



INSIGHTS

S SYNERGIA FOUNDATION

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FAKE NEWS

EVOLVING A FORMULA TO FIGHT

DISINFORMATION

EXPERT INSIGHTS



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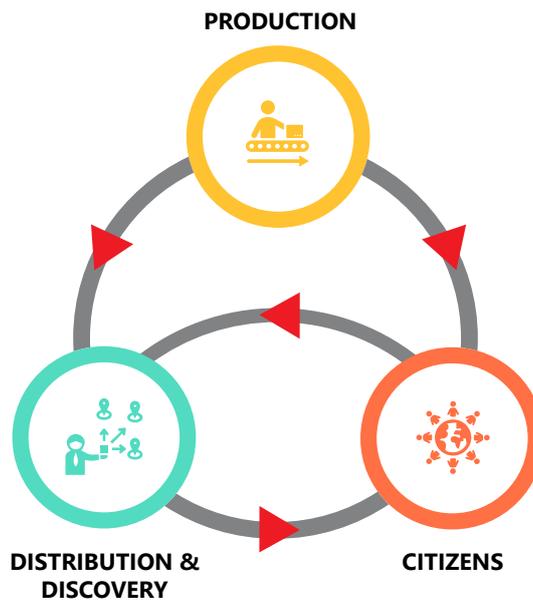
Digital public infrastructure

Technology has disrupted the traditional model of news production by empowering the audience to amplify it or create new content altogether



Ethan Zuckerman is Former Director of the Centre for Civic Media at MIT and an Associate Professor of the Practice at the MIT Media Lab in the United States. He co-founded the international blogging community 'Global Voices'. This article takes off from his thoughts shared at a Synergia Forum titled 'Searching for news in a social media algorithm' held on 26 February 2021.

CONTENT CAN "GO VIRAL" THROUGH AMPLIFICATION, LESSENING DISTRIBUTION POWER



Source: ethanzuckerman.com © SYNERGIA FOUNDATION

to echo chambers. To offset this, money must be spent on moderation and control measures so that a mob mentality does not predominate these spaces.

A PUBLIC SOCIAL MEDIA SERVICE

Around 60 years ago, under similar circumstances, the U.S. television sphere was failing, where low-quality content dominated. People then began investing in a public media system (the public broadcast system) to complement the private media industry.

Now once again, the U.S. is at a point where there is a need to build public social media which tries to address the relationship between news and social media. It would entail thousands of small networks with an explicit public spirit, and the people who use it would be responsible for it. The idea is to have a single tool that allows someone to use all media platforms. An American economist, Paul Romer, said that if we, as a society, are worried about surveillant advertising on social media, we should impose a levy on such ads. The levy can then be invested to build and maintain a better information ecosystem.

Zuckerman's work revolves around a Digital

Traditional news media has always operated on the three-tier model – production, distribution & discovery, and audience. This model of distribution has now changed; the citizen can now boost content by making it go viral. Meanwhile, distribution is free since we don't pay as much to spread information. Instead the cost of discovery has gotten higher. Content goes viral because citizens amplify it, and discovery mechanisms then push it further. Citizens can not only influence action in the world, but can produce it, which creates this new dimension.

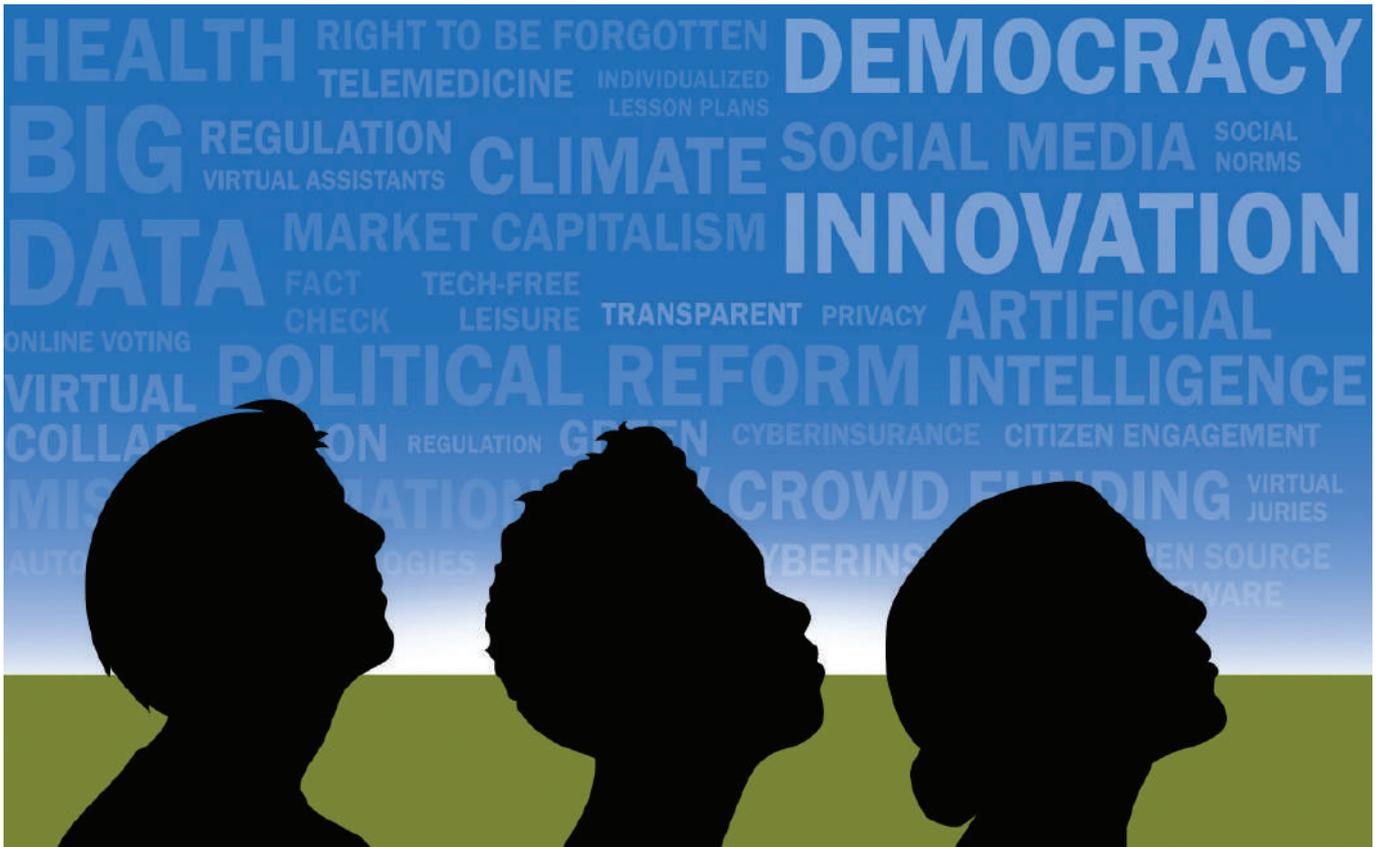
Tristan Harris, a Silicon

Valley entrepreneur in the U.S., has argued that this new model is not a healthy trend and wastes people's valuable time. Rather, it focuses on making more money the more time one spends on these platforms, making it addictive for all those involved. When a user accesses certain kinds of data and likes it (thereby boosting it), more of such data is made available to them, thereby trapping them in this cycle of viewership and interaction.

