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Democracy in South Africa: The Next 25 years
The problem: only 53% of South Africans are online.
To enable South Africans to participate in + benefit from global digital economies, equitable access to the Internet is absolutely critical
Over the past 25 years of democracy, what have policy reforms in the communications sector delivered (or not) for South Africans?
Over the past 25 years in SA’s communications sector...

- policy reform has been driven by commercial, supply-side valuation + allocation of resources (same globally);
- this has benefitted some (e.g., global giants whose business models depend on users’ data), but SA’s communications market is highly concentrated;
- SA now has some of the best broadband networks on the continent (95% of population covered), but...
So today, in South Africa:

- only 50% of population is online
- supply-side outcomes are echoed on the demand-side: devices + services are unaffordable for many
- despite #datamustfall, people paying premium for quality rather than cheapest network
- the growing centrality of the Internet introduces new complexity: dangers of instrumental infrastructural competition regulation
- challenges of enforcement
- demand-side barriers: human development biggest challenge, digital skills, availability of relevant content/languages, cost, cultural barriers…
Technology will not necessarily translate to economic development, wage growth or productivity. Indeed, digital technology can increase inequality rather than alleviate it (c.f. RIA data)
This digital inequality paradox is the most intractable policy challenge for South Africa as we live in an increasingly globalised digital economy and society.
What policy interventions could more equitably allocate resources (from spectrum to data) to ensure meaningful access to quality public goods in the digital era?
We need complementary policies to reap digital dividends + to mitigate South Africans’ exposure to global/globalised digital risks
How do we develop such complementary policies?
In the paper, we use two examples – spectrum (national) + data (global) – to argue key national/global resources require demand-side valuation to properly recognise value + utility...and to demonstrate increasing complexity of governance of global public goods
e.g. spectrum (national)

- spectrum is a classic public good (impure); artificially constrained by regulation which make it excludable + rivalrous;
- regulatory/licensing approach copied from mature, competitive markets;
- commercial, supply-side valuation = extractive rents charged by operators (prices) + govts (licenses, auction fees) (Melody, 2001);
- demand-side valuation only for ltd amounts of spectrum set aside for unlicensed use (public WiFi)
e.g. spectrum (national)

- in the primarily mobile markets of Africa, spectrum = a critical infrastructure;
- when spectrum is used as an input to other productive processes, its outputs tend to be public, non-market goods that create positive multipliers for economy + society…
- Ostrom’s theory of common pool resources (2009) + Frischmann (2005, 2012) = some key resources need demand-side valuation to properly recognise their public utility + value for consumers, rather than usual supply-side valuations…
If we enable demand-side valuation of spectrum, we allow cooperative public interest governance of this resource as a non-rivalrous, low excludability public good...
The result is a spectrum commons which can be accessed for public planning, entrepreneurship + democratic accountability – and equitable, broader access to unlicensed spectrum for the poor.
If spectrum requires demand-side valuation for more equitable access, what about data (a global, cross-border resource)?
Despite low levels of access, Africans’ digital personas and data are nevertheless being extracted used to feed, improve + alter tech - and their data rights are therefore at risk...
e.g. Zimbabwe/China facial recognition software cooperation
e.g. data (global)

• data are key resources for consumption + production (‘data is the new oil’ – critique)
• demand-side valuation of data enables public interest governance of data as non-rivalrous, low excludability, public good
• ensure accessibility for purposes of planning, entrepreneurship + democratic accountability
• data governance (GDPR) vs data justice
Kaul et al. (2003) extrapolate the notion of public goods from the national to the global level and show that non-excludability and non-rivalry can also be global level (e.g., the Internet).
We thus apply the notion of public goods to Internet/data as a global resource...
on the public goods scale...

- National regulation
- Spectrum allocation
- Global regulation
- Data generation/use
• both are difficult, but global governance mechanisms as far as the Internet and its governance (with common data ingredients) are concerned are especially complex (next slide)
• global governance instruments must still be adopted/implemented at national levels…
e.g. a myriad of Internet actors have roles to play in shaping the Internet’s evolution (driven largely by data) at global, regional + national levels – no stakeholder can act effectively alone (‘multistakeholderism’)…
What is the nature + obligations of the sovereign state when we have global governance + public goods?
Global public goods largely emerge in response to the extent that countries produce them... so who should pay for global public goods that serve the common interest? (viz. education or clean air)
Kaul et al. argue we need new forms of international cooperation + institutions that support the development of global public goods like the Internet.
Global South policymakers must actively engage in these policy arenas – otherwise our citizens will forever remain mere users/beneficiaries rather than active producers in the Information Society. Eg G20 global taxation of platforms
But we also need ways of mitigating the risks that accompany global public goods (Beck, 1992)…
Digitally marginalised communities risk exploitation, invisibility+ exposure to novel risks for which they’re ill prepared (e.g., low literacy levels).
Mitigation of risk

• African personal data protection laws/GDPR – adequacy focus
• POPIA + the Information Regulator
• Cybersecurity – e.g., ITU/CTO capacity building
• Generally: assumptions about rule of law, democratic governance, competitive markets, institutional capacity + political will
Conclusions

• Both supply + demand-side valuation needed to produce more efficient + equitable use of spectrum

• Spectrum policy should be reviewed to harmonise licensed + unlicensed spectrum – to recognise public good value

• Spectrum should be released for secondary use (dynamic spectrum); unlicensed spectrum should be extended to new frequency bands to spur investment + innovation + expand access

• SA needs to lobby the ITU World Radio Conference to ensure more spectrum is set aside for public access + interest purposes

• More active engagement in digital global governance / international affairs agenda
Some references


Thank you.