Schweizerische Eidgenossenschaft
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**Swiss Agency for Development
and Cooperation SDC**

# Key Issues in Digitalisation and Governance



## 1 Why is this topic relevant for development?[1]

Digitalisation is perhaps the most important strategic challenge facing governance in the decade ahead. There are valuable opportunities that digitalisation provides to achieve Sustainable Development Goals (SDGs) 16 and 17, and particularly target 16.7 of 'inclusive, participatory and representative decision-making at all levels'. At the same time, there are new governance challenges raised by digital disruption, including the loss of privacy due to mass surveillance, closures of online civic space, and the shift of governance power away from citizens and domestic institutions to unaccountable internet corporations in foreign capitals. The most important insight is that digital technologies themselves **are neither good nor bad, nor are they ever**

neutral. Also, technology use tends to reflect the wider political and economic interests that are at play anyway.

## 2 Four different ways that 'digital' shapes governance

**Digital in government**
Application of digital technologies across government functions (e.g. automated salary payment).

**Digital government services**
Government-to-citizen information and services via government websites and portals (i.e. online licences).

**Digital participation in governance**
Spaces designed to enable citizen-to-government and interactive spaces for citizens to monitor progress, hold those in power accountable, and actively participate.

**Governance in a digital world**
Monopolies shape the lives of citizens and the private sector with no governance mechanisms to regulate, tax or hold them accountable.

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1 This Policy Note is part of a series on digital governance and summarises the findings of a first report with the same title, *Key Issues in Digitalisation and Governance*. A second report titled *Main Actors in Digitalisation and Governance* makes specific proposals about potential partners which are most aligned with Swiss strengths and strategic priorities. A third report, *Mapping of SDC's Projects in Digitalisation and Governance*, maps out existing SDC projects. A Practice Note, *Ways Forward, Assessment Tools and Possible Partners in Digitalisation and Governance*, introduces practical tools to help navigate SDC's support in this field.

# 3 Recommendations in relation to SDC's five governance pillars

## Pillar 1: Promoting democratic governance, participation and accountability online

**Digital gap.** Barriers to technology access and effective use inhibit inclusive digital governance. Access to digital technologies is constrained by the five 'A's of availability, affordability, awareness, abilities and accessibility. In low- and middle-income countries women are 26% less likely to access the internet than men and, similarly, in Asia women are 70% less likely to use the mobile internet. This unequal access to mobile technology threatens to exacerbate the inequalities women already experience, including their ability to access online government services and digital governance.

**Digital authoritarianism.** Civil society organisations, the media and human rights defenders often make use of digital technologies to open civic space online; meanwhile, governments are making use of digital technologies to close online civic space. A new digital authoritarianism is employing a combination of internet surveillance, coordinated digital disinformation, and internet shutdowns to disrupt online dialogue and democratic deliberation, and to drown out dissenting voices. Google and Facebook innovated a business model of digital behavioural modification. This has made it possible for those with political and economic power to buy-in commercial surveillance and disinformation services that employ big data, machine learning and predictive analytics to profile populations, and micro-target them with manipulative messaging to modify their beliefs and behaviours.

**Coordinated political disinformation.** While this represents a significant threat to democracy as well as to free and open digital spaces, there is a lack of evidence and research about coordinated disinformation in the global South. The coordinated deployment of disinformation functions via troll farms, cyborg networks, bot armies and other 'coordinated inauthentic behaviour'.[2] The majority of knowledge regarding surveillance and political disinformation is about the global North. Despite the threat posed to free and open debate by digital disinformation and internet shutdowns, there is currently very little capacity in Africa to monitor or analyse these threats, or to develop and deploy effective countermeasures.

2 Troll farms are groups of people employed to create and post large volumes of misinformation online. Bots are software scripts that can be used to automatically reply to posts, retweet and share links containing disinformation. Cyborg networks are a combination of human trolls and automated bots that coordinate the deployment of disinformation and attack political opponents of their employer.

- ■ **Go beyond inclusion. Invest in digital and civic literacies and the institutional capacity of excluded actors to meaningfully shape governance and make equitable participation possible.** The inclusion of marginalised persons in the design and evaluation of digital governance innovation is to be encouraged. Also, SDC should ensure that **offline alternatives** remain available to all digital governance channels.

- ■ **Contribute to establishing rights-based standards for the private sector.** New mechanisms are required to provide rights-based internet governance. SDC should support such endeavours so that internet companies and algorithmic decision-making are subject to good governance and human rights standards.

- ■ **Foster analysis in the global South.** To respond most effectively to the challenges and opportunities of digitalisation, SDC should fund applied research to **produce evidence and build capacity** on surveillance, disinformation and internet shutdowns in the global South.

## Pillar 2: Supporting decentralisation and well-functioning multi-level governance

**Digital technologies offer new possibilities for decentralisation and local sovereignty.** The internet was originally decentralised, free and open but it has been privatised and is now centrally controlled by a few powerful monopolies. Although dominant political and economic forces sometimes opt for centralising and controlling digital technologies, this is not inevitable; it is a function of political and economic choices. Communities can build and govern their own decentralised internet and phone networks. This enables citizens to regain digital sovereignty, restore privacy rights, and to prioritise inclusion and local needs over maximising revenue or profit. On the decentralised web, free and open source applications like Mastodon, PeerTube and Hubzilla provide alternatives to Facebook, Twitter and YouTube.