When ones detaches the costly production model from the model of distribution (where one makes money through advertising) the former does not fare well. In the U.S., news-

papers drive substantial reporting. However, their revenues have gone down and the incomes of companies that help disseminate information, like Google, have gone up. There has been a shift away from producing reports into digital AdSense – a programme that helps users earn money from their online content. In an ideal situation, one cost would not replace the other.

The price of advertising in the current system of digital media is prone to abuse. It can be seized by people to spread disinformation, indulge in trolling, and use bots to artificially amplify content. The current system has given rise



Public Infrastructure. The aim is to create a new pro-social social media to re-work the relationship between social media platforms and news organisations.

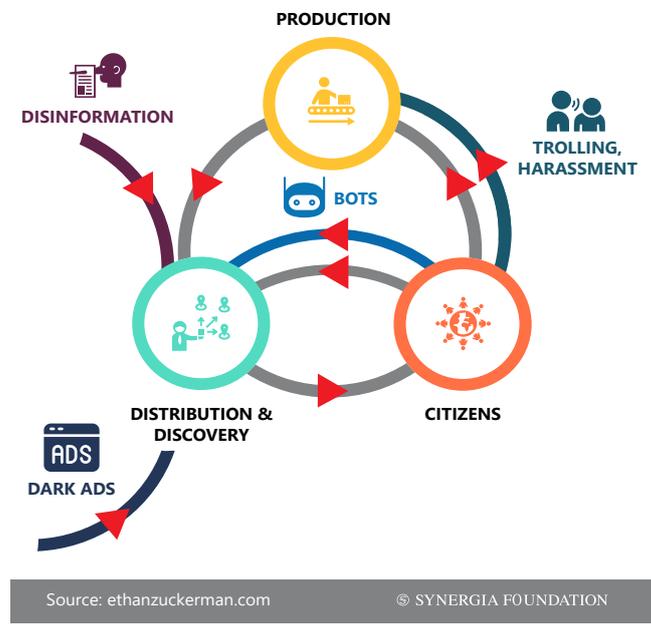
Ethan is one of the founding members of Tripod.com (one of the first “Dot com” domains) where he was in charge of the design and the implementation of the website. It led to the invention of the Pop-up advertisement that we commonly see today.

The process of combating disinformation needs to be backed by technical expertise and information. While companies like Facebook shouldn't be able to access WhatsApp (since it is an encrypted platform), the disinformation could be offset by journalists

who are present in these systems. Media platforms themselves should get more aggressive about fact-checking. People are now learning to exploit the new environment of digital public infrastructure, to the extent that it is no longer an information prob-

lem, at least in the U.S. A major political party in the U.S. sought to detach itself from reality, since it was more advantageous, by claiming the need to overturn an election. This has now turned into a political problem which is hard to fix solely through an infor-

mation approach. There is a sense of wanting to throw away the old infrastructure due to lack of faith in it, resulting in a particular brand of political propaganda. Yet it is hard to answer which creates what – does the propaganda create the algorithm, or vice versa? A lot of this can be seen in the U.S. and Europe, but less so in Asia – Taiwan is currently seeing an uptick in trust. It's hard to blame this mistrust on social media; it's more of a social shift where, when institutions fail the people, the people get better at talking about it. Perhaps now the conversations should not be focused on how we survive as the press, but how we are failing the audiences, and what they are saying about the things we need to change.



S Expert Q&A

Q A key issue in cyber-attacks these days is the attribution of international cyber attacks. Do you think the key would be to find attribution to disinformation campaigns -- where it started from, and the day you can go back, decipher where it started from, you will be able to ensure greater accountability, at least from the perpetrators of this information?

A **Ethan:** Attribution is an obsession of people who study cyber warfare. The theory behind it comes from the nuclear warfare theory -- if you know where the bomb is coming from, you can threaten to retaliate, and therefore no one will drop the bomb in the first place.

The problem with digital warfare is that, attribution is almost impossible. So when it becomes reasonably clear that there was a Russian disinformation campaign affecting the U.S. in 2016, Vladimir Putin said, hey, it wasn't us. President Trump says, well, I see no reason it would be; it could have been a 400-pound man sitting on a bed somewhere. When we know where this information is coming from, it is easier to take it less seriously.

The work that traced certain types of disinformation to college



students in North Macedonia did an excellent job of disabling some of that information. Even with the QAnon conspiracies that have become so popular in the United States, I think if we could figure out where that's coming from, it would defang it to an extent.

I think William Yang made the right point around this -- one of the reasons Taiwan is so aggressively fighting this information is that there's reason to believe that it's coming from China and the Chinese government.

Suppose you can demonstrate the truth behind a piece of information. In that case, you can put it into context -- that it is not only false and manipulative, but it has a particular political agenda behind it.

Working on attribution is a critical piece, and a lot of the research tools I work on, focus on that.

Q Quoting from the introduction of your book 'Mistrust,' in which you state that "I write this book at a moment when I feel America might snap." Before Trump came to office, you started writing the book; you finished writing it when Trump was still in office or just about when the pandemic started. By the time we all got to read it, Trump was out of office. Do you feel that America has turned the corner or whether the fault lines still exist and you're going to have a repeat of the past?

A **Ethan:** More than 75 million Americans voted for Donald Trump, despite clear evidence that he violated the law and mismanaged the pandemic. He worked to pull society apart when he lost an election with most elected representatives in his

political party, striving to overturn that election. The majority of the people who support those elected leaders believe that the election was fraudulent.

Joe Biden is good news, but it does not mean that the problem is over. What you see in the United States is something that you are likely to see worldwide-- people are no longer fighting over the interpretation of facts; they're fighting over their own facts. The war is not just for the survival of journalism; it's for the survival of reality. There's no way to live in a democracy unless we can agree on the reality that we're living in. Right now, the chief political strategy in the United States is to control reality and try to win the election from there. This is an enormously disturbing development.

Unmistakably, we need to continue strengthening the journalistic profession so that we have facts to work from. We need to think about the relationship between social media and journalism to have a better chance of amplifying the factual and contradicting the others. But I want to be clear -- this is not just a technical problem or media problem; this is a problem of politics and a problem with society.

