR AND WHOSE LIFE EXPERIENCES DON'T INFORM THE DECISIONS THAT ARE SO BADLY NEEDED IN THE BIG TECH ERA. ”

This was the opening remark of feminist **Anita Gurumurthy**, founding member and Executive Director of **IT for Change (ITfC)**. The **Feminist Digital Justice project** is a collaborative research and advocacy initiative by **DAWN** and ITfC¹. These are times that we are bombarded with concepts of digital economy, big data and digital connectivity. There is a need to understand the impacts of these issues on social, gender and environmental justice. **DAWN's School of Feminist Economics Masterclass** proposed a pedagogical space to unpack the elements within the new business model of the digital economy and reflect on the normative frameworks that can and should regulate actions of platform corporations and protect human rights.

More than 130 participants from over 15 countries joined us and interacted and many issues and questions were addressed. The session was moderated by **Flora Partenio**, Development Alternatives with Women for a New Era (DAWN) Executive Committee Member, who invited the audience to understand the importance of analysing economics through data from a Global South perspective: *“We are facing the global pandemic context and our proposal is to analyse what has happened with labour rights, what has happened to our life conditions, and whether it is possible to think about a new deal, a digital new deal.”*

1 - The project foregrounds debates at the intersection of enduring feminist concerns about gender justice and women's human rights on the one hand, and emerging issues at the digital frontier on the other. *If you want to learn more about it, please visit: <https://dawnnet.org/analysis/digital-justice-project-southern-feminist-perspectives-on-the-digital/>*

In her presentation **Anita Gurumurthy** addressed the following issues:

- > DIGITAL ECONOMY AND THE GEOGRAPHIES OF INEQUALITY
- > THE NEW BUSINESS MODEL BASED ON INTELLIGENCE ECONOMY
- > THE QUALITATIVE SHIFTS IN CORPORATE POWER & THE INTELLIGENT CORPORATION
- > BIG TECH'S FORAYS INTO LATIN AMERICA AT THE HEIGHT OF THE PANDEMIC
- > INTELLIGENCE CAPITALISM AND THE SURVEILLANCE FRAME
- > THE BIG TECH-LED DIGITAL ECONOMIES AND GENDER-BASED INEQUALITIES
- > THE DECIMATION OF THE SOCIAL INFRASTRUCTURE IN THE BIG TECH-DOMINATED DIGITAL ECONOMY
- > THE COLONISATION OF WOMEN'S BODIES AND LIVES IN THE DIGITAL ECONOMY

HIGHLIGHTS OF ANITA GURUMURTHY'S PRESENTATION

DIGITAL ECONOMY AND THE GEOGRAPHIES OF INEQUALITY:

“We live in a new phase of capitalist expansion, in an intelligence economy, where the expropriation of data from everyday social exchanges through the platform business model is comparable to the expropriation of natural resources for capitalist production in a previous age.”

A FOUNDATIONAL TRUTH.

“There is a collinearity between the increasing inequalities of the world and the rise in digital technologies.” The world’s top five digital companies: Apple, Microsoft, Amazon, Alphabet and Facebook make-up 18% of the total market capitalisation as per Standard and Poor’s 500 index (S&P 500)—the highest percentage in history. Since 1995, according to The United Nations Conference on Trade and Development (UNCTAD), there has been an increase in the net income of the top 2000 transnational corporations (TNCs) and yet, their workforce’s share of this income has gone down. At the root of the world’s inequalities is the fact that the labour share of income to capital share of income has changed dramatically. As the share of wealth for the poorest people in the world goes down, there is a rise of digital technologies.

DATA IS THE NEW OIL!

Accumulation of data is at the centre of the business model of digital corporations. Data is gathered, accumulated and locked-up to be used in artificial intelligence research and applications, software that in turn is used to generate insight and intelligence. Data intelligence is what optimises the entire value chain. It is a model predicated on the enclosure of networked flows and data resources which has led to this economy-wide intensification of winner-takes-all markets and an immense concentration of wealth in the hands of a few.

SIZE MATTERS, BUT ALSO INTELLIGENCE.

