Registries (TLDs), entreprises of cognition in the 21st century

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- Entitled by: Dominique Lacroix
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- Doc Attached: Click here to see the doc 1
- Doc Attached: Click here to see the doc 2

Abstract

The new TLDs distribution shows shocking regional disparities. A bunch of US companies use tax evasion on a large scale from European micro-states. These companies cannot ignore issues of global public interest. They often show a sort of allergy to public policies. But, facing the major global risks for the planet and humans populations, it could be possible to make converge, within the ecosystem of naming, conventional approaches to public policy with liberal philanthropic initiatives. A Sustainable Responsible Business Committee (SRBC) could collect financial contributions to projects of global public interest, without going through a national taxation. Companies could affect their contributions to projects of their choice among three categories:- Rebalancing the global distribution of TLDs,- Basic training in computing for young children worldwide,- Visualization of data on major global issues.

Document

<For viewing the embedded table, please check the PDF file available at http://content.netmundial.br/files/258-1.pdf>

Société européenne de l'Internet (SEI)

French association governed by the law of 1901 A thinktank 15, rue de l'Ancienne Comédie

75006 Paris, France

Tel. +33 (0)6 63 47 77 51

Represented par Dominique Lacroix

dominique.lacroix@ies-france.eu

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The contribution text is also attached as one file in English (SEI_TLD_Cognition_EN.pdf) and in French (SEI_TLD_Cognition_FR.pdf).

1. Shocking regional disparities

Communication networks are intended to improve trade and living conditions for humans on the entire planet. The Internet globalization can help provide unprecedented opportunities for development and welfare but only if we **preserve and promote cultural diversity, freedom and human rights**.

In this spirit, it is legitimate to compare, in each country, the investments in new TLDs to the demographic weight of the country. This provides, for each country, **a commitment rate** in the ICANN policy of new TLDs. Review of applications show that :

- The number of projected TLDs in **South America (24) and Africa (17)** are very low, while the two continents are growing fast in the area of ??information and communication technologies. Without a drastic rebalancing to their advantage, given the role of time in the networks economy, these two continents are doomed to be consumers of dominant firms for yet a decade at least.

- The analysis of the numbers of projects in **North America (915) and Europe (671)** reveals that actually almost half of the so called European projects are managed by companies from the United States. This brings down the number of truly **European projects to 352**, that is to say, almost as **Asia-Pacific (303)**. The USA therefore total **more than 1200 applications on 1930**, that is nearly 2/3 of the investments in TLDs projects. Added to this are the technical backend services for which 11 U.S. companies cover 3/4 of the bids for TLDs. The final distribution after selection between competitors for the same TLDs cannot significantly reduce the domination of the US companies. **This excessive domination is dangerous** because it can only generate withdrawals from the so called "One Net" and sow animosity. It carries monoculture instead of diversity. Finally, it exposes the majority of the users in the world to data collection and espionage in a questionable legal framework (*USA Patriot Act*, *FISA Amendments Act of 2008* etc.)

2. Tax evasion on a large scale

All the TLDs projects of U.S. companies in Europe are located in areas well known as **"tax havens": European micro-States (152) and the British Caribbean Islands (167)**.

European areas of low taxation, well known to allow sophisticated tax evading organizations, as the **Netherlands, Ireland and Switzerland**, have attracted a higher proportion of European projects that other European states having average or strong tax levels. In the United States, a large proportion of projects are established in the State of **Delaware**, at the expense of the population of the United States.

This systematic tax avoidance is possible because of legal facility offered to establish a business in a country but to choose another country as the place for tax.

Here the TLDs table attached as a file named TLD_Mundo.pdf

3. Issues of global public interest

Practices of tax evasion on a large scale will remain possible as long as there will remain at least ONE complacent micro-state and that it will be lawful to separate place of business and fiscal establishment. It is much easy for registries as they don't require significant physical installations. More importantly perhaps is the **moral factor** , the psychological one. The naming operators are readily hostile to states, anti-parliamentary and deeply suspicious of the political class. Fiscal forcing solutions could be ineffective.

Public officials as well as private entrepreneurs cannot ignore **the risks facing the planet and human populations**. The Naming and Internet ecosystem cannot evolve in a bubble, sheltered from global risks and ignoring them: global warming, environmental degradation critical inevitable migration, growth of cities, overcrowding with lacking education and health, explosive growth of inequalities etc.

4. Apparently conflicting approaches may converge

Respecting the different sensitivities, it seems possible **to make converge within the ecosystem of naming, conventional approaches to public policy with liberal philanthropic initiatives**. Designating common goals can enable very heterogeneous entities to work in the same direction.

In economic terms, the tax evasion practices **distort competition** since many 'normal' companies, usually small and medium enterprises, do not seek to evade taxes and contribute to the collective efforts of their compatriots.

In line with the Public Interest Commitments (PIC) introduced by ICANN in the management of applications for new TLDs, it could be introduced a policy of **social and environmental responsibility**. Each registry residing in an area where the tax is lower than the global average would face an alternative :

- Either to withdraw its declaration of tax residence and return to its real country of establishment, - Either to exercise its social and environmental responsibility by a financial contribution to projects of global public interest, without going through a national taxation.

5. ***A Sustainable Responsible Business Committee (SRBC)***

The rules for calculating minimum contributions could be determined annually by an independent commission called for example **Sustainable Responsible Business Committee (SRBC)**. . Companies would be free to contribute beyond the amount calculated by the SRBC. And other businesses already taxed in their respective countries could also participate, if they wish, on a purely voluntary basis. **A global hall of fame of the contributors would be published and maintained**. Attendance on this list could become for companies a communication argument and this could create a virtuous circle.

The global average used as a reference could be the average tax within countries hosting registries, weighted by the number of registries.

6. Make actors of the ecosystem become entrepreneurs of cognition in the 21st century

Financial contributions collected by the SRBC would be allocated to priority projects. Their list would be established and maintained by the SRBC. Companies could affect their contributions to projects of their choice among three categories:

- **Rebalancing the global distribution of TLDs,**
- **Basic training in computing for young children worldwide,**
- **Visualization of data on major global issues.**

So companies of the naming ecosystem could play a full role of **cognition companies in the 21st century**.

References :

Governance of Top Level Domains (TLDs): a failed revolution? Dominique Lacroix, in *Proceedings*, 1st International Conference on Internet Science, Brussels, April 9-11, 2013, pages 133 à 141

L'ICANN obligée d'inventer une alchimie des noms de domaines, ICANN is obliged to invent an alchemy for domain names

Dominique Lacroix, Le Monde.fr, 23 avril 2013

http://reseaux.blog.lemonde.fr/2013/04/23/icann-alchimie-noms-domaines/

Ranger la Terre

Le nommage des domaines est-il l'expression d'une stratégie des USA de domination des réseaux ?

Tidying the Earth Is Internet naming a piece of the American dominance cyberstrategy? in Proceedings of the Symposium "Networks and e-strategy" organized by Olivier Kempf in Paris in May 2013, to be published by Editions Economica