

# Time To Have a Strong Interest in Digital Society Policy

by ITO Yo

“We willingly accept the government's supervision.” China's giant IT companies, known as “platformers,” are submitting a series of “pledges” to the Chinese government. The background to this is that the Xi Jinping administration is stepping up pressure on the entire industry following the punishment of online shopping giant Alibaba Group.<sup>1</sup> If this is the result of the economic democracy against monopoly to discourage the excessive management activities of platformers seeking extreme market dominance, then it is understandable. In the U.S., the oligopoly of the four companies known as GAFA (Google, Apple, Facebook, and Amazon) is said to total \$5 trillion. This figure is as large as Japan's GDP (Gross Domestic Product). The dominance of these companies has reached a point where they control the activities and people of other companies, making the situation impossible to ignore. Consequently, since last summer, the U.S. Congress has been holding hearings to discuss the possibility of applying antitrust laws to the four companies, including GAFA.

However, the truth of the above is not about such economic democracy. It is believed to be caused by an enormous rift that pre-existed between Jack Ma, the charismatic founder of China's IT giant Alibaba, and the Xi Jinping administration. It is said that Ma, who is known for his outspokenness, severely criticized the monetary policy of the Xi Jinping administration in October last year, and ended up offending President Xi Jinping. In other words, the essence of the above article is not about economic democracy, but rather the political suppression or oppression against IT companies that could potentially become opponents of the ruling political power through economic oligopoly. This in itself is a challenge towards a bad history, but it also brings into view the possibility of a dark society at the end of social digitalization. In other words, it will be possible for those in power to control the masses by becoming friends with the oligopolistic IT companies. This is the path to the continuation of the existing collusion between oligopoly capital (i.e., large corporations) and politics.

Now, the Suga administration is rushing ahead to promote a social digitalization in order to revitalize the “information society” in Japan. The question is, “Will a demon come out? Or will it turn

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<sup>1</sup> *Asahi Shimbun*, April 16, 2021.

out to be a snake?" Looking at the deliberations in the Diet that has just begun, which of the two images, that is, a monopolistic/ oligopolistic capitalist society or a dictatorial political society, will emerge as the result of the Suga administration's efforts is yet to be seen. However, the Japanese people must continue to pay close attention to the issue.

The future of the digital society has been told as a "story" in which people would be able to free themselves from the shackles of time and space by acquiring relevant information on their own responsibility, thereby liberating their minds and enabling a richer life. However, in reality, the IT utopian society is still in the distance far away from us. As we look at the Suga administration's Digital Agency, which started out on dealing with a hanko (Japanese traditional style stamp) issue and is now aiming for a "national identification number," we can only assume that the utopian concept never existed in the first place. The people of Japan will have to remain vigilant in checking their own positions to see what kind of path they will be led into.

**(This is the English translation of an article written by ITO Yo, Professor Emeritus at the University of Yamanashi, which originally appeared on the e-forum "Hyakka-Seiho (Hundred Flowers in Full Bloom)" of JFIR on May 27, 2021.)**