The Networked Media Economy and the Indian Gilded Age
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The rapid and conspicuous growth of the networked media economy in India, comprising of network infrastructure, content industries and online media, has been boosted over the last decade by the rapid digitisation of production, distribution and consumption. This development has aligned the increasingly networked media economy with the broader vector of 'platform economics', in which maximum data extraction is key. Arguments about how this data should be controlled, and more specifically concerns about the regulation of so-called cross-border data flows, have been expressed through different analogies. Mukesh Ambani, chairman, managing director, and largest shareholder of Reliance Industries Limited (RIL) has recently argued that:

> India's data must be controlled and owned by Indian people ─ and not by corporates, especially global corporations. For India to succeed in this data-driven revolution, we will have to migrate the control and ownership of Indian data back to India ─ in other words, Indian wealth back to every Indian…we have to collectively launch a new movement against data colonisation. In this new world, data is the new oil. And data is the new wealth (2019).

In response, Facebook's Vice-President for Global Affairs and Communications, Sir Nick Clegg, sought to challenge this view by saying:

> There are many in India and around the world who regard data as the new oil — and that, like oil, having a great reserve of it held within your national boundaries, will lead to sure-fire prosperity. But this analogy is mistaken…. Data isn't oil — a finite commodity to be owned and traded… a better liquid to liken it to is water, with the global Internet like a great border-less ocean of currents and tides (2019).

These contrasting perspectives underscore Athique's earlier observation that, rather than control over content and message, the geopolitics of information in the digital era are primarily centred upon control over the data infrastructure and data harvest (2016, p. 53, see also Schiller, 2014). Thus, in its *Digital Economy Report 2019*, the UN Conference on Trade and Development (UNCTAD) notes: "while it is important that data be allowed to flow easily in order to harness the benefits of the digital economy, it is equally important to ensure that the associated gains are shared in a fair manner by the actors and countries involved in the value creation process" (UNCTAD 2019, p. 92). Despite the exponential growth of data production and use, UNCTAD observes that developing countries confront the "increasing dominance of global digital platforms and their control of data, as well as their capacity to create and capture the ensuing value" (ibid.). UNCTAD highlights the dominance of seven 'super platforms': Microsoft, Apple, Amazon, Google, Facebook, Tencent and Alibaba. The UN body therefore calls for national development strategies to "enhance domestic capacities to 'refine' the data" and ensure that local firms can upgrade their position within data value chains so as to avoid the "emergence of a new kind of international dependency pattern, with developing countries having to rely mainly on global digital platforms based in the United States or China" (UNCTAD, 2019, p. 99).

The UNCTAD report focuses primarily upon inequalities and power imbalances confronting developing countries. Yet, the expansion of the networked media economy in India over the last two decades has taken place within a domestic economy that has seen inequality deepen dramatically. Wealth held by India's billionaires increased by almost 10 times over the last decade, including an astounding leap of 36% in 2017 (the year following the surprise demonetisation of India's cash economy). This widening gap has fostered claims that we are witnessing an 'Indian Gilded Age' (Oxfam India, 2018, Chancel and Piketty, 2017). Given Mukesh Ambani's status as (by far) India's wealthiest individual, his claim that a counter movement against 'data colonisation' from large US based firms will return the "control and ownership of Indian data and wealth back to every Indian" should compel some critical questions about the line between public good and private wealth when it comes to assessing the strategic imperatives of India's homegrown digital platforms and technology companies.

In taking up this enquiry, this chapter is divided into five major points of discussion. Firstly, the notion of an 'Indian Gilded Age', premised on the proportional wealth and influence of Indian billionaires, is discussed with reference to the historical relationship between the state and capital in India. Secondly, given debates over new forms of economic dependency arising from the power of digital platforms, a Braudelian model of global capitalism is explored in the context of the networked media economy. The third point of discussion examines the consolidation of India's domestic telecommunications and communications conglomerates, which increasingly influence the operations of the far smaller cultural and media industries. The fourth point of discussion is the financialisation of the networked media economy, and distinctive characteristics of capital interests in the Indian context. This naturally segues into the fifth point, which returns to the role of the state as the regulator and champion of capital in the platform economy. The chapter concludes by questioning the limitations of a world systems approach, which can be, and often is, marshalled to support the interests of dominant nationally-based companies.