Nixing fake news

The only way to nip misinformation in the bud is to work alongside social media platforms



Govindraj Ethiraj

is a journalist and founder of Boom, a fact-checking initiative, and IndiaSpend, a public interest data journalism platform. He is a Fellow of The Aspen Institute, Colorado, USA, and a winner of the BMW Foundation Responsible Leadership Award for 2014 and the 2018 McNulty Prize. This article is based on his thoughts shared at a Synergia Forum titled 'Searching for news in a social media algorithm' held on 26 February 2021.

The year 2015 witnessed the beginning of a phenomenon that has come to be known as fake news. Misinformation/fake news today is an intrinsic part of the military-industrial complex, in many parts of the world.

The main challenge in confronting fake news is the sheer mass of misinformation generated by the exponential growth of telecom infrastructure and crashing data rates. Sadly, this deep penetration has not translated to higher digital literacy, nor has it made the people better educated.



As we saw in 2016 with Cambridge Analytica, there is design and architecture to this effort. Fake news has a role to play as part of the ongoing social and political discourse, with few people capable

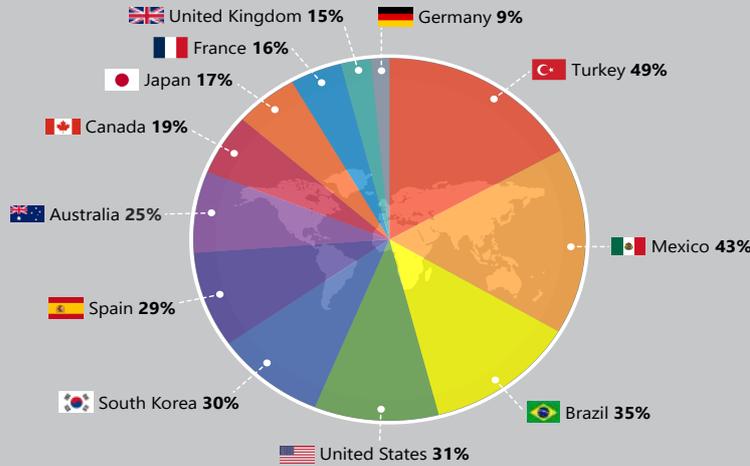
of discerning between fake news and the truth. So overwhelmed are they with fake news that even when shown the truth, they refuse to believe it.

The technology platform is the core that sustains fake news. While platforms themselves may not create fake news, they enable their rapid spread through the infrastructure provided. As things stand today, these platforms are also a solution to the problem governments, and individuals



WHERE EXPOSURE TO FAKE NEWS IS HIGHEST

% who say they were exposed to completely made-up news in the past week



Selected countries
n=74,000 respondents in 37 markets (Jan/Feb 2018)
Source: Reuters Institute Digital News Report 2018

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must learn to effectively work with such platforms ensuring better collaboration and problem-solving.

Social media and messaging platforms rely on technologies like AI and ML to fact-check and control malicious information, but this is not enough. Human intervention is important in order to exercise greater control over misinformation and its ominous impact on the real world. The nature of fake news and misinformation has changed dramatically, and fighting it as civil members and journalists, is an uphill task. There is a strong need to fight it, alongside the platforms. We also need to teach everyone the correct digital literacy – from old members on WhatsApp to young ones just getting on to it. The government needs to work closely with organisers like ‘fact check-

ers’ and genuine news creating organisations to thwart fake news.

A considerable amount of misinformation happens in the local languages as well. This would depend upon the nature of the event or activity being targeted rather than a particular region or language. For example, if elections are due in any part of the country, that region would experience a spike of fake news/misinformation to swing opinions – communal, social and political. These constitute the heart of the manifesto, upon which elections are fought. A false narrative does considerable damage to the entire exercise of democratic rights.

Other narratives for misinformation target healthcare and medicines. This was prevalent even before COVID-19 struck and it has risen to

new heights during the pandemic. India hasn’t been a victim of external state actors, although some amount of fake news may have emanated during the tense stand-offs with Pakistan.

Assessment

Tackling fake news/misinformation is one instance where greater involvement of cutting-edge technology – the likes of AI, ML etc. – is unwelcome. Instead, appropriate human agency is the need of the hour.

Societies must strive to achieve greater digital literacy as a consequence of the growth in telecom infrastructure and cheaper data rates. In other words, telecom infrastructure and cheaper data rates must not become foundations for the faster spread of misinformation, but for greater digital literacy.

Expert Q&A

Q Where do you see the road ahead - three or four crucial things that you think needs to be done to combat it, maybe from an Indian perspective?

A Govindraj: Around two years ago, we started doing ‘explainers’ as our little response to the large problem of fighting fake news. Fighting fake news is a reactive effort, so how can we be proactive? We keep looking for what’s going viral before it becomes truly big or, if we see something that is likely to become an issue, even if intuitively, then we do an explainer. Many other people do it too, The Indian Express runs an entire page called ‘Explained’, which tries to address the same issue.

The divisiveness of alternate realities stemming from the ‘my facts versus your facts’ situation is a challenging issue to address, because it is conceptual, foundational, and psychological at the same time. If we allow the phenomenon to go unchecked, as seen in the case of the United States, the Republicans allowed it to go unchecked. The people who were storming the Capitol wanted to hang Mike Pence. In some ways, they became their own victims. To those who revel in it and think it is helping them today, someday it is going to blow up in their own faces.

Fighting disinformation

The way forward is to have governments and institutions working together for a disinformation-free society



William Yang is a journalist covering East Asia for Deutsche Welle and is VP of Taiwan Foreign Correspondents' Club.



a turnaround in its campaign against misinformation. Though Taiwan may be a lot smaller than India or the U.S., it presents an interesting case study. If governments and institutions are willing to come together and share resources and the vision of a disinformation-free society, the same model can be implemented in other countries.

This is something that can go beyond the cultural barrier because it's essential for all democratic countries to have trustworthy institutions that the people can rely on. This will prevent chaos in society as people will have the option to refer to a source whenever they spot something suspicious, thus rejecting fake news.

Confronted with an avalanche of disinformation and misinformation, both from China and other sources, a concerned Taiwanese government joined forces with a civil society based organisation called the Taiwan FactCheck Centre. This organisation came into being after the local elections of 2018, which saw a high number of disinformation campaigns that benefited a particular local politician. Predictably, the politician won, and the disinformation campaign was later traced back to China. The civil society group also worked with a popular messaging app called Line, which is also a breeding ground for disinformation.

The government worked in tandem with FactCheck Centre by highlighting the disinformation detected by the Centre. Line has also been cooperating using its very effective bot system to root out potential dis-

information campaigns being spread out the app itself.

