India’s voice at G7 shows forum’s ineptness with global issues

By Karthik Nachiappan

The G7 Summit is done. It is done for the year after a weekend of personality clashes, fires, uninvited guests and messy discussions covering issues like inequality, climate change, digital economy, nuclear proliferation and the future of African development.

Rejigging the format, host nation France invited democracies that have regional influence, which made India a participant alongside Australia, South Africa and Chile. Indian Prime Minister Narendra Modi addressed the G7 on two key issues – climate change and digital transformations – which testify to India’s importance in tackling these issues. For countries like India, whose economy is deeply entwined with globalisation and its effects, G7 talks on matters like digital economy, climate change, oceans and biodiversity and inequality serve as an opportunity to take stock on domestic policies covering these issues and how to rebalance them.

A key takeaway from this summit was the focus on technology and managing the social, political and economic effects that digital transformations bring. Discussions focused on how countries can craft sensible laws on data transfer, collection and retention in a way that supports growth and innovation.

Emphasis on symmetric data rules comes in the wake of a balkanising Internet domain, where several approaches to regulate data exist: the Chinese “statist” approach, the European approach centred on data protection or the American one that homes in on data innovation strategy. Both the Europeans and Americans broadly support data rules that protect citizens’ rights while not making it onerous for firms to manage that data.

The prevailing G7 preference for stable data rules that balance privacy and innovation could influence India to soft-peg its data-policy approach, which initially veered toward localisation and retention. India’s Ministry of Electronics and Information Technology (MeitY) now appears to have shifted its initial position on data management; recent changes indicate that New Delhi will mandate only “critical” information gathered from data be held in India.

Such a policy shift will, no doubt, soothe the Trump administration. US officials and companies have criticised India’s move toward data localisation, claiming such rules will distort trade flows and curtail tech investment, given the costs of retaining data in multiple locations. For South-east Asian countries like Singapore, which is keen to invest in India’s booming digital economy, Delhi’s move to soften its stand on data should go down well.

Artificial Intelligence (AI) was discussed during the summit at Biarritz, specifically the guidelines countries should use to regulate AI technologies, and which would not harm jobs and livelihoods.

The AI emphasis continued from last year’s Canada-led G7, which prompted the creation of an International Panel on Artificial Intelligence (IPAI), modelled after the Intergovernmental Panel on Climate Change (IPCC). The G7 AI discussions could reorient India’s strategy on AI development and application. Currently, plans are afoot to see how AI can be adopted to address challenges such as food security, healthcare and agriculture. Having India at the forefront of the G7 AI discussions could spur and structure domestic AI plans. A larger goal, however, for India from the G7 AI discussions is to map the effects of AI on jobs, specifically gauging potential losses if the rate of AI absorption rises. India houses one of the largest AI data gathering exercises where medium-skilled workers are trained to sift through reams and reams of data to deepen machine learning. Globally, India will push for a citizen-centric AI.

REGULATING DIGITAL FLOWS

Another key technology issue discussed at the summit was figuring out how digital flows can be effectively regulated. One part of this issue focuses on ensuring that digital interactions do not foster violence, and that citizens can trust their digital infrastructures. Difficulties around the combating of hate speech and misinformation have heightened the need to create a workable framework to address such problems in India’s digital platforms.

Expecting progress on this issue could be difficult since policies governing fake news, closely tied to free speech, are drafted domestically but sharing views could influence how such laws are drawn up. Only a few countries – Germany, Australia and France – are looking to adopt legislation to prevent the spread of false information online. France and India’s positions converge here: Both back data sovereignty where adequate levels of data protection exist for citizens.

The G7 session on climate change, biodiversity and oceans was marked by Mr Trump’s absence and Mr Modi’s presence. Leading to Biarritz, New Delhi committed to increase its climate pledges as specified under the 2015 Paris agreement. In fact, India appears to be making progress on all three aspects of the Paris accord – increasing the share of non fossil fuels in the energy matrix, reducing the emissions intensity of the economy and creating additional carbon sinks through reforestation. In the context of a rapidly deteriorating climate and a global order buffeted by disruption and dissent, India’s forward-looking climate commitments are significant in that they present new pathways to reduce global carbon emissions.

Undeniably, India’s G7 participation redounds to the benefit of developing countries. At Biarritz, Mr Modi emphasised that solutions to global technology problems like data, AI and fake news and resilient challenges like climate change must place the interests of citizens – not just special interests – at the core.

But India’s admirations now confront a structural gap at the heart of global governance, where leading western powers find themselves distant on how to manage the global economy and less inclined to bridge those differences. Disconcertingly, this year’s G7 summit presages the forum’s incapacity to manage long-term global concerns; instead, the G7 appears to be morphing into a forum that discusses emergent global challenges, like the Amazon fires, Iran and the US-China tariff war, as and when they arise.