The Rise of Indian Billionaires and the Gilded Age

For the past decade, academics, politicians and commentators have suggested that Indian capitalism is beginning to resemble the 'Gilded Age' in the United States (eg. Sinha and Varshney 2011, Gandhi and Walton 2012). A comparison with late nineteenth century American 'robber barons' has emerged in response to the rapid expansion of a cohort of Indian billionaires (exemplified by figures such as such as Mukesh Ambani, Gautam Adani and Lakshmi Mittal). A number of measures further encourage the comparison between contemporary India and America's Gilded Age. First of all, the wealth of India's billionaire's as a percentage of GDP is seen as unusually high for a relatively poor country (Crabtree, 2018). Secondly, they are also numerous, with the number of Indian billionaires estimated between 106 and 118 in 2018, ranking India third globally behind China and the United States (UBS/PwC 2017). Thirdly, following the pattern set by the American robber barons, Walton suggests that over half of the wealth accrued by India's billionaires between 1996 and 2013 comes from what he describes as 'rent-thick' sectors (sectors with high levels of extractive rents derived from links to the state) (2017). Rather than productivity-enhancing Schumpeterian rents, these actors appear to achieve returns well above those of 'fully competitive markets', assumedly via political patronage, preferential access to state-controlled resources and monopolistic market power. Consequently, Walton uses the same methodology as the *Economist's* list of 'crony-capitalism' industries (The Economist, 2014).

This dynamic in the Indian economy reflects, in part, the enduring remnants of the state-capitalism and licensing regime pursued after 1947 as a 'unique Indian business model' (Khatri and Ojha, 2016, Varma, Hu and Bloomquist, 2016). In this model, a core business competence was establishing relationships of patronage and mutual support with politicians and state bureaucrats as a means of gaining access to resources (Gupta, 2017). While the size of corporations and the power of the capitalist class in India has clearly grown in the wake of economic liberalisation since the 1990s, clientelism, cronyism and corruption still permeate India's state-capital relationships. Crabtree observes that during the liberalisation period: "public resources were being gifted to industrialists in increasingly vast quantities…allowing them to rake in outsized and undeserved profits" (2018, p. 63). Rather than being wound back, as Chandra points out, state patronage relations expanded into new areas of the economy through the creation of new regulations, control of access to previously reserved sectors of inputs such as credit, coal or 2G spectrum allocation (2015).

As Walton notes, while the American Gilded Age was charactered by a lack of regulations, the so-called Indian Gilded Age has unfolded in a space of extensive legal and regulatory capacity, albeit one characterised by weak and/or accommodating regulatory practice (2017). Indian civil servants and governments retain "considerable discretionary power over various aspects of the policy process" that shape and codify state-capital relationships (Murali, 2019, p.47). While the enforcement of laws covering corrupt corporate activities have often been weak or absent, Chandra has argued that patronage relations, which "exploit and expand the discretion available within the law, rather than breaking it outright" are becomong more common (2015, p. 47). Thus, while patronage "certainly provide ample opportunities for rent-seeking on both sides, state officials may also be motivated by business-friendly notions of 'development', and business owners may also cultivate relationships with state officials as a necessary evil to get work done in an ambiguous environment" (Ibid). This gives rise to what could be seen as another key aspect of an 'Indian business model', a response to what Sinha argues is the Janus-faced nature of the Indian state, which pursues *both* development and patronage, a situation that "allows business actors to infiltrate multiple arenas and access points across institutions of democracy, public institutions, and regulatory bodies" (2019, p. 51).