**Algorithmic governance to provide services.** At multiple levels of government, access to government services and social protection payments is determined more and more by algorithms. Digital government systems are making citizens increasingly visible to governments, while the inner-workings of government remain opaque to citizens. Biometric and digital-ID is often justified as an enabler of digital welfare systems; however, these systems raise issues of digital exclusion, privacy, and data safeguarding. In

particular, marginalised ethnic groups and marginalised communities lack the required documentation.

- To support **decentralised multi-level governance**, SDC must address the shift of governance power from (locally) elected officials to foreign digital corporations. SDC interventions should seek to regain individual and national sovereignty and to ensure that citizens, civil society and locally elected representatives are able to substantively influence digital governance.

- **Rather than centralise and automate decision-making**, SDC should **secure places for citizens'** inclusion and participation in decision-making and a role for civil rights experts in oversight and accountability processes. SDC should form **partnerships with institutions** seeking to tackle privacy and rights abuses embedded in digital welfare solutions.

## Pillar 3: Combating corruption at all levels

**Digitalisation has provided new action possibilities for tackling corruption.** It is often argued that moving government services and processes online can improve cost efficiency, increase transparency and reduce bribery by corrupt officials. Some digital initiatives have been citizen-led, some civil society organised, and others driven by government itself. In some cases, governments are making use of artificial intelligence to identify patterns of corruption in big data. While civil society-led digital governance initiatives tend to do a good job of generating awareness and highlighting issues, they often fail due to an inability to get government buy-in. Thus, technological solutions need to be combined with approaches that address the culture of norms and values that underlie systematic corruption.

**Making data open is an enabler of transparency, accountability and innovation.** Open data is *data that can be freely used, modified, and shared by anyone for any purpose.* However, making data open and digitally accessible is an insufficient condition for accountable and responsive government; it also requires addressing social norms and inequalities of access, and fostering trusting relationships between citizens and officials. Women are under-represented in data of almost every kind and marginalised communities often lack the digital devices and digital literacies to make effective use of open data, raising the question of 'open to whom?'.

- To combat corruption, SDC should **promote open data** and **build the capacity of citizens and non-governmental actors to make effective**

use of open data. SDC should support the work of transparency and algorithmic accountability initiatives to make automated governance processes transparent and accountable to citizens.

## Pillar 4: Responding to governance opportunities and challenges arising from digitalisation

**The multi-stakeholder vs internet sovereignty framing of internet governance may disguise as much as it reveals.** *Multi-stakeholderism* is the principle that governance of the internet should arise out of cooperation between government, civil society and the private sector. *Internet sovereignty* proponents prefer that each country has the ability to regulate internet activity, content and traffic within their own borders. Under this system, each country has the sovereign right to establish and implement public policy on matters of internet governance and to regulate their own national internet. However, despite the rhetoric positions that some countries take on these issues, this duality is flawed. For example, in practice not all actors have equal representation or influence in internet governance. Organisations from developing countries tend to be less represented, as do marginalised groups. There is a cost to attending internet governance fora and organisations have different financial means. Also, some proponents of multi-stakeholderism are not delivering on effective governance mechanisms.

- **Fair debate.** Expanding the capacity for inclusive governance will require a sustained process of public digital literacy that combines technical and political civic literacies. SDC should help build the institutional capacity of governments, the media, civil society and researchers to play a meaningful role in meeting SDG 16.7.

- **Strengthening digital rights.** SDC should partner with governments, civil society organisations and private companies that are committed to applying digital technologies for development in ways consistent with the global commitments to SDGs 16 and 17, the Universal Declaration of Human Rights and the Ruggie Framework for Business and Human Rights. In addition, SDC should (a) seek to **strengthen the decision-making power of rights-based organisations** from the global South in internet governance; (b) reinforce privacy and rights actors working to strengthen digital governance and rights through multi-stakeholder fora; and (c) support partners whose practice expands civic space and digital rights irrespective of their rhetorical position.

## Pillar 5: Strengthening governance as a lever and transversal theme

**Digital inequalities between and within countries.** The benefits of digitalisation accrue disproportionately to the already privileged. In all economies a significant percentage of the population lack fast and affordable internet access and/or the functional digital literacies to make effective use of digital technologies. Women, rural communities, people living with disabilities, and those on the lowest incomes are most at risk of being left behind. Women, especially low-income rural women, are less able to engage with digital governance. Additionally, when women speak about politics online they are often subject to gender-based harassment. For these reasons, the introduction of digital technologies in governance may unintentionally increase structural (dis)advantage and lock out the most marginalised.

**Sustainability.** Digital governance initiatives need funding beyond the pilot phase. Initiatives typically rely on external funding from development donors, private foundations and other philanthropic partners, leaving initiatives vulnerable to uncertain sustainable or long-term funding and premature discontinuation. It is not uncommon for digital governance initiatives to succeed in highlighting an important (governance) issue only to become dormant shortly afterwards. It is easier to attract funds for pilots and innovative technological solutions than for ongoing operational costs in the medium-to-long term.

■ **Reaching the least connected.** SDC should differentiate its digital governance approach by focusing on the challenge of **reaching the least connected and unconnected citizens** who are being left behind by digital governance. In particular, SDC should use an intersectional gender lens in targeting its development support to ensure that existing patterns of (dis)advantage are not reproduced. **SDC should concentrate its digitalisation and governance support on the least developed digital economies.**

■ **Improve sustainability.** SDC should leverage its long-term and partner-centric investment culture to invest in and improve the sustainability of digital governance initiatives.

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