Digital corporations are proposing a new paradigm and they are currently promoting a new way of organising and changing the economy. In this shift there is a move from “size scale” economies to “intelligence scale” economies. The emphasis is no longer just about doing things faster, but it is also about the methodology and how the universe of production is organised.

THE NEW BUSINESS MODEL IS BASED ON THE INTELLIGENCE ECONOMY

Anita affirmed that the business model of digital corporations functions by creating and consolidating the ‘intelligence premium’². According to her, this is a key concept to understand the rationale used by digital companies to change the economy.

2- In other documents, Gurumurthy & Nandini said: “The accumulation of data that feeds algorithmic optimisation enables more intensified data extraction, in a self-propelling cycle that culminates in the platform’s totalising control of entire economic ecosystems. The intelligence advantage may thus be characterised as an ‘intelligence premium’, rather like the ‘innovation premium’ enjoyed by the first-mover firms in the pre-digital era. In the quest to acquire and retain this ‘intelligence premium’, platforms assert de facto ownership rights over their members’ data, steadily squeezing out the competition and eventually achieving vertical and horizontal integration.” (2020: 2) See Anita Gurumurthy & Nandini Chami (2020) “The Intelligent Corporation. Data and the digital economy”, in *State of Power 2020*, TNI.

In her lecture she explained that big platform companies have used intelligence scale economies to entrench themselves and build a monopolistic advantage. The platforms who are first movers reap an 'intelligence premium,' which is aggrandised through the totalising control they have over the network's data layers.

These corporations 'super powers' become even more complex when platforms that once served as marketplaces for aggregation or intermediation of services are today increasingly seen as the markets themselves. This is because these platforms use algorithmic optimisation to remediate existing socio-economic relations, expanding or constraining people's choices. The uniqueness of this model is that *games* and *nudges* in these interactions are programmed and there is no human being in these interactions. Anita adds that there are things written on the platform which treat people in an automated fashion, promoting an upstream transfer of value.

Through different examples, such as the case of Amazon, Anita conveyed how the digitalisation of the economy is leading to a '*servicification*' of products. In a complex network of stakes, Anita described how companies move between vertical markets (financial services, e-commerce, content providers and streaming) where a company is able to sell on and through horizontal markets that are actually based on the same services that this company provides through multiple different people. This logic of big data collection, quantification and marketisation has negative impacts on our societies. Anita put special emphasis on the consequences for the labour process reflected in the trends around the future of labour. It is here that the lines between the public and private domains become more blurred and there is a growing commoditisation of different aspects of people's lives.

Anita argued that social movements have to problematise this platform model as a game changer in the scenario, where companies accumulate by dispossession: people around the world are dispossessed of the data they provide on a daily basis and this is transforming economic activities. We live in a bipolar digital economy, China and the United States account for two-thirds of the total market value of the world's top 70 digital platforms. The truth is that countries in Latin America and in Africa have

almost zero per cent share in this digital economy. Whether it's cloud computing, global spending on the Internet of Things (IoT) or blockchain patents, the overwhelming share goes to the United States and China. Other countries are not just left behind, they are actually nowhere in the picture.

Yet, American companies have developed an interest in the Latin American market as they can outcompete Chinese firms by reducing the time it would take for goods to reach Latin America. The objective is to go to Latin America for cross-border trade.

According to Anita there are 3 major shifts in the power of digital companies that make this moment of digitalisation of economy unprecedented.

1. BIG CORPORATIONS DISREGARD MARKET RULES.

They operate by a certain *functional sovereignty* over the market, transforming themselves into unilateral entities that come into markets and dominate it, with complete disregard for market rules, effectively, they become the market.

2. BIG CORPORATIONS ARE BECOMING THE ESSENTIAL INFRASTRUCTURE FOR SOCIETY.

The divide between public and private is less and less visible. What belonged to the market and what was in the realm of potentially being considered public good is rapidly shrinking. All our communications, our precious intimate relationships are today part of a quasi-private infrastructure. The entire field is being privatised. Beyond the *social dilemma* of the exploitation of personal data is the monetisation of your private data. It is not just social media companies' exploitation of our personal data, as Anita put it, "it's much more than that. It's our roads. It's our streets. It's our phones. It's our lakes. It's our farms. It's our forests. All of which are being completely, legitimately coded by

artificial intelligence today through various methodologies. Just turn on the camera through the IoT system and you can actually have remote farms, farms without farmers. You can actually have schools without teachers. You can have all these situations simply because there is a problem without a name, and that is the exploitation of non-personal data resources.”

