

“Demonetization”: Beware of the Digital Money Dictatorship

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We live in times where the non-working rent collectors and speculators have emerged as the richest billionaires.

As 2017 begins and we flounder in our mad rush to force all of India into a digital economy overnight, it is worth pausing and reflecting on what the digital economy is, who controls the platforms and lines as well as some basic concepts about money and technology which have moulded our lives and freedoms, based on patented systems that are failing the people of “West”. Obsolete systems are moulding our patterns of work and our wellbeing — as a very large country, and as an ancient civilisation — into a cast that is observably too small.

We live in times where the non-working rent collectors and speculators have emerged as the richest billionaires. Meanwhile, the hard working honest people, like farmers, workers in self-organised economies (mistakenly called unorganised and informal) are not just being pushed into deep poverty, they are, in fact, being criminalised by labelling their self-organised economic systems as “black”. The Swadeshi economy is being labelled as the “shadow economy”.

“Short term pain for long term gain” has become the slogan for the dictated transition to a digital economy. But the pain is not just short term, the pain of millions of honest Indians who contribute to a truthful economy, wasting days on end, sacrificing their work, their livelihoods, their means of living, to standing at ATMs and juggling denominations and news reports. In rural India daily mile-long walks to banks have become commonplace, whereas rural communities would interact with the “financial world” a handful of times annually.

In Venezuela — where the exact same circus has come to town — there have been riots. On the contrary, in India, we have stood patiently in lines, in the misguided hope that the fabric of the Indian economy will be cleansed of the black money. The economy has been laundered, and the stains have spread.

To assess the long-term gain, we need to ask basic questions: Who will benefit from this so-called long-term gain?

Ten of the richest billionaires have made money riding on patents and monopolies over the tools of information and network technology. In effect, they are rent collectors of the digital economy, who have collected very large rents, at very high frequency, in a very short time.

Bill Gates and company made money through patents on software that were developed by brilliant people; they merely own the “workshop” — owning all the work that happens under

their roof. Mr Gates used his monopoly to eliminate rivals and then to ensure that no matter what kind of computer you wanted it had to have Microsoft windows. If at this point, you think to yourself: “What about Apple Inc?” a quick search will enlighten you — Alphabet (Google), Facebook, Amazon, Apple and Microsoft controlling shares are held by the same handful of private investment funds. This VC-armada is led by Vanguard Inc.

In an honest economy, such behaviour would be illegal, but in India we have baptised it as “smart”.

Do we need a Mark Zuckerberg to have friends and be able to talk to them?

No.

Communication and community, friendships and networks are the very basis of society. Facebook has not provided us with “the social network”.

Mr Zuckerberg has crowd-sourced the social network of the world from us. Our relationships are the source of “big data”, the new commodity in the digital world. Information technology seeks to rent information, sourced from us to us.

Digitalisation has spread to all areas. Let us not forget that many multi-national companies are playing a big role in pushing chemicals and GMOs on Africa, and patents on new GMO technologies and digital patents on the biodiversity of life on earth. This big seed grab was stalled at the recent convention on biodiversity meetings in Cancun.

John Naughton, a professor of the public understanding of technology at the Open University and author of *From Gutenberg to Zuckerberg: What You Really Need to Know About the Internet* has named the digital moghuls “robber barons” of our age.

As he perceptively observes in the Guardian: “In social networking Mark Zuckerberg has cunningly inserted himself (via his hardware and software) into every online communication that passes between his 900 million subscribers, to the point where Facebook probably knows that two people are about to have an affair before they do. And because of the nature of networks, if we’re not careful we could wind up with a series of winners who took all: one global bookstore; one social network; one search engine; one online multimedia store and so on.”

It already is one digital dictatorship. And we need to be asking far more questions than we are asking. We have blindly elevated means — which should be democratically chosen — into an end unto themselves. Money and tools are means, they need to be utilised with wisdom and responsibility to higher ends such as the protection of nature, the wellbeing of all and the common good.

Two sets of means come together in what is now declared the real reason for demonetisation — the digital economy. Money making and tools for money making have become the new religion and the government policy has been reduced to the facilitation of the imposition of the digital empires of the new moghuls. Why else is every department of government directing its energy at making Indians “digitally literate”, precisely at a time where people in technological societies are turning to India to learn her wisdom, her deep values of “Sarve Bhavantu Sukhna”, and the ability to live in community as one Earth Family — Vasudhaiva Kutumbakam? We haven’t learnt from the atomised, alienated, lonely individuals that the souls of Western societies have been reduced to. The digital economy is

a design for atomisation, for separation, to allow Indians to become individual consumers with abundant “red money” — credit.

Imposing the digital economy through a “cash ban” is a form of technological dictatorship, in the hands of the world’s billionaires.

Economic diversity and technological pluralism are India’s strength and it is the “hard cash” that insulated India from the global market’s “dive into the red” of 2008.

Mahatma Gandhi’s teachings about resisting empire non-violently, while creating truthful and real economies in the hands of people, for regaining freedom, have never been more relevant. Wealth is the state of wellbeing; it is not money. It is not cash. Money has no value in and of itself. Money is merely a means of exchange, it is a promise. As the notes we exchange state: “I promise to pay the bearer the sum of...” and the promise is made by the governor of the Reserve Bank. On that promise and trust rests an entire economy, from the local to the national level. At the very least, the demonetisation circus has “busted the trust” in the Indian economy.

In the digital economy there is no trust, only one-way control of global banks, of those who own and control digital networks, and those who can make money mysteriously through digital “tricks” — the owners of the global exchange. How else could the exchange traded funds like Vanguard be the biggest investors in all major corporations, from Monsanto to Bayer, from Coca Cola to Pepsi, from Microsoft to Facebook, from Wells Fargo to Texaco?

When I exchange Rs 100 even a 100 times it remains Rs 100. In the digital world those who control the exchange, through digital and financial networks, make money at every step of the 100 exchanges. That is the how the digital economy has created the billionaire class of one per cent, which controls the economy of the 100 per cent.

The foundation of the real economy is work. Gandhi following Leo Tolstoy and John Ruskin called it “bread labour” — labour that creates bread that sustains life. Writing in Young India in 1921, he wrote: “God created man to work for his food, and said that those who ate without work were thieves.”

Writing in the Harijan, in 1935, he cited the Gita and the Bible, for his understanding of the duty of bread labour. For him ahimsa (non-violence) were intimately linked to work, he identified “wealth without work” among the seven deadly sins. It is the bills of domination that the government should be banning, not merely the bills of denomination.

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