As well as being India's largest and most profitable firm, Reliance Industries Limited (RIL) is commonly, as Caussat notes, "portrayed as the quintessential crony capitalism group in India" (2017, p. 210). Echoing Walton's point about the preponderate role of extractive rents rather than innovation in the development of Indian corporations, Mazumdar remarks that Reliance's:

> movement to the top of the corporate hierarchy in India …was based on so little of what could be considered as expressions of *industrial entrepreneurship*. The only two related elements that can be identified as the key to separating Reliance from others…were its exceptional success in gaining from the regulatory regime and in mobilizing financing. (2017, p. 20)

Having achieved unmatched cash flows from vertical integration in polyester textiles, petrochemicals and petroleum, Reliance moved in the early 2000s "to grab…a 'once in a lifetime opportunity' to lay down and own the knowledge economy's equivalent of the railway and thus become the 'carrier's carrier'" for India's digital economy (McDonald 2010, p. 303). The import of Reliance's larger investment strategy became evident in late 2015, when its subsidiary, Reliance Jio, entered into the mobile telecom market via a loss-leading provision of mobile data. This prompted substantial industry consolidation, as smaller firms rapidly exited or merged with other firms, with Reliance Jio quickly emerging as the third largest telecoms operator. As the largest Indian firm by revenue, market capitalisation, and profit, across all economic sectors, it is necessary to underline the relative size of RIL compared to its competitors in the networked media economy. RIL has been able invested more than US$30 billion in digital infrastructure, "the most expensive new venture of its kind by any global company" (Mundy, 2019). Over the past decade, the centre of gravity in the media and entertainment sector in India has moved inexorably towards sectors where online provision, data use and data extraction are most pronounced. By 2021, online media is expected to overtake print as the second largest media segment, behind television (FICCI-KPMG 2019). This development has propelled Reliance further into the sector through its existing interests in film and radio and through now ventures in OTT video and streaming music services (see Fitzgerald, 2019).

Reliance, like other telecom service providers (TSPs), bundles digital content services with data plans to gain a competitive edge and boost the volume, collection and sale of data. FICCI-E&Y suggests that Indian TSPs paid between INR 3.5 and 4 billion (US$ 49-56 million) in 2018 for content syndication rights, a figure predicted to reach INR 8 to 10 billion (US$ 112-140 million) by 2021 when a predicted 375 million subscribers will be accessing bundled content (2019, pp. 120, 127). The development of India;s networked media economy has also been marked by the growing presence of the seven global 'super platforms' identified by UNCTAD (2019). Critical analyses of global platform corporations have equated their operational ethos with the privileges of gilded age capitalism (Zuboff 2019, Wu 2018). In the Indian context, these platforms and their domestic competitors have been making comparable demands for self-regulation, based on either the 'evolutionary laws of business' or 'network effects'. Essentially, these are strategic attempts to limit the encroachment of democracy on their business operations by developing partnerships with state institutions. Growing fears of a form of international digital dependency in India, as exemplified by the UNCTAD report, has opened a new chapter in the dynamic between patronage and development in capital-state relations: one, as we will see, that favours the further rise of Reliance.

Braudelian Approaches to Media and Cultural Industries

Given that the rise of global digital platforms is apparently linked with the emergence of a super-wealthy strata and new forms of international dependency, some scholars have drawn upon the work of Fernand Braudel, whose account of the changing structure of capitalism can be applied to recent developments in the networked media economy. Bouquillion, in particular, argues that the subsumption of communication and culture industries into the capitalist realm has been deepened by processes of digitalisation and platformisation in the twenty-first century (2007, 2008). Bouquillion draws on Braudel in order to refute the model of a naturally competitive market, since it fails to explain the development pathways of the networked media economy. For his part, Braudel regarded the competitive market model as only ever being an ideal-type, premised upon the interaction of a great number of actors via the mechanisms of supply and demand (that is, a self-balancing market based on exchange between 'price-takers'). Braudel's contrasting description of capitalism considered its operations to be inherently non-competitive in a manner which made capitalism categorically distinct from the market economy.

Braudel's influence has been strongest in the body of work known as World-Systems theory, but is also clearly evident in Armand Mattelart's work on dependency and communication (Mattelart, 1978, 1994). More recently, Sousa has used Braudelian notions of time to discuss social change and new information and communication technologies (2006). It is the interpretation of Braudel's model of capitalism developed by world-systems theory that Bouquillion emphasises (as per Wallerstein, 1991). Here there is preponderance to understanding the world economic system in terms of dependency upon elite, and largely Western, capital interests. In communications research this approach has often been adopted in parallel with notions of cultural dependency imposed upon the developing worlds by Western media systems. Outside of communications research, Giovanni Arrighi emerged as probably the leading advocate of a Braudelian legacy in political economy (1994, 2001, 2008). Arrighi identified three claims that he considers central to Braudel's contribution to our understanding of historical capitalism:

> The first is that the essential feature of historical capitalism over its longue durée, that is, over its entire lifetime, has been its "flexibility" and "eclecticism" rather than the concrete forms it assumed at different places and at different times. The second claim is that, world-historically, the financial rather than the commercial or industrial arenas has been the real home of capitalism. And the third is that the identification with states rather than markets is what has enabled capitalism to triumph in the modern era. (2001, p.111)

It is Braudel's basic conception of the evolving operations of capitalism within a stratified global economy that unites the arguments of Arrighi and Bouquillion. It also clearly resonates with the three-tier model of India media markets posited recently by Parthasarathi and Athique (2019). According to Braudel's conception, capitalism occupies the top layer of a three-tiered structure, differentiated on the basis of a 'hierarchy of exchanges' (Braudel, 1977, 1982). Thus, we have three relatively distinct 'spheres of circulation' guided by their own socio-temporal logics: the non-economy of material life, the market economy and the sphere of capitalism. The age-old routines and rituals of material life form the base of the two other tiers. Yet, for Braudel, this vast lower layer of material existence largely remains outside the formal logics of economic exchange (1982, p.21). It is the manner in which these logic play out in the upper two tiers that marks the distinction between the market economy and capitalism. As Arrighi summarises:

> In Braudel's conception, capitalism is "the top layer" of the world of trade. It consists of those individuals, networks, and organizations that systematically appropriate the largest profits, regardless of the particular nature of the activities (financial, commercial, industrial, or agricultural) in which they are involved. Braudel distinguishes this layer from the lower layer of "market economy," which consists of participants in buying and selling activities whose rewards are more or less proportionate to the costs and risks. (2007, p. 267)

Braudel juxtaposes the market economy (where the 'wheels of commerce' are greased by "equal terms between traders (pure, perfect competition), transparency, symmetry of information") with the intentionally opaque zone of capitalism (where regularity and transparency are absent and risk, and hence speculation, predominates) (Boltanski and Chiapelle, 2005, p. 5). In Braudel's terminology, capitalism constitutes *contre-marchés* or anti-markets (1982). Political power is the crucial mechanism in Braudelian capitalism, because it allows capitalists to operate above the market economy. Braudel equates the sphere of capitalism with "giant corporations, big business, buccaneering raids, boardroom knavery, and other practices and institutions made possible by monopoly power" (Haskell and Teichgraeber 1996, p. 16). According to Braudel, capitalism is a world, or rather worlds (*économie-monde*), of monopolies (see Taylor, 2000). At this level, commands replace price as the main mechanism of coordinating economic activity. The power configurations within anti-markets give each monopoly a unique logic. This is why identification with states is central to the success of capitalists, since state support is typically a critical element of anti-market power. The businesses of media are also particularly suited to generating anti-market power, which bestows media corporations with substantial economic and political leverage.

Bouquillion argues that existing and emerging factors have combined to move media industries away from any semblance of operating according to the ideal-type of the competitive market (2007, pp. 175-176). Fundamentally, there appears to be a basic incompatibility between the socio-economic specificities of the networked media economy and the idealised movements of the competitive market advocated by orthodox economics. Bouquillion is not alone in making this point. Bouquillion argues that Braudel's model of capitalism accords with the three broad features of today's networked media economy. First, changes in the industrial structures of these industries associated with financialisation and concentration. These changes underwrite corporate internationalisation and, in turn, militate against competition through their incorporation within what Amin has referred to as 'Oligopoly-Finance Capitalism' (2008). Second, changes in the commodities produced by networked media economy firms, in particular because of the introduction of new methods of financing and monetising the production and distribution of content. Third, the re-working of media regulation and wider competition policies through processes of liberalisation, which began in advanced capitalist nation states, has unleased the forces of capitalism rather than encouraged market imperatives. In this context, state authorities endeavour to legitimatise and facilitate the incorporation of the networked media economy within an anti-market domain.

Consolidation in India's Network Media Economy

Bhattacharjee and Agrawal track the emerging oligopolistic nature of the Indian media sector from 2004-2011, noting even at this stage the growing size and influence of Reliance and Sun Networks in the telecