

Harnessing Multilateralism for Digital Development

Kristen A. Cordell and Kristine Lee

EXECUTIVE SUMMARY

Technology is crucial to advancing development, but uneven access to it is magnifying societal inequities around the world. As critical governance and public goods distribution systems migrate online, the "digital divide," or gap in access to technology, has widened dramatically as developing countries lag far behind. In 2019, nearly half of the world's population lacked access to broadband technology, and it will cost an estimated \$428 billion to connect the world to the internet by 2030.1

In the face of these deficiencies, effective international coordination around bolstering global digital connectivity in a secure and equitable manner remains a largely aspirational goal. The United Nations (U.N.) and other international institutions lack effective mechanisms that can marshal the technical capacity and multilateral cooperation needed to advance digital connectivity in developing countries. Meanwhile, authoritarian actors—most notably China and Russia—have been able to bend existing norms and systems to serve their interests with impunity.

This policy brief begins by assessing the shortcomings of existing international digital development frameworks. It then outlines specific recommendations for how the U.S. government can build more productive partnerships with U.N. agencies and other multilateral institutions to shepherd innovative programming in priority regions such as the Indo-Pacific. With the advent of Joe Biden's administration, the United States should seize the opportunity to not only enhance multilateral coordination around promoting digital connectivity, but also reassert principles of good governance in global digital development efforts.

THE SHORTCOMINGS OF EXISTING DIGITAL DEVELOPMENT FRAMEWORKS

Global governance institutions have struggled to keep pace with the emergence of new technologies and to lead a well-coordinated approach to advancing digital connectivity.² In September 2020, the United Nations (U.N.) 2030 Agenda for Sustainable Development (or the "Agenda 2030") convenings amid the 75th anniversary of the U.N.'s founding and the height of the COVID-19 pandemic served as a jarring reminder of where the international community falls short.

For example, while the Agenda 2030 offers broad language on how access to technology is foundational to the U.N.'s Sustainable Development Goals (SDGs), it has not served as an effective framework for supporting the technical capacity and international coordination needed to bolster digital connectivity. The SDGs do not explicitly articulate digital development objectives and fail to provide a comprehensive connectivity framework that encompasses not only basic technologies, such as broadband access, but also other critical emerging technologies, such as artificial intelligence (AI).³



^{1.} International Telecommunication Union (ITU), "Measuring Digital Development: Facts and Figures 2019," https://www.itu.int/en/ITU-D/Statistics/Documents/facts/FactsFigures2019.pdf; Maiko Nakagaki, "\$428 Billion Investment Needed to Connect all of Humanity to the Internet by 2030," A4AI, September 17, 2020, https://a4ai.org/428-billion-investment-needed-to-connect-all-of-humanity-to-the-internet-by-2030/.

^{2. &}quot;Rising Nationalism Threatens Multilateralism's 70-Year 'Proven Track Record' of Saving Lives, Preventing Wars, Secretary-General Tells Security Council," United Nations, press release, November 9, 2018, https://www.un.org/press/en/2018/sc13570.doc.htm.

^{3. &}quot;The Sustainable Development Agenda," United Nations, 2020, https://www.un.org/sustainabledevelopment/development-agenda/.



Jockeying for control of international bodies by global powers also poses complications. Member states' attempts to co-opt these institutions have hamstrung the international system's approach to digital development, resulting in ad hoc solutions without established best practices and an enduring inability to track progress and accountability.⁴ Notably, China has leveraged its leadership in the International Telecommunication Union (ITU)—which is headed by former Ministry of Posts and Telecommunications official Zhao Houlin—to promote technical standards that favor Chinese companies and to legitimize China's model of surveillance and censorship.⁵ Beijing has, for example, advanced its "New Internet Protocol" at the ITU, an internet governance concept that would give governments the ability to monitor internet traffic and shut down websites with greater ease.⁶

The COVID-19 pandemic has empowered malign actors that seek to capitalize on the absence of established rules of the road and overarching principles of digital development in international institutions. Around the world, authoritarian regimes are exploiting the chaos of the moment and leveraging technology to the detriment of civil liberties. Governments are poised to employ dual-use technology that provides vital temperature monitoring or contract-tracing functions to centralize state power and exert greater control over their populations. And while social media serves as a tool for rapidly conveying vital information to the public, it has also emerged as a vector for misinformation and disinformation. These trendlines are inimical to the interests of democratic governments that seek to promote a free and open digital order.

A CALL FOR U.S. LEADERSHIP: RECOMMENDATIONS FOR THE U.S. GOVERNMENT

In 2019, the U.N. High-level Panel on Digital Cooperation called for the U.N. to create and implement a "global commitment for digital cooperation." Pursuant to this goal, in early 2020, U.N. Secretary-General António Guterres released a "Roadmap for Digital Cooperation" based on the panel's recommendations. The roadmap established an ambitious objective of ensuring "safe and affordable access to the internet" globally over the next 10 years and called for the creation of a U.N. technology envoy position to lead multi-stakeholder dialogues and provide guidance on the impact of new technology on human rights. The provide guidance on the impact of new technology on human rights.

As developing countries grow increasingly wary of the predatory development practices of authoritarian great powers, the U.S. government is uniquely poised to lead this conversation and to reshape the emergent global digital connectivity architecture to align with a more liberal, open, and values-based framework for international cooperation on promoting connectivity. Doing so requires renewed leadership within multilateral institutions, guided by two overarching principles: First, the U.S. government should reassert leadership in existing international bodies in the U.N., beginning with the ITU. It should ultimately leverage its engagement with the



^{4.} Samm Sacks, "Beijing Wants to Rewrite the Rules of the Internet," *The Atlantic*, June 18, 2018, https://www.theatlantic.com/international/archive/2018/06/zte-huawei-china-trump-trade-cyber/563033/.

^{5. &}quot;Zhao Houlin, Secretary-General ITU," Broadband Commission for Sustainable Development, https://www.broadbandcommission.org/commissioners/Pages/zhao.aspx.

^{6.} Madhumita Murgia and Anna Gross, "Inside China's Controversial Mission to Reinvent the Internet," Financial Times, March 27, 2020, https://www.ft.com/content/ba94c2bc-6e27-11ea-9bca-bf503995cd6f.

^{7.} David O. Shullman, "How China is Exploiting the Pandemic to Export Authoritarianism," War on the Rocks, March 31, 2020, https://waronth-erocks.com/2020/03/how-china-is-exploiting-the-pandemic-to-export-authoritarianism/.

^{8.} Andrea Kendall-Taylor, Erica Frantz, and Joseph Wright, "The Digital Dictators: How Technology Strengthens Autocracy," Foreign Affairs, March/April 2020, https://www.foreignaffairs.com/articles/china/2020-02-06/digital-dictators.

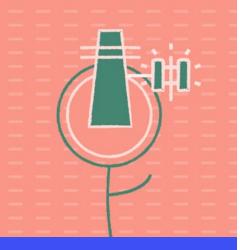
^{9.} Nikita Malik, "Self-Isolation Might Stop Coronavirus, but It Will Speed the Spread of Extremism," Foreign Policy, March 26, 2020, https://foreignpolicy.com/2020/03/26/self-isolation-might-stop-coronavirus-but-spread-extremism/.

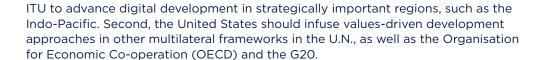
^{10.} Aidan Powers-Riggs, "Covid-19 is Proving a Boon for Digital Authoritarianism," New Perspectives on Asia (blog) on The Center for Strategic and International Studies, August 17, 2020, https://www.csis.org/blogs/new-perspectives-asia/covid-19-proving-boon-digital-authoritarianism; Kristine Lee and Martijn Rasser, "China's Health Silk Road Is a Dead-End Street," Foreign Policy, June 16, 2020, https://foreignpolicy.com/2020/06/16/china-health-propaganda-covid/.

^{11. &}quot;Secretary-General's High-level Panel on Digital Cooperation," United Nations, June 11, 2020, https://www.un.org/en/digital-cooperation-panel/; "The Age of Digital Interdependence: Report of the UN Secretary-General's High-level Panel on Digital Cooperation," (United Nations, August 19, 2018), https://www.un.org/en/pdfs/DigitalCooperation-report-for%20web.pdf.

^{12. &}quot;Secretary-General's Roadmap for Digital Cooperation," United Nations, May 29, 2020, https://www.un.org/en/content/digital-cooperation-roadmap/.

^{13. &}quot;Digital Cooperation Must Connect, Respect, Protect: UN Secretary-General," International Institute for Sustainable Development, August 11, 2020, https://sdg.iisd.org/news/digital-cooperation-must-connect-respect-protect-un-secretary-general/.





Principle One: Enhance U.S. leadership in the ITU.

The U.S. government's engagement with the ITU should extend beyond shaping the organization's work in the standard-setting domain. A more comprehensive partnership between the U.S. government and the ITU has dramatic potential to unlock private sector partnerships and new means for financing digital development. The ITU has a wide membership base of over 900 nongovernmental members, including 63 U.S. tech companies such as Amazon, Facebook, Google, Microsoft, Cisco, Verizon, and Netflix. Together, the U.S. government and the ITU should expand the diversity of private companies involved in procuring standards and systems to avoid further capture by authoritarian actors that do not abide by rules-based systems.

Notably, the ITU-Development Sector (ITU-D) is tasked with the important work of technical assistance and service delivery to improve "telecommunication and ICT [information and communications technology] equipment and networks in developing countries." ITU-D projects focus on capacity support for the developing world—a mandate similar to U.S. development agencies such as the United States Agency for International Development (USAID) and the U.S. International Development Finance Corporation. Coordination with the ITU-D would serve as a valuable opportunity to ensure that rulemaking around digital architecture is supported by best practices in the development space.

RECOMMENDATIONS FOR THE U.S. GOVERNMENT

- USAID should establish a formal or informal agreement for partnership with the ITU-D and assist the ITU with conducting shared needs analysis and joint programming. Given that SDGs do not explicitly encompass digital inclusion, the data and reporting on country-level progress is limited. One specific avenue for cooperation is USAID's new Digital Ecosystem Analysis (DECA), a tool by which the agency helps in-country stakeholders identify the opportunities, maximize the benefits, and manage the risks associated with digital technology from a development perspective. The DECA template would be a relatively low-effort starting point for Washington to work with the ITU-D on joint diagnostics that can lead to shared programming based on on-the-ground priorities. Recent DECAs in Colombia and Kenya, for example, have assisted local policymakers in identifying and responding to the connectivity needs of women and youth.¹⁷
- The U.S. government should harness a closer relationship with the ITU to "widen the tent" for new development partnerships in emerging markets, particularly in South and Southeast Asia. These partnerships should encompass several technical and advisory services as partner countries advance national cyber strategies in the Indo-Pacific region. For example, in the Indo-Pacific, the U.S. government and the ITU should expand programming in support of the Digital Connectivity and Cybersecurity Partnership—a \$60 million U.S.-led interagency initiative to promote an open, interoperable, secure, and reliable internet in developing countries. In India, the South Asia Regional Digital Initiative is already working to improve digital connectivity and internet governance by strengthening the digital capacity and ability of the private sector and civil society to engage with ICT policy issues.



^{14.} Kristen Cordell, "The International Telecommunication Union: The Most Important UN Agency You Have Never Heard Of," Center for Strategic and International Studies, December 14, 2020, https://www.csis.org/analysis/international-telecommunications-union-most-im-portant-un-agency-you-have-never-heard.

^{15.} Anna Gross and Madhumita Murgia, "China Shows its Dominance in Surveillance Technology," *Financial Times*, December 26, 2019, https://www.ft.com/content/b34d8ff8-21b4-11ea-92da-f0c92e957a96.

^{16. &}quot;About the ITU-D and the BDT," United Nations, https://www.itu.int/en/ITU-D/Pages/About.aspx.

^{17. &}quot;Digital Ecosystem Country Assessment: Colombia," (United States Agency for International Development, July 2020), https://www.usaid.gov/digital-development/DECA/Colombia.

^{18. &}quot;Digital Connectivity and Cybersecurity Partnership (DCCP)," U.S. Trade and Development Agency, https://ustda.gov/initiatives/digital-connectivity-and-cybersecurity-partnership/.



DIGITAL ORDER

The U.S. government should work with the ITU to formalize engagements with regional organizations, including the Association of Southeast Asian Nations (ASEAN). In particular, USAID should continue to build momentum behind its Digital Asia Accelerator, which harnesses U.S. technology companies and universities to enhance digital and cybersecurity skills among private enterprises and civil society in Southeast Asia.¹⁹ This is also an area of priority for the ITU-D, which builds technical capacity through regular training in the Asia region, including through Centres of Excellence in partnership with ASEAN.²⁰ In 2018, this included about 10 Asia-based Centres of Excellence training programs that encompassed a diverse set of technologies and associated norms, including broadband, internet infrastructure security, cybersecurity, 5G planning, blockchain ecosystems, and competition analysis.

Principle Two: Infuse values-driven development approaches in other multilateral groupings, including the G20, the OECD, and relevant U.N. agencies beyond the ITU.

At the launch of the Road Map for Digital Cooperation, the U.N. Secretary-General noted that enhancing the benefits and containing potential risks of proliferation of technology would depend on "increased international cooperation." But the existing frameworks for cooperation are neither nimble nor comprehensive enough to address the full suite of technologies and associated norms that are critical to digital development.

