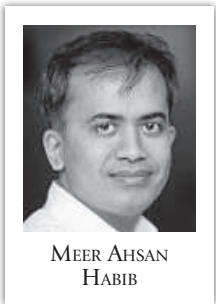


Taxing the technology giants



MEER AHSAN HABIB

transformation of technology, earlier than us—but we are also embracing it. Technology and technological innovation such as artificial intelligence in particular, is so invincible that tech giants are taking over everything. They just create a super-efficient system or platform; we then embrace it and at one point, we are left with no option but to submit ourselves with our belongings to this system.

For instance, Google generates billions of revenues in USD from Google Ads that posts user-targeted ads on online news portals across the world. Due to its unique nature, news portals are generally the most visited websites in the world after social media platforms like Facebook, YouTube and Yahoo. As a result, Google posts targeted ads (based on Pay-Per-Click or Pay-Per-Impression) in the content-rich news portals. Google does not pay a single dime for the content that is being owned by a different entity. Neither does it pay any tax to the government of the corresponding country from which it is generating income. No doubt it is unfair. Is there anything that can be done? Yes, of course.

Spain did it back in 2014 and became the first country in the world to

legally empower media organisations to charge Google for aggregating content that is owned by them. The move, popularly known as “Google Tax”, did not immediately benefit the media industry, but gave them a strong legal ground to hold the technology giants financially accountable. Google announced that it would cease collating such content on Google News. Such response was expected as there is hardly any evidence in the world of a company that comes forward to pay before being asked.

Google is not the lone example here, as there are other technology giants like Yahoo, Facebook, Amazon, etc., that are either aggregating news and contents or doing business and earning revenue from display ads, cloud-based hosting, managed services (e.g. email service) videos, etc.

These are just a few mentionable ones—while there are hundreds of such services from which these technology giants earn revenue. Two examples might help the readers (companies as well) understand how they are paying these giants directly or indirectly. When you call the popular ride-sharing platform Uber, it finds you through google map. After reaching the destination, the rider pays the bill, a tiny portion of which goes to Google. Uber and Google have a separate arrangement for this. The second example can be derived from Facebook—a sponsored post can reach a hundred, perhaps a thousand times more people than what it organically can. All one has to do is pay the social network from his credit card. In both cases, the consumer, be it a company or an individual, are paying these technology giants while the giants

are not paying a dime to the national exchequer in Bangladesh from the revenue it is earning every day.

Spain, EU, governments across Europe and India are also coming up with their versions of “Digital Tax”. In July 2019, the senate of the French Parliament passed the “Digital Service Tax” for foreign and domestic companies operating in France. It was

transactions. Once passed, the law, similar to the French version, will impose a levy of 3 percent on online advertising, online platforms and sales of user data by companies with global revenues of more than 750 million euros.

With a population of 1.33 billion, India is one of the fastest-growing markets for tech giants. The country has

the burden of the tax. Therefore, the government of the tech-savvy Prime Minister Narendra Modi is now working on developing a framework to bring the tech giants under the tax net. In October 2018, the UK unveiled the plan to bring profitable tech giants with annual revenue of 500 million pounds under the tax net. It will come into effect in April 2020 and is expected to bring 400 million pounds a year to Britain’s treasury. It is mentionable that the move is designed not to affect the consumers or internet startups, but target only the big players. These are country-level developments in Europe and India. Although the European Commission tabled various proposals for a fair and effective tax system in a European digital single market in March 2018, the plan was finally abandoned in March 2019 in the face of opposition from some member states. Instead, the EU is now considering OECD and G20 level international tax discussions.

Now the question is, do the news media and the Bangladesh government have any stake in this? Yes, of course. But it is going to be a very hard nut to crack. First of all, the government must underscore the importance of bringing the technology giants under the country’s legal purview. It also has a responsibility to protect its online platforms, the news media in particular. To this end, both parties should carefully observe and examine the lessons from other countries, the European ones in particular, and work in close collaboration and strategise to find a way forward.

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The move popularly known as “Google Tax” did not immediately benefit the media industry, but gave them a strong legal ground to hold the technology giants financially accountable.

PHOTO: DAMIEN MEYER/AFP

later signed by President Macron on July 24, paying the way to tax at 3 percent on the gross revenues earned from digital services including but not limited to advertising services based on user data. In January this year, the Spanish government introduced a bill creating, with provisions, two types of taxes on digital services and financial

introduced the “equalisation levy” that taxes 6 percent on business to business transactions by foreign eCommerce companies from within India. It is a direct tax which is withheld at the time of payment by the recipient of the services. But the problem with this kind of equalisation levy is that it is the consumer that has to bear

Back in the assassination business

US returns to laws of the jungle



ASHFAQUR SWAPAN

US President Donald Trump’s recent decision to assassinate top Iranian military leader Qassim Suleimani has brought the US back into the business of

can a nation have any pretence of a being a civilised nation and conduct extrajudicial killings abroad?

The second point is even more depressing. It turns out that the self-evident notion that it is simply not okay to go about killing foreign leaders is, well, not so self-evident in the US after all. For a country which likes to think of itself as the global policeman, what’s so shocking is the lack of unanimity regarding the essential

people by the scruff of their necks and shake some sense into them by pointing out that respect for international law should be based on the same principle underlying support for the rule of law at home. When you have a suspect, who appears to have committed the most heinous crimes, despite enormous public outrage, you do not go ahead and kill him in a fit of vigilante rage. You give the person a proper trial and ensure that guilt is

The administration of US President Barack Obama took out Osama bin Laden in Pakistan in 2011. There was never any indication that the US had made any attempts to get him to a court of law, the way the Israelis did with Nazi killer Adolf Eichmann in 1960.

Despite an early warning of its dangers, Obama, an expert of constitutional law, also approved drone killings, which often went

that President Obama acknowledges this problem—that future presidents will be empowered to kill globally, and in secret. What he doesn’t acknowledge is how much of a role his administration had in making that a bizarre normal...What we’ll be left with from the Obama administration is a far more dangerous precedent of secret, global killings than what we started with.”

The distinction Obama made—and presumably Trump supporters would make in the case of the killing of Abu Bakr Al-Baghdadi, the self-declared caliph of Islamic State, is that the US was engaged with non-state actors, and there was no international legal framework to take on these rogues.

This argument is not entirely without merit. The bigger danger, however, is that once a nation engages in foreign extrajudicial killings, it gets on a slippery slope that leads to situations that are legally untenable.

Qassim Suleimani was a highly placed official in a legitimate government with which the US was not engaged in war. The US says it has the right to take out any bad actor if it perceives an imminent threat. Yet any evidence of that imminent threat posed by Suleimani has been as ephemeral as that of the mythical weapons of mass destruction used to launch the illegal 2003 war against Iraq by US President George W Bush.

It’s a little early to anticipate the international fallout following the assassination. Both Iran’s response with missile attacks on US bases in Iraq, and Trump’s response to it, have been mercifully restrained, given the explosive, provocative nature of the US assassination.

The broader context is far less reassuring. There is no question that the US assassination has left in its wake a world that is far more dangerous, lawless and violent.

Ashfaqur Swapan is a contributing editor for *Siliconer*, a digital daily for South Asians in the United States.



PHOTO: NICHOLAS KAMM/AFP

President Donald Trump speaks to the press on January 9, 2020 at the White House in Washington, DC.

lawlessness of foreign murder.

Critics of the Suleimani assassination appear more concerned about the lack of Congressional oversight than the heinous nature of the act itself. Then there are the supporters, who go off in a frothed frenzy about how awful he was.