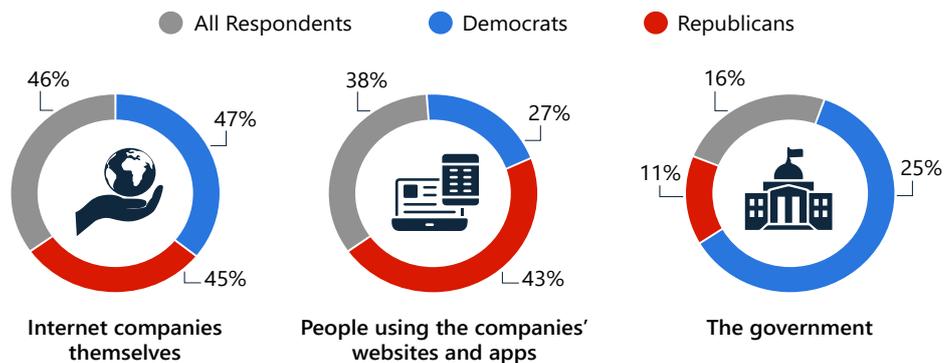
This is a three-pronged approach, where a technology company is offering its technology to a fact-check centre that has journalistic expertise, and then the government will use its credibility to directly inform the entire

country about it.

The coming together of all the institutions brought about very different results during the 2020 presidential elections, which led to significantly fewer disinformation campaigns from China. So, within a little more than 14 months, Taiwan was able to achieve

Who's Responsible for Fighting Fake News Online?

Who is most responsible for making sure internet companies give accurate/unbiased news?



Based on a survey of 1,203 U.S. adults conducted between May 21 and June 4, 2018
Sources: Gallup, Knight Foundation

S Expert Q&A | William Yang to Ethan Zuckerman and Govindraj Ethiraj

Q In Australia's recent case, the government tried to force both Google and Facebook to strike deals to pay news organisations. Facebook first refused to comply and the news organisations in Australia suffered. The government then amended the bill to satisfy some parts of Facebook's demands. In my opinion, only some prominent news outlets have benefitted from this development, because Facebook had plans to sign deals with only a few of the major news providers. In reality, it is the smaller and local media that are in true need of support from tech companies. Yet, they were never really the prioritised target for these social media organisations that use algorithms to manipulate the information distributed on social media. How can small news organisations potentially benefit from it?

A Mr. Ethan: Facebook would be pleased if they never had to deal with news on their platforms. It represents less than 10% of their traffic, but represents about 90% of their headaches.

The truth is that it's impossible to run that business responsibly without dealing with



news -- these spaces are becoming a digital public space. I don't think that the laws Murdoch's newspapers have negotiated in Australia, will save the newspapers. All they are getting is a handout from those large firms. I see it as a sign of desperation, rather than as a business strategy. It just leads towards greater consolidation and only lessens the bleeding for the time being.

There's a much more fundamental problem: the way we paid for high-quality news in the 20th century, centred on advertising, is not working in the 21st century. We have to use a combination of subscription and possibly taxpayer funding to eventually achieve a high-quality in-

formation environment.

A Govindraj: It's a crucial question and has to be addressed in two ways. We are all small independent media organisations, and these are enterprises or businesses in themselves. In a free market situation, the market, whether it constitutes subscribers, advertisers or necessitates the development of an innovative model of raising revenue, should pay for it.

The other angle to this can be explained through an example. A couple of years ago, upon searching an article that I had written on dams, for IndiaSpend, Google threw up articles that were essentially attacking my original work with a bunch of misinfor-

mation. The culprit here is the algorithm. Google should have shown the appropriate results when 'IndiaSpend' was keyed in, along with the other keywords thus pointing to my article. But the parent website of the above mentioned articles would naturally get far more traffic as it incites people to rile public opinion.

If tech platforms, and particularly the search giants can sort that out, it would be a great start. The rest is a little trickier because somewhere, one has to operate within the realm of a free market. Therefore, we should work hard to ensure how one reaches the audiences and creates material relevant to them in short to medium term.

SOURCE: BBC

Believing the written word

‘Though social media reach is tremendous in India, its platforms have not been used to spread misinformation or create agitations’



S. Venkat Narayan is a senior journalist and President of the Foreign Correspondents' Club, New Delhi. An active journalist since 1968, he was Executive Editor and Senior Editor of India Today from 1979 to 1984.

The last decade has seen a tremendous change in the media with the arrival of social media. Indians are hooked on the digital platforms – 530 million on WhatsApp, 448 million on YouTube, 410 million on Facebook and about 18 million on Twitter. As a matter of interest, a woman of Indian origin working for Twitter is reported to have banned former President Trump from the site.

Press conferences are now passé. Mr Modi uses social media to interact with his constituency – the name of the chief guest for the Republic Day parade is announced on social media and becomes front-page news the next day.

However, traditional media in India continues to enjoy considerable credibility. Misuse of social media is not as rampant in India as Indians prefer reading newspapers and believe in the written word. The world's largest circulated English language newspaper is published from India – The Times of India. There are still relatively fewer online news outlets like Print

and Wire.

The government recently came up with a set of rules and regulations to control digital media and OTT platforms. The new law proposes to make it contingent upon the social media platforms to disclose the source of a story within 72 hours.

The Indian Newspaper Society, which represents over 100 newspapers, has asked Google to share 85 per cent of the revenue Google and Facebook make by putting online news published by Indian newspapers in India. Google has already agreed to do so with several countries in the European Union as well as Australia. If successful, this will improve the financial health of the print media as, after the arrival of social media, their advertising revenue has markedly dropped.

In a country where every fourth person cannot read or write, social media has been able to achieve a deep reach amongst India's millions. Everyone can use WhatsApp and other similar platforms irrespective of their education levels.

There have also been instances around the world where WhatsApp groups have been created to spread misinformation or to create agitations. The case of Arab Spring demonstrates how social media has been used to mobilise people. Even in Sri Lanka, there was an anti-Muslim riot by the Sinhala majority, triggered by fake news. Fortunately, that sort of activity doesn't happen in India.

FIGHTING THE GOOD FIGHT

‘Fake news can be effectively countered by conveying trustworthy news, and persisting with it’



TOBBY SIMON

FOUNDER & PRESIDENT, SYNERGIA FOUNDATION

One of the key challenges of combating disinformation is that fake news often tends to alter narratives before the process of fact-checking can sift the wheat from the chaff. False claims and propaganda have their own timelines, making it difficult to prove them wrong. In most cases, fact-checkers are often trying to keep pace with disinformation that has been deliberately peddled in the public domain. By the time they negate it, a new wave of fake news is published.

One of the primary objectives of the Synergia Foundation for the last eight years has been to counter the narrative of fake news and disinformation. To be successful in this enterprise, it is important for news organisations to stay ahead of the curve. It would be important to provide non-partisan and objective assessments of issues.

The Foundation, through its publication INSIGHTS, helps to educate key decision makers in government, industry, and civil society to better understand the veracity of news before it can impair governance.

Ultimately, the power of those who peddle disinformation is significant, as many are state-backed. To confront them, there needs to be a strong confluence of entities with expertise in a cross-section of fields, backed by the technological ability to keep governments, societies, and individuals insulated from malicious propaganda. Collaborating with big tech companies that value a trustworthy narrative, would be an excellent methodology to jointly combat fake news.



The duel and the deal

With an infinitesimal lifting of the roadblock on nuclear diplomacy between the U.S. and Iran, it is hoped that all stakeholders bring fresh ideas to the table



ensuring that countries like Iraq do not get involved in the instability.

A THAW IN SIGHT

President Joe Biden's decision to order a military strike on Iran-aligned groups in Syria, following attacks against U.S. coalition personnel in Erbil, was a tit-for-tat measure. But it has boomeranged on the Joint Comprehensive Plan of Action (JCPOA) talks, setting it off-course. The strike, targeting Ketaib Hezbollah and Ketaib Sayyid al-Shuhada, can be seen as a measured response to show that America is well placed to respond in kind, while also

After the January 2020 assassination of Qasem Soleimani by a U.S. drone, and the perfunctory retaliatory rocket strikes by Iran, which killed no one, it has been surprisingly calm between the two bitter adversaries. As the Presidency of Donald Trump was drawing to a close, Iran bided its time, waiting for his exit and keeping its powder dry.

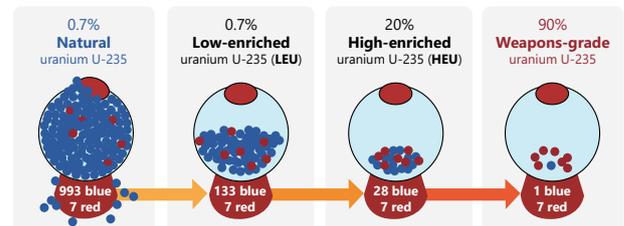
However, things have not been easy on Iran. With the double whammy of sanctions and the

A LITTLE ENRICHMENT GOES A LONG WAY

For uranium to be useable as fuel for most nuclear reactors or in nuclear bombs, it must be **enriched** to contain a higher proportion of U-235

HOW DOES IT WORK?

Enrichment removes **U-238 atoms** so that the proportion of **U-235 atoms** increases. Think of it as getting only **blue gumballs** while the number of **red gumballs** remains constant.



HOW DIFFICULT IS IT?

Most of the work happens at lower enrichment levels!

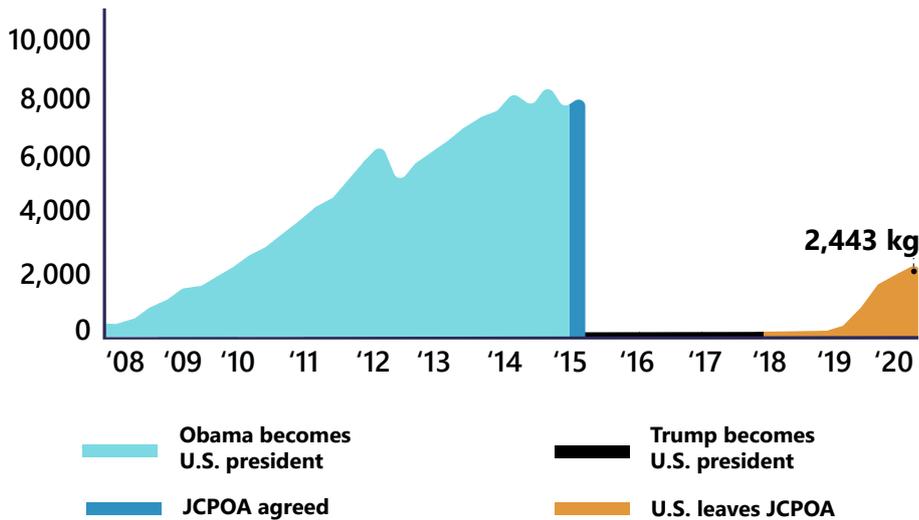


LEU is less than 20% U-235, HEU is 20% or more U-235.

The Development Of Iran's Uranium Stockpile

Iran's stockpile of low-enriched uranium by quarter (in Kg)

Iran agreed to cap its stockpile at 300 kg in 2015 but abandoned this when the U.S. left the JCPDA



Joint Comprehensive Plan of Action

Source: International Atomic Energy Agency via Bloomberg

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economic havoc wreaked by the pandemic, Iran's economy is on the verge of a collapse, and it can't afford to wait any longer. It needs a release from the crippling sanctions sooner than later. The attacks in Erbil were perhaps a signal to the U.S. to move forward with the talks on the nuclear issue, and soften the sanctions.

Due to its own domestic political compulsions, not to be seen as grovelling to the West, Iran was deterred from showing public enthusiasm for the resumption of nuclear talks. However, a roadblock for talks with the U.S. has been marginally cleared after the UN nuclear inspectorate obtained Iran's acquiescence to hold focused talks over the country's

declarations about its nuclear sites.

Rafael Grossi, Director-General of the UN's International Atomic Energy Agency, said Iran had previously failed to provide credible answers to the IAEA's questions. Yet now, Iran has agreed to take part in direct technical meetings from the start of

Israel made its opposition clear when the chief of staff of the Israel Defence Forces called an American return to the JCPOA "wrong" and threatened to refresh its military options

April.

What these recent parries on the deal highlight is that, the JCPOA was never a long-term fix for the Iran nuclear challenge — the 2016 deal was to restrict Iran's path to nuclear weapons for 10 to 15 years. The agreement did not curtail the Iranian missile programme or focus on its alleged support of terrorism.

With Mr. Biden extending the national emergency declared on Iran in 1995 for another year, and maintaining sanctions against Iran, the latter has refused to come to the table. The record of the past three years has made it clear that sanctions do not solve any issues and only aggravates ties by raising tensions across the board.

Further, there has been no progress on reducing Iran's enrichment policy on uranium, which now stands at 20 per cent from the 4 to 5 per cent the nuclear agreement had limited Iran to.

FUTURE OF JCPOA

Mr. Trump had made unilateral moves on leaving the JCPOA, but with Mr. Biden in office, he has been quick to make the push against Iran multilateral — the UK, France, and Germany (the so-called E3), as well as the European Union (the deal's coordinator), are all well-positioned to spearhead the JCPOA's revival towards allowing for broader engagement with Iran.

However, the road to the resumption of JCPOA is not an easy one. There is now an increasingly vocal and unified coalition of the Gulf States and Israel that oppose JCPOA for empowering Iran to further destabilise the volatile region and being against the objective of regional de-escalation. Israel made its opposition clear when the chief of staff of the Israel Defence Forces called an American return to the JCPOA "wrong" and threatened to refresh its military options.

