

Digital Colonialism: US Imperialism

Imperialism, the Highest Stage of Capitalism

Lenin (1/2)

In order for capitalism to generate greater profits than the home market can yield, the merging of banks and industrial cartels produces finance capitalism—the exportation and investment of capital to countries with underdeveloped economies.

In turn, such financial behaviour leads to the division of the world among monopolist business companies and the great powers.

Moreover, in the course of colonizing undeveloped countries, Business and Government eventually will engage in geopolitical conflict over the economic exploitation of large portions of the geographic world and its populaces.

Imperialism, the Highest Stage of Capitalism

Lenin (2/2)

Therefore, imperialism is the highest (advanced) stage of capitalism, requiring monopolies (of labour and natural-resource exploitation) and the exportation of finance capital (rather than goods) to sustain colonialism, which is an integral function of said economic model.

Furthermore, in the capitalist homeland, the super-profits yielded by the colonial exploitation of a people and their economy, permit businessmen to bribe native politicians, labour leaders and the labour aristocracy (upper stratum of the working class) to politically thwart worker revolt (labour strike).

Old vs New Colonialism

- Traditional colonialism
 - Conquer territory
 - Enslave and exploit people
 - Impose own values and economic system
- Modern colonialism
 - Impose economic system favorable to US
 - Influence local political system to be favorable to US
 - Impose own values and economic system
 - Exploit people and enslave them economically

ICTs, including Internet (1/2)

- Export services, using US capital
- Serial monopolies
 - Economies of scale, externalities, network effects: natural monopolies
- US political domination
 - Freedom to connect, imposing US copyright, etc.
- US technical domination (standards-making)
- Conflicts between dominant US companies and powerful governments (US, China)
 - Encryption, state surveillance, state censorship
 - China has its own Internet

ICTs, including Internet (2/2)

- Internet peering agreements
- Receiver pays
- Exploitation by “free” services
 - Free is a lie
 - Data provided by users is far more valuable than services received
 - Zero rating
- Breakdown of democracy in the US
- Intensive lobbying (e.g. 2.5M by ICANN)
- Astro-turfing/Funding academics

Concrete impact on developing countries

- Cost of Internet connectivity is up to 100 times greater, in relative terms
- Digital divide is growing, not shrinking
 - Cannot be part of modern economy without ICTs
- Significant patent and other royalties flow to developed countries
- Use of developing countries as dumping grounds for e-waste (but steps are being taken to mitigate this)

Tip of Spear: Internet Governance

- Let private sector make key standards (code is law)
- Insider club
- Militate against government intervention
- Push “multi-stakeholder” model
- Push for private companies to have the same status as governments when making decision
- Denigrate UN and prevent it from making any decisions that don't support US positions
 - OK for WIPO to do UDRP, not for ITU to do spam

Internet governance has not worked

- The three priority issues identified in 2005 have not been addressed:
 - Asymmetric role of US
 - High cost, in relative terms, of connectivity in developing countries
 - Lack of security, proliferation of spam

Yet the dominant discourse is: it works fine, don't change it

Point of the Tip: ICANN

- Manages domain names and IP addresses
 - Funded by de facto excise tax on domain names
- Economic regulator of domain name business
 - Captured by industry it is supposed to regulate
 - Governments relegated to advisory role only
 - Continual criticism of accountability
- Regional Internet Registries
 - Cartel of ISPs
 - Controls who gets addresses

Put forward as a model and paradigm for other fields

What is to be done? (1/3)

- Don't use "free" services
- Don't use US cloud
- Push for localization of servers and data
- Push for decentralized solutions
 - Eben Moglen and the Freedom Box
<http://freedomboxfoundation.org/>
- Use alternate roots
 - Open root
<http://www.open-root.eu/?lang=en>

What is to be done? (2/3)

- Lobby your government to:
 - Oppose current arrangements and governance
 - Help users to implement the measures mentioned above
 - Assert digital sovereignty
 - Consider subsidizing local content production, ISPs, etc.
 - Provide access as a public service (and maybe even E-Mail)

What is to be done? (3/3)

- Join and support the Just Net Coalition
<http://www.justnetcoalition.org/>
- Support the Internet Social Forum
<http://internetsocialforum.net/isf/>

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