**[Internet economy](https://www.dawn.com/news/1592984/internet-economy)**

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THE policy and regulatory changes that have taken place this year have alarmed many of us who had hope in this government’s commitment to the internet economy. For technology professionals and civil society activists, this overreach is not new. What is more frightening now is the scale of damage the new heavy-handed regulations will inflict on Pakistan’s internet economy.

Much of the agitation against laws such as Peca and the new social media rules has focused on civil liberties. Unfortunately, some state elements believe in expanding digital surveillance and curbing free speech and access to information, especially for some segments of our society — women, religious minorities, and certain ethnic groups.

While we may be at odds with the state on the question of civil liberties, economic progress is one thing we do agree upon — most of us believe in taking measures to increase GDP, boost exports, promote employment and uphold the right to livelihood. This is where successive regulatory moves raise red flags.

The statement recently issued by the Asia Internet Coalition is a warning that the government would do well to heed. The new rules are indeed draconian and will set Pakistan’s nascent digital economy back by years. However, not everyone has taken the AIC’s threats seriously. Some feel it would be good for Pakistan if foreign social media companies are blocked — they see these platforms as tools for spreading indecent material or as competition for the local industry.

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Protectionism will not boost our local tech sector.

Opposing the rules does not amount to support for foreign technology companies. They will emerge from this crisis unharmed — Pakistan accounts for a small fraction of their global operations and revenue. They may even bend to the regulators’ will — perhaps storing data in Pakistani data centres through agreements with local cloud services providers, obeying local censorship laws, and augmenting the state’s surveillance capabilities. This will allow them to still retain some revenue, with a purely extractive model and minimum investment in Pakistan’s digital future.

Regardless of how these companies decide to proceed, the rules will be hugely damaging for Pakistani users and the local industry. The argument that clamping down on foreign technology firms will somehow result in the local industry achieving unprecedented levels of success and domestic and international expansion is flawed. Governments have used the same protectionist argument to boost Pakistan’s automotive industry and, more recently, to build our smartphone manufacturing capabilities. Neither is a success story.

We must nurture the tech sector as its effects spill over to countless other sectors. Across industries, the world has benefited from increases in productivity and decreases in cost of doing business that technologies such as email, web conferencing and cloud storage have brought. As repeatedly observed in Pakistan, when regulators attempt to block platforms that, in their view, host indecent material, they disrupt harmless technologies that are crucial to doing business in the 21st century.

The new rules state that where social media companies fail to remove content within 24 hours (or six “in case of emergency”), the regulator may block “the entire Online System”. It appears then that if, for example, YouTube fails to remove a video within the unreasonable timeframe of six or 24 hours, the regulator might end up blocking all Google services (including Gmail, its search engine and other cloud services) — whether deliberately or by mistake, as has happened in the past — at enormous cost to the economy.

Beyond the productivity technologies we use in our everyday life, an entire economic ecosystem thrives on online platforms. This includes gig workers, artisans, content creators and influencers, who make a living through platforms such as Facebook and TikTok. These platforms play a critical role in giving freelancers and small businesses unprecedented access to new markets and consumers.

The world is moving towards a knowledge economy where future jobs will be knowledge-intensive and IT skills will be a basic requirement for employability. To stand a chance in the job market of the future, our citizenry must be technologically savvy, connected with mainstream networks, and able to consume and produce online content.

Blocking an entire platform because, for example, the state cannot stomach a PDM jalsa being aired live is ludicrous. We cannot deny Pakistani consumers, students, workers and entrepreneurs access to these platforms simply because the state is too thin-skinned to withstand criticism or because it finds the democratising power of these platforms too great a threat. Going further down the path of authoritarianism, censorship and surveillance is ill-advised and will neither improve our political situation nor our economic circumstances.

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