For a new nuclear deal with Iran to succeed, it would have to accommodate the region's grievances, allowing the GCC to have a say in the deal. Iran's record around nuclear negotiations suggests that it benefits from prolonged talks and a change of faces across the table.

Independence invigorated

The first-time majority of pro-independence parties in the recent elections, have given a fresh boost to Catalonia's fight for sovereignty



Source: Uncommon Ground Media



The common perception is that secessionist movements are the preserves of poor underdeveloped countries of Asia and Africa, where authoritarian states are common and ethnic divisions rife. However, even the

developed world is not a stranger to this phenomenon of human aspirations, and perhaps the most well known of all is Spain. Both the perceived nationhood of Spain, and the distinctions between different parts of its territory are said to derive from historical, geographical, linguistic, economic, political, ethnic and social factors. Thus, Spain presents an interesting model of study for

all those who are suffering similar fissures in their nationhood.

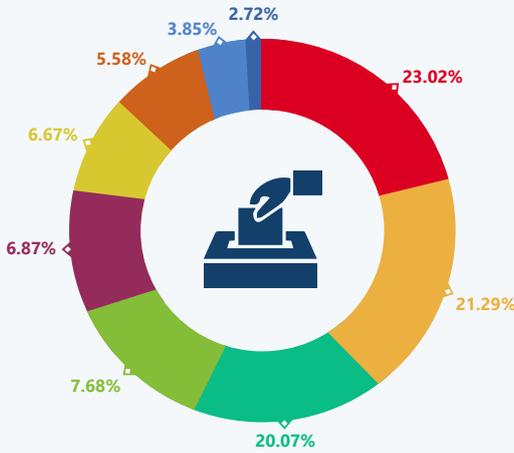
After the ravages of a pandemic that raged through Spain killing thousands, a political event has created an equal disruption in its body politic.

In the regional elections, Catalonia, an autonomous community in the north-eastern corner of Spain (designated as a nationality by its Statute

of Autonomy), witnessed a renewed push for independence. The new coalition comprising of the left, nationalists and non-nationalists won 80 of the 135 seats. The first-time majority of pro-independence parties, along with the entry of the far-right pro-unionist party Vox, is of concern for the unity of Spain.

A pro-independence coalition is possible now

POPULAR VOTE



- Socialists' Party of Catalonia (PSC-PSOE)
- Republican Left of Catalonia (ERC)
- Together for Catalonia (JxCat)1
- Vox (Vox)
- In Common We Can-We Can In Common (ECP-PEC)2
- Popular Unity Candidacy-A New Cycle to Win (CUP-G)
- Citizens-Party of the Citizenry (Cs)
- People's Party (PP)
- Catalan European Democratic Party (PDeCAT)1

Source: Government of Catalonia

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between the Esquerra Republicana Party (33 seats), Together for Catalonia (32 seats) and the Socialists Party of Catalonia (33 seats). Mr. Salvador Illa of the Socialist Party of Catalonia has been chosen as an unofficial leader, and he stated that he would open up negotiations with all parties, except for the far-right Vox. Mr. Illa's chances of becoming the first non-separatist leader of Catalonia since 2010, definitely rests on the support he receives from other parties.

A NATION DIVIDED

The present-day Spain was created through a movement called 'Reconquista'- an expansion of the Christian states which ended in 1492. Catholic monarchs, at the point of the sword, welded together a religious and linguistic unification and political centralisation, which last-

ed well into the 20th century. But, like all pacification pogroms, this too left many an island of resistance resulting in peripheral nationalism in Galicia, Basque Country and Catalonia, which continues to simmer even today.

Modern Spain created Autonomous Communities to recognise nationalities and regional identities as a template for power evolution.



However, perceived differences continue to rankle various regions - those home to native minority languages and histories of fiercely guarded independence (Galicia, Cantabria, Basque Country, Aragon, Catalonia, Valencia etc.), and ones possessing unique national identities (Andalusia). The violent terrorist campaign waged by the Basque ETA

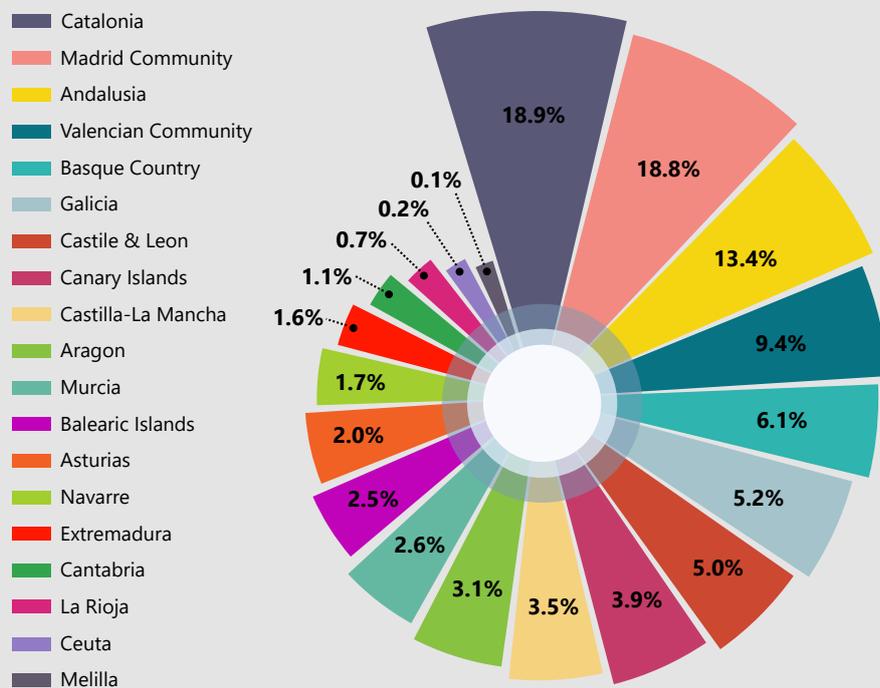
in the late 20th century and the 2017 unilateral declaration of independence (UDI) by Catalonia had grabbed international attention.

CATALAN - A TESTBED

Catalan politics are often called a 'cultural war'. The 2017 UDI was based on an 'illegal' plebiscite; not surprisingly, Madrid used a heavy police hand to suppress it, imposed the direct central rule, and a fresh, more pliant government was elected through snap elections. Under the draconian Article 1545, pro-independence politicians were imprisoned. The Madrid government was revoking the lessons it had learnt at its cost while confronting the Basque Country uprising in the last part of the 20th century. Over 243 Basque ETA cadres remain incarcerated even after the armed struggle was finally crushed in 2011.

