The Chamonix Manifesto[*]

Transatlantic dialog on the impact
of the rise of global intermediation platforms

UC Berkeley – Inria – University Paris 8

January 2016

Given the following:

1. Intermediation platforms are organizations that enact two-sided markets, where an algorithmically-driven agent makes matches between those who offer services and those who consume them. Today's well-known platforms are mainly private corporations (Uber is an example). They provide meta-services that enable the market (i.e. reputation, payments, security), without necessarily having their own assets or controlling transactions. What distinguishes intermediation platforms is that they become the principal or sole owner of and beneficiary from the data they collect as the market functions.
2. As intermediation platforms connect their users to remote services, they are changing economies and societies around the world. Digital technologies have given rise to these new platforms that reside at a geographic and political distance and act independently from the physical world in which the exchanges take place. The emerging businesses operate on a global scale, enjoy extraordinary rates of growth, and disrupt traditional actors across a wide and growing range of economic sectors.
3. While their services are widely used all around the globe, intermediation platforms are geographically not uniformly distributed. They are mostly concentrated in the United States, as well as to a lesser extent in China and a handful of other countries. This results in new imbalances in data flows — and possibly in economic, social, and cultural development. If political power is partly a function of access to, control over, and ability to work with data, the consequences of data flow imbalances could soon outweigh concerns about trade, capital account, and other traditional economic imbalances.
4. Though they are typically private companies, intermediation platforms operate much like public institutions that are in the business of providing public goods, such as access to global information as well as transportation and communication infrastructures. These particular public goods are unevenly distributed, resistant to local, regional and national oversight and control, and often highly invasive of individual privacy. As these intermediation platforms become more economically successful and globally dominant, they also transform themselves into "critical infrastructure" that will inevitably attract greater attention from governments around the world.

---

[*] The Chamonix Manifesto was written by Betsy Cooper, Frédérick Douzet, Jesse Goldhammer, Stéphane Grumbach, and Steve Weber, based on the conclusions of the Working Group which met in Les Houches, France, December 8-10, 2015

5. At stake is not only economic competitiveness and the balance of international power, but also the line between public and private in the provision of services and even the exercise of sovereign powers, which is of course one of the most sensitive and defining issues for modern societies. The 'privatization' debates of the last two decades presage what is to come, but omnipresent digital technologies mean the stakes are much higher now.
6. Americans and Europeans tend to look at these developments with quite different and possibly incompatible perspectives. The diverging visions, which range from purely economic and commercial to mostly cultural and political, are not well understood on the respective sides of the Atlantic. That misunderstanding is creating significant tensions and corrosive frictions that are not just economic but deeply political and social in character.

We believe that these frictions will grow and hinder collaborative problem-solving not only in the digital economy, but in the broader set of issues connected to digital technologies, including trade, norms, cybersecurity, surveillance, counterterrorism, etc.

Actions need to be taken now to increase mutual understanding on these issues. We may not fully agree on what the 'real' problems are and what needs to be done about them, but we absolutely must come to a deeper understanding of what each sides' objectives and concerns truly are; in what beliefs and perspectives they are grounded; and of what the most likely points of friction are going to be. At present there is a clear lack of common vocabulary as well as a substantial gap among relevant institutions to address growing disputes.

Our objective is to facilitate a dialog that will address these needs.

The Chamonix Group is constituted by people in academia, industry, public administration and the press. Its objectives are non-partisan, focused on understanding the mismatches between the different perspectives, public vs. private, Europe vs. US, as well as the potential for the society of the complex mechanisms at play that involve creative destruction, as well as the emergence of new economic models and new ways of exercising political power.

The group will carry on activities, including research and writing, and organize a series of regular meetings with participants of all sectors and of all regions with the following objectives:

- Creating metrics that measure in a meaningful way the imbalances that are being created by intermediation platforms;
- Describing representations in discourse and debate that illustrate what is at stake for each side;
- Exploring historical analogies that can shed light on the broad consequences of these developments;
- Designing solutions that could fill the 'institutional gap' we identify and believe needs to be filled in order to create shared understandings;
- Engaging in specific problem solving that bears on issues caught up in this debate, such as resilience, surveillance, cybersecurity, terrorism, etc.

List of participants in the first meeting, held in Les Houches, December 8-10, 2015

- Jean-Pascal Bassino, ENS Lyon
- Betsy Cooper, UC Berkeley
- Bertrand de la Chapelle, Internet & Jurisdiction Project
- Frédérick Douzet, Université Paris 8
- Aurélien Faravélon, INRIA
- Jesse Goldhammer, UC Berkeley
- Stéphane Grumbach, INRIA
- Sébastien Héon, Scor
- Kévin Limonier, Université Paris 8
- Angela McKay, cyber security policy and strategy, Microsoft
- Patrick Radden Keefe, *The New Yorker*
- Jonathan Reiber, UC Berkeley
- Jérémy Robine, Université Paris 8
- Kavé Salamatian, Université de Savoie
- Steve Weber, UC Berkeley