But that’s neither here or there. Somebody needs to grab these

proven in a court of law. The process may be imperfect, but this is the crucial distinction between a nation ruled by law and one ruled by the laws of the jungle.

This self-evident truth is just as valid in international affairs. The US, however, has veered from this principle time and again. This did not start with Trump.

horribly wrong. Just before he was about to take office, one drone attack in Pakistan on a funeral killed an estimated 41 people. The drone killings remain one of Obama’s more disturbing legacies.

Conor Friedersdorf pointed this out in an article in *The Atlantic*, quoting Naureen Shah of Amnesty International: “What’s so interesting is

QUOTABLE Quote



HARUKI MURAKAMI (Born 1949)

Japanese novelist, short-story writer, and translator whose deeply imaginative and often ambiguous books became international best sellers.

If you only read the books that everyone else is reading, you can only think what everyone else is thinking.

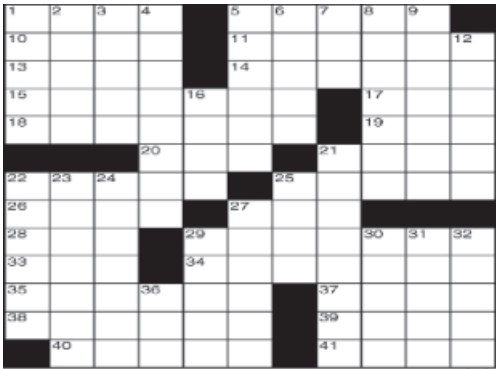
CROSSWORD BY THOMAS JOSEPH

ACROSS

- 1 Past due
- 5 Heaped
- 10 Taj Mahal city
- 11 Wise sayings
- 13 Sow’s mate
- 14 Take out
- 15 Ethiopia neighbor
- 17 Make a knot in
- 18 Prepares to shave
- 19 Jay-Z’s genre
- 20 “Kapital”
- 21 Vampire attack
- 22 Flower part
- 25 Played like pan
- 26 Potter’s stuff
- 27 Golf goal
- 28 Derby or boater

DOWN

- 1 Record company
- 2 Greek market-place
- 3 Characteristic
- 4 Environmental observance
- 5 Kitchen utensils
- 6 Notions
- 7 On the – (fleeing)
- 8 Selfish endeavor
- 9 Go off course
- 12 Oozed
- 16 Authentic
- 21 Personal celebration
- 22 Plot
- 23 Making rapturous
- 24 Kneecap
- 25 Hunger pain
- 27 Score count
- 29 Selected
- 30 Telerate
- 31 Leslie of “Gigi”
- 32 Lock of hair
- 36 Pointer

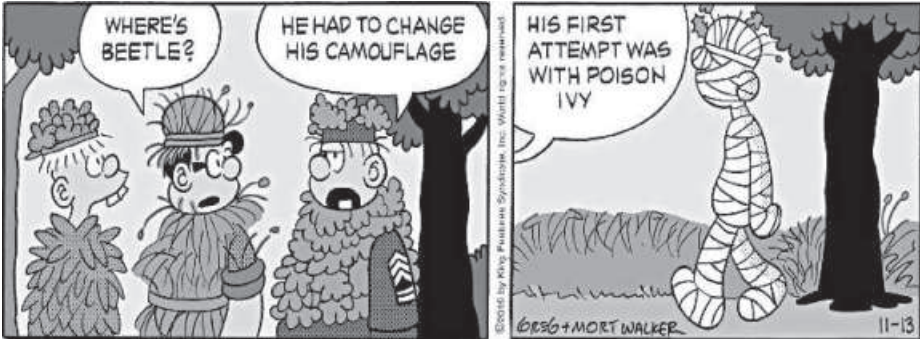


YESTERDAY’S ANSWERS



BEETLE BAILEY

by Mort Walker



BABY BLUES

by Kirkman & Scott



WRITE FOR US. SEND US YOUR OPINION PIECES TO dsopinion@gmail.com.