Catalonia's vital contribution to the Spanish economy

Share of GDP in Spain, by region/autonomous city



Figures do not sum to 100 due to the effects of rounding.
Source: INE via Expansion

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However, the ETA did not fight in vain as today, the Basque Country enjoys the highest level of self-governance of any sub-national entity in Europe, even managing its own economy. It does not share its tax revenue with Madrid.

Catalonia is rich compared to other parts of Spain. It has 16 per cent of the Spanish population but contributes to 19 per cent of its GDP, and more than a quarter of Spain's foreign exports. A 2012 research paper by economist Núria Bosch of the Institut d'Economia di Barcelona, found that Catalonia contributes 119 per cent of national fiscal resources compared to the national average, but receives only 102 per cent of the nation-

al average after central government redistribution.

The Socialist-led government at the Centre, led by Prime Minister Pedro, remains well-entrenched, having successfully passed the recent first full-year fiscal programme since 2016. This is being taken as a sure sign of greater political stability, after years of political division due to recurring budget gridlocks. This is critical for a country with a debt-to-GDP ratio of about 120 per cent of GDP in 2021.

CATALONIA AND THE EU

EU too is beset with separatists' movements, some simmering under the surface while others more in the public eye like Scotland and Catalonia. Both

were historically independent nations, the difference being that Scotland was recognised as a country within a voluntary UK Union, despite recent calls to separate. There exists the acknowledgement by the centralised UK that, Scotland has the right to

The new coalition comprising of the left, nationalists and non-nationalists won 80 of the 135 seats. The first-time majority of pro-independence parties, along with the entry of the far-right pro-unionist party Vox, is of concern for the unity of Spain

choose whether to remain in the Union or not, via the independence referendum votes. The Spanish government, on the other hand, has not conceded to Catalonia a similar choice.

EU is ill-equipped, both legally and politically, to interfere in separatist tendencies disrupting the fabric of peace in its constituent states. It cannot dictate how member states need to organise themselves or interfere with key state functions such as "territorial integrity". Any signs of support to Catalonia could inflame other separatist forces across the continent, such as the Flemish in Belgium, the Corsicans in France or the Lombards in Italy. The last agreement the EU brokered was between Serbia and Kosovo in 2013 to normalise relations. The Balkans welcomed EU assistance, yet Spain regards the dispute as a domestic matter.

RESONANCE IN INDIA

India was carefully watching the 2017 Catalonia crisis, where an attempt at secession was put down by central authorities, with no interference by the EU or the international community. Obviously, the world at large preferred to keep inviolate the integrity of the Spanish Nation over the desire for self-determination of its constituent region. With many ongoing separatist movements within its own boundaries, Spain is an interesting case study for Indian political observers.

Shifting gears in the gig economy

The historic ruling by the British Supreme Court, which affirms the employment rights of Uber drivers, can have a ripple effect in the international domain



In a landmark judgment delivered by the UK Supreme Court, a group of Uber drivers have been finally recognised as ‘workers’ under the Employment Rights Act of 1996. By entitling them to benefits like the national minimum wage, holiday pay, and company pension, the apex court has ended a five-year-long tussle over their legal status.

Although the current verdict only applies to the 25 drivers who have filed the lawsuit, it portends far-reaching implications for the gig economy model in the UK and around the

world. After all, conferring full employment rights on this category of workers flies in the face of self-employment frameworks and app-based contracts that the gig economy thrives upon.

PROTRACTED BATTLE

In 2016, James Farrar and Yaseen Aslam, who were both drivers with Uber Technologies, had taken the company to court on behalf of 23 other drivers, by contesting their self-employed status. Their plea was that they were to be treated as employees for the purposes of the Employment Rights Act 1996, the National Minimum Wage Act 1998, and the Working Time Regulations 1998.

As a result of the Supreme Court judgement, Uber may have to pay out over £100m in compensation to 10,000 drivers

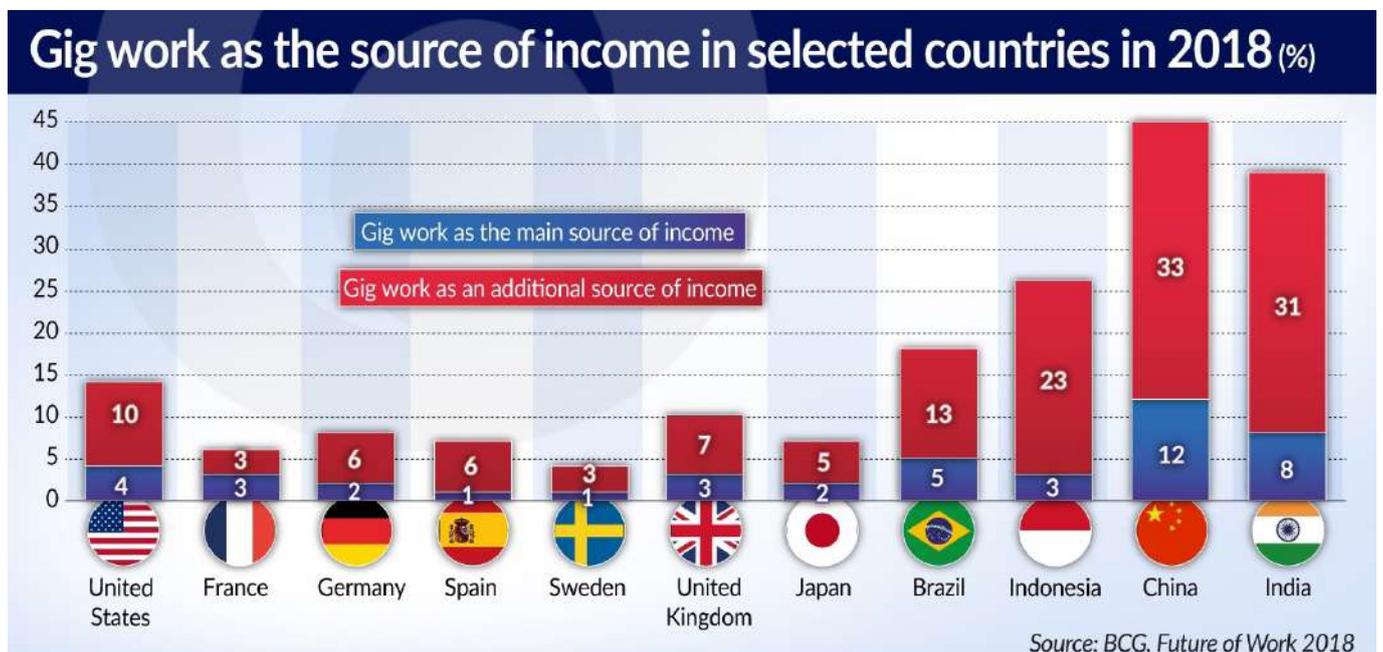
(The Guardian)

Disputing this, Uber had argued that it is only an ‘intermediary booking agent, connecting drivers to potential customers. It earned its revenues not by transporting passengers but by charging fees from the drivers, who were classified as independent, third-party contractors.