The United States should strengthen its linkages with other multilateral rulemaking and rule-upholding bodies that can play a role in addressing the global digital connectivity challenge, including, but not limited to, the G20 and U.N. bodies. The G20, for example, is an important but relatively unempowered multilateral mechanism in the digital domain. As chair of the G20 in 2019, Japan prioritized fair and open digital systems and convened expertise from the ITU and OECD.²² The G20 Digital Economy Task Force has recently recognized the necessity of its members in upholding a multilateral approach to digital connectivity. In July 2020, the G20 ministers (now chaired by Italy) expressed support for digital space that operated as an "open, fair, and non-discriminatory environment."²³

RECOMMENDATIONS FOR THE U.S. GOVERNMENT

The Treasury Department, along with the National Economic Council, should lead an interagency U.S. government (USG) Task Force for Digital Economic Development responsible for renewing U.S. strategic engagement with the G2O on digital development. The USG Task Force for Digital Economic Development should also align efforts across various U.S. agencies, including USAID, the Export-Import Bank of the United States, the Office of the United States Trade Representative, and the Departments of State and Education to ensure they are pulling in the same direction. This may also include identifying "carrots" and "sticks" within multilateral systems. For example, a digital-specific line of effort within the World Trade Organization might be a powerful accountability mechanism for pushing reticent G2O leaders into action. The USG Task Force should also engage the National Security Council to ensure that the United States' bilateral partnerships with G2O members reflect the urgent prioritization of digital connectivity for national security. Finally, the USG Task Force should consolidate



^{19. &}quot;USAID Announces more than \$440 Million in Assistance to the Indo-Pacific Region," USAID, press release, November 4, 2019, https://www.usaid.gov/news-information/press-releases/nov-4-2019-usaid-announces-more-440-million-assistance-indo-pacific-region.

^{20. &}quot;ITU Performance Report 2018," (International Telecommunication Union Development Sector, 2019), https://www.itu.int/en/ITU-D/TIES_Protected/PerfReport2018.pdf.

^{21. &}quot;Secretary-General, at Event Launching Digital Cooperation Road Map, Advocates Internet Access for All by 2030," United Nations, press release, June 11, 2020, https://www.un.org/press/en/2020/sgsm20120.doc.htm.

^{22.} Samm Sacks and Justin Sherman, "The Global Data War Heats Up," *The Atlantic*, June 26, 2019, https://www.theatlantic.com/international/archive/2019/06/g20-data/592606/.

^{23. &}quot;G20 Digital Economy Ministers Meeting Ministerial Declaration," G20, press release, July 22, 2020, http://www.g20.utoronto.ca/2020/2020-g20-digital-0722.html.



bilateral engagements to elevate the G20's role as a rulemaking body and must ensure the emergent digital architecture is not captured by a single private organization or government, which is particularly important given the international implications of the pandemic.²⁴

- The State Department and USAID should redouble support for the OECD and its mechanisms for tracking development spending through the OECD Development Assistance Committee. The OECD's existing standard-setting systems make it a ready and capable partner for enhancing transparency and responsible reporting by donors in the digital sector.²⁵ The OECD's recent principles on AI illustrate a technical capacity to establish monitoring for complex technological issues.²⁶ However, without the diplomatic and financial support, or consistent leadership and representation from the USG, the OECD's breadth is limited. Engagement is particularly important given the organization's upcoming leadership elections in 2022. Compliance with OECD standards across sectors is critical to ensuring developing countries are the recipients of fair and open internet systems that do not inadvertently compromise their security. Countries that do not abide by OECD monitoring mechanisms should lose the opportunity to contribute to emerging digital objectives.
- The United States Mission to the United Nations should spearhead a strategic process across the U.S. government for identifying and cultivating engagements with select U.N. agencies by mapping out digital development priorities that remain "ownerless" within the current international framework. Several U.N. specialized agencies already provide targeted support for addressing the specific population demographics and needs, including the U.N. Children's Fund's work in promoting access to online learning; the U.N. Office for the Coordination of Humanitarian Affair's digitization of humanitarian responses; the U.N. Office of the High Commissioner for Human Rights' efforts to protect human rights in online forums; and the U.N. Office for Project Services' execution of physical infrastructure development. The U.N. Development Program is particularly well-positioned to address cross-cutting policy issues related to technology, as its new digital strategy lays out an ambitious set of priorities, including development innovation, digital literacy, digital communication, and digital ecosystems.²⁷ These mapping efforts should ultimately inform a comprehensive strategic plan to ensure U.S. government support to the U.N. has maximum impact in shaping and scaling up the organization's digital efforts. This should begin with a comprehensive "gap analysis" that identifies areas of vulnerability or shortcomings in the U.N. system; for example, this analysis might show that the digitization of supply chain oversight or procurements in support of food security or humanitarian assistance goods is insecure.