3. BIG CORPORATIONS ARE ABLE TO DO AWAY WITH LABOUR.

The atomisation of labour has proven to be a challenge, and thankfully in the past year workers have started rising up. Intelligent Big Tech digital economies have furthered the neoliberal development paradigm that deepens gender-based inequalities from household violence to economic empowerment, and poverty continues unabated. There is a need to dismantle the post-pandemic narrative that labour will move to digital labour chains and there is a lot to be gained for Africa, Asia and Latin America. This is simply not true, the reality is jobs are deskilling and dehumanising people. From women at the low ends of the food supply and retail value chain to those delivering education, health or services the situation is getting worse as big, cross-border platforms take over these services.

MOVING TOWARDS A FEMINIST DIGITAL ECONOMY

Following DAWN's recent work and IT for Change analysis, Anita emphasised that past and hard-won gender equality gains in different domains such as employment, education, agriculture, sexual and reproductive health and rights, care and social policies are today at a major risk of being reversed. As discussed earlier, a clear instance of this occurs in sectors such as agriculture, where companies push local farmers to change their sustainable livelihood practices and move into corporatised supply chains, while removing their control over economic and natural resources.

One prime example is the risk of the colonisation of women's bodies and lives in the Big Tech-dominated digital economy. Anita warned of how women are using apps that expose their data. For example in the case of period-control apps in Europe, data protection regulation prevents platforms and companies from appropriating sensitive user information. However, in the Global South many companies are taking away reproductive health data, menstrual health data and sexual behaviour data via these same applications.

She further called attention to the need to dismantle the narrative of economic empowerment behind this business model and to think about how to tackle issues around the gender divide in techno-social capabilities and the wider socio-economic challenges faced by women's enterprises. It is key to centre the discussion around accountability and governance of the digital economy and to move towards a feminist digital economy based on the following elements:

1. The need to think on a new multilateralism for development in the digital age based on a global data constitutionalism grounded in a people-centred vision and on data sovereignty. It is not the state's idea of sovereignty, or state unilateralism to control citizens, it is the people's idea of sovereignty over their data resources.
2. The need to reorient the market access and investment regimes so that the interests of the last person standing are ensured.
3. New taxation rules for Big Tech to fund social protection programmes and essential public processes and for South-South cooperation to leverage artificial intelligence for sustainable development.
4. Finally, the need for accountability and feminist infrastructure policy. This is central to the Digital New Deal that includes laws and policies that do not take away people's rights and people's dignity, do not invade their privacy, or infringe in their autonomy by transforming these systems into instruments of discipline and state control.

“A new deal will not spontaneously arise—warned Anita—It requires people to push back against corporate encroachment. It is actually about resistance-politics and it is going to take time. It might even take decades. But we are at that point where both state power and corporate power have to be checked and taken back and it is possible to do it. When I look at younger people, I know they see that something is terribly wrong with the world and they can be that resistance.”

As we move forward with this Digital New Deal, Anita called for a minimal and cooperative use of data in a way that people and workers’ interests prevail: “This path has to be critiqued for the lessons of feminism, for the negation or dismissal of the ideas of social reproduction, and we need our forests back, we need to reclaim this kind of data machine that continuously imagines that everything can be codified and brought into the face of the economy. Some things have to be left untouched, some things are for society to decide, so there can be ideas of wellbeing that are not mediated by the market.”

SCHOOL PARTICIPANTS’ CONCERNS

The main concerns about data were related to regulations and the universalisation of access to digital platforms. Regarding regulations, Anita suggested that there should be policies for personal data protection and governments should deliver policies to protect the massive trade of people’s data. She encouraged governments to be faster in their response to the current changes in digital platforms. With respect to universalisation of access to platforms and technologies, nation states should exercise their sovereignty by facilitating access. She highlighted that while Southern governments have not followed it so far, the European digital strategy is an innovative path to seriously consider.

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