To bolster this claim further, the company referred to its ‘Services Agreement’, which had offered to provide only technical support

to the concerned drivers. As regards the actual act of transportation, the relevant contract had always been restricted to the drivers and their passengers.

Rejecting these arguments, however, the Employment Tribunal found that the drivers were operating as Uber workers whenever they switched on the relevant app and accepted assignments. This decision was upheld by the Employment Appeal Tribunal as well as the Court of Appeal. Interestingly, the latter body specifically alluded to “the high degree of fiction” in the wording of Uber’s contractual documents. Meanwhile, the tech behemoth continued to appeal this ruling until it reached the highest court of the land.



Gig economy

The Uberisation of work

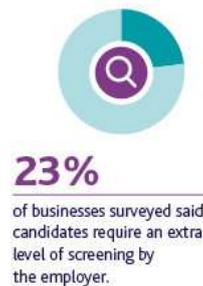
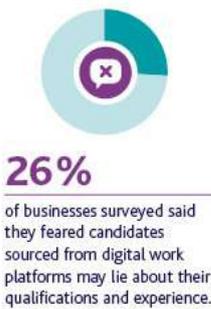
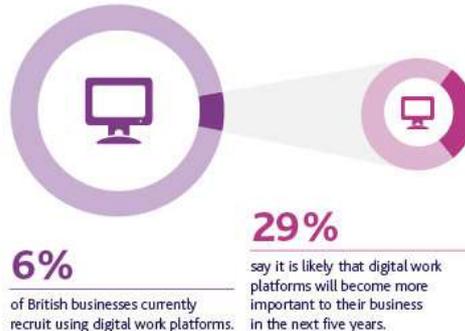
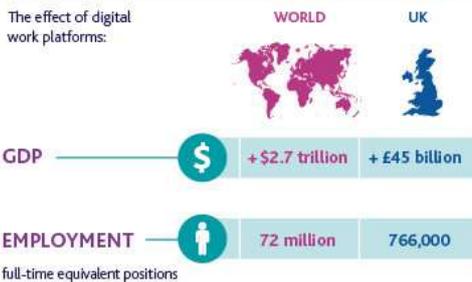


The world of work is changing. Digital work platforms have accelerated a trend towards flexible, project-based employment, which presents both opportunities and risks to employers, recruiters and candidates.

London is one of Uber's largest and most lucrative markets, with 45,000 drivers and 3.5 million people who use the app once every 90 days (Bloomberg)

BY 2025

The effect of digital work platforms:



'THE GIG ECONOMY IS PART OF HOW THE WORLD OF WORK IS SHIFTING. IT'S ECONOMICALLY INEVITABLE THAT IT WILL BE PART AND PARCEL OF HOW THE FUTURE ECONOMY FUNCTIONS.'

RT HON LIAM BYRNE MP

Data sourced from: REC-YouGov survey of 614 GB business decision-makers, Intuit, The McKinsey Global Institute, Freelancer.com



The REC's latest report, *Gig economy – The Uberisation of work*, delivers insight to help ensure this new mode of working benefits British workers and the UK economy.

www.rec.uk.com/gigeconomy
#gigworking

Uber not only sets fares and contract terms for its drivers but also penalises those who reject or cancel their rides. It further relies on a passenger ratings system to control drivers, who have to work for longer hours and meet Uber's performance parameters in order to boost their earnings.

There is little opportunity for drivers to apply their own entrepreneurial skills, something that is generally commensurate with self-employed ventures. Finally, Uber restricts communications between drivers and passengers, effectively hindering the formation of independent commercial relationships outside the individual rides.

Irrespective of the stipulated contractual terms, therefore, the Supreme Court has chosen to infer the nature of the relationship between Uber and its drivers on the basis of their actual conduct.

JUDICIAL REASONING

In a unanimous verdict by six justices of the UK Supreme court, it has now been held that Uber drivers are entitled to basic workers' rights. They are considered to be 'on the job' when they are logged

in to the Uber app on their territory, and are ready and willing to accept passenger rides. As observed by the court, legislations like the National Minimum Wage Act are manifestly enacted to protect those who need it, and not just those who are designated

by their employer as such.

The court has wholly rejected the contractual arguments pertaining to the self-employed status of Uber drivers. It has taken note of the fact that cab services are, in fact, tightly defined and controlled by the company. For instance,

DOMESTIC IMPLICATIONS

This groundbreaking judgment will have profound implications for all those who work in the gig economy. There are multiple companies in the UK alone,



A week on from the ruling by the U.K Supreme Court, 14, 233 drivers are estimated to be filing claims for compensation from Uber

(New Statesman)

which rely on similar contracts to assert the 'independent entrepreneurial' status of their workers. In a significant setback to them, the court has now clarified that the starting point in employment disputes will not be the contract. Rather, it will be based on the factual relationship between two working entities.

This precedent undoubtedly impacts the business models of several platform companies. It opens them up to lawsuits regarding the employment status of gig econo-

my workers. If they lose, tech companies will have to accommodate the extra expenses associated with labour compliances. The worry, however, is that such cost burdens may be eventually transferred onto the end-consumer.

GLOBAL TRENDS

It is not uncommon for national courts to rely on foreign jurisprudence if the same is based on deliberative reasoning. This judgment is likely to inspire similar class-action suits across the world. As it is, jurisdictions like the EU, Germany, Italy, Spain, South Africa and the U.S. are contemplating the rights of app-based service providers.

In India, such companies are already under government scrutiny. There is a regulatory framework

that seeks to ensure customer safety and formalisation of gig workers in vehicle aggregators and ride-hailing apps. Only recently, Finance Minister Nirmala Sitharaman had also extended social security benefits to workers in the gig sector in her annual budget speech.

The Union Government is further investigating the differential treatment of workers by big tech companies in India and abroad. Finally, there are pending disputes in Indian courts, wherein driver-partners have accused companies like Uber and Ola of exploiting them and denying basic benefits, such as accident compensation.

At the end of the day, the viability of platform companies will be predicated on the value they offer to both consumers as well as service providers.

Assessment

The financial condition of Uber, which might owe over \$1.3 billion in unpaid employment-related taxes as a result of this judgement, will be closely watched by investors and regulators in the days to come.

Companies in the gig economy may have to reimagine their fundamental structures and confer more control on the workers so that they are self-employed in the true sense of the term.

The gig economy is too important to be allowed to collapse under bureaucratic overload. It will be critical for governments to ensure that regulatory bottlenecks do not dilute the innovation drive among emerging tech enterprises, as they have generated considerable employment.



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