^{24.} Amy MacKinnon, "For Africa, Chinese-Built Internet is Better than No Internet at All," Foreign Policy, March 19, 2019, https://foreign-policy.com/2019/03/19/for-africa-chinese-built-internet-is-better-than-no-internet-at-all/; Loni Prinsloo, "Huawei Strengthens its Hold on Africa Despite U.S.-Led Boycott," Bloomberg, August 19, 2020, https://www.bloomberg.com/news/articles/2020-08-19/china-s-hua-wei-prospers-in-africa-even-as-europe-asia-join-trump-s-ban">https://www.bloomberg.com/news/articles/2020-08-19/china-s-hua-wei-prospers-in-africa-even-as-europe-asia-join-trump-s-ban.

^{25. &}quot;Key ICT Indicators," Organisation for Economic Cooperation and Development, April 2020, http://www.oecd.org/internet/ieconomy/oecdkeyictindicators.htm.

^{26. &}quot;OECD Principles on Artificial Intelligence," Organisation for Economic Cooperation and Development, May 2019, https://www.oecd.org/going-digital/ai/.

^{27. &}quot;UN Development Program Digital Strategy," United Nations Development Programme, 2019, https://digitalstrategy.undp.org/.



ABOUT THE AUTHORS

Kristen A. Cordell is currently seconded to the Center for Strategic and International Studies through the Council on Foreign Relations International Affairs Fellowship in National Security. Ms. Cordell is leading research on U.S. engagement in international standard-setting bodies. In her full-time role, she is a Senior Policy Advisor for USAID. She has also worked for the U.N. and the Organization for Security Cooperation in Europe abroad. The views representing here are hers alone and not representative of her home institution.

Kristine Lee was an Associate Fellow with the Asia-Pacific Security Program at CNAS, where her research focuses on U.S.-China relations, U.S. alliances and partnerships in the Indo-Pacific region, and managing the North Korean nuclear threat. Lee was granted a Fulbright fellowship and earned a BA in history and literature with a language citation in Mandarin Chinese from Harvard College, where she served as the editor-in-chief of the Harvard International Review. She also earned an MPP degree from the Harvard Kennedy School. In June 2019, Lee was named as a recipient of the 1LT Andrew J. Bacevich Jr., USA Award.

ABOUT THE CENTER FOR A NEW AMERICAN SECURITY

As a research and policy institution committed to the highest standards of organizational, intellectual, and personal integrity, CNAS maintains strict intellectual independence and sole editorial direction and control over its ideas, projects, publications, events, and other research activities. CNAS does not take institutional positions on policy issues and the content of CNAS publications reflects the views of their authors alone. In keeping with its mission and values, CNAS does not engage in lobbying activity and complies fully with all applicable federal, state, and local laws. CNAS will not engage in any representational activities or advocacy on behalf of any entities or interests and, to the extent that the Center accepts funding from non-U.S. sources, its activities will be limited to bona fide scholastic, academic, and research-related activities, consistent with applicable federal law. The Center publicly acknowledges on its <u>website</u> annually all donors who contribute.



CONCLUSION

The nexus between digital connectivity and international development objectives is a critical one. Washington and its allies—with their shared principles of development and commitment to evidence-based approaches—should be at the helm of mobilizing international cooperation on digital development. While the U.S. government has stepped back from multilateral cooperation in the last several years, perhaps no other issue offers as many opportunities for leadership and potential for shaping the character of the emerging digital order.²⁸ The COVID-19 pandemic has highlighted the grave consequences of the absence of American leadership on the world stage and elevated the stakes of getting these multilateral systems around digital development right. The key will be building a sustainable and equitable system that reflects liberal norms and values and places technical solutions at the forefront of digital development.

28. Kristine Lee, "The United Nations Can't Quit on the UN: When America Withdraws China Wins," Foreign Affairs, September 24, 2020, https://www.foreignaffairs.com/articles/united-states/2020-09-24/united-states-cant-quit-un.

This policy brief was made possible by support from the Open Society Foundations and the Quadrivium Foundation. This paper would not have been possible without assistance from a variety of CNAS colleagues, including Melody Cook, Chris Estep, Joshua Fitt, Allison Francis, Coby Goldberg, Maura McCarthy, Jake Penders, Ely Ratner, Cole Stevens, and Emma Swislow. The views presented here do not represent those of CNAS or any other organization, and the authors are solely responsible for any errors in fact, analysis, or omission.