



A New Rationalistic Technocracy Is Emerging Shaped By Powerful Market Forces

As traditional political power weakens, market forces like Big Tech and FinTech are emerging as the new centers of power and evidences of this are everywhere. Academia is describing and embracing these trends and openly talking about Technocracy. Technocracy is an economic system driven by market forces whereas Democracy and socialism are political systems. □ TN Editor

There are growing concerns that technology is leaving democracy behind, and smart cities might be a casualty in the backlash, argue Kris Hartley and Glen Kuecker.

By the mid-20th century, governments had monopolised the delivery of large urban projects, from infrastructure to master-planned 'new towns'. The second half of the century saw the gradual corporatisation of city planning - from the tract housing of the 1950s to mixed-use urban megaprojects in the 1990s and beyond.

Another private sector moment is now unfolding under the banner of

'smart cities'. Projects such as South Korea's Songdo are attracting attention - both positive and negative. Beyond efficiency promises, the relevance of smart city initiatives to social equity and political representation will determine the movement's survivability.

The rise of the smart cities movement is replicating corporate-dominated power structures in urban planning. The private sector produces the technologies that now define citizen life and has the increasingly sophisticated technical expertise that government sometimes lacks. These advantages solidify the private sector's position not only as a public service provider but also as a policy driver of the smart cities agenda.

However, populist pushback against smart city technology may be inevitable - a source of hope for some and potential worry for others.

The distinction between public and private is often blurred in the delivery of public services - particularly with the adoption of participatory development, collaborative governance, public-private partnerships, and other cross-sector governance models. This blurring makes accountability for public welfare uncertain: to what extent should it rest with the state or the market?

In this neoliberal era, the free market is trusted to improve social outcomes only as a by-product of competition - ostensibly broadening consumer options, lowering prices, and improving service quality. Likewise, the concept of corporate social responsibility is seen as a win-win for company branding and the public good. While this story is an old one, the smart cities movement is a unique opportunity to revisit these assumptions.

The modern city itself is a physical embodiment of political and economic priorities: marketisation of urban space is ubiquitous in redevelopment projects branded as smart, sustainable, or equitable. However, such developments cater primarily to the investment and consumer interests of the economic elite. Will smart cities technology simply perpetuate this trend?

There is increasing interest in the governance dimensions of urban

technology, and related issues were explored at the UN's Ninth World Urban Forum in Kuala Lumpur in February 2018. At a break-out dialogue, Alessandro Rainoldi of the European Union's Directorate-General Joint Research Centre argued that data must be open and free, and developed as part of a conversation between users and providers.

This strikingly democratic vision is not currently realised. Speaking at the same event, Karibaiti Taoaba, Regional Director at the Commonwealth Local Government Forum (CLGF) Pacific, argued that there is little coordination among organisations or firms in the collection of data.

Such problems are examples of the practical challenges facing governments and corporations in managing data and urban technology more broadly. Advancements in smart technologies are frequently outpacing the ability of governments to redesign management and governance systems, as evident in two recent events: Facebook's Cambridge Analytica controversy, and the United States' first pedestrian casualty caused by an autonomous vehicle.

One would expect democracies to forestall or remediate such failings, but accountability for broader social outcomes is shifting. Despite the proliferation of small-scale start-ups in the technology industry, the smart cities movement is largely in corporate hands - particularly in a climate favourable to corporate acquisitions.

As such, a new rationalist technocracy is emerging, shaped not by elected policymakers but by the visions and priorities of powerful market actors. This merging of public and private is not new. Infrastructure planning has always been a public concern, but the private sector now monopolises the expertise and capacity to build it. Governments regulate financial markets, but so-called "fin-tech" is developed and implemented by private companies. Corporate influence over the public sphere is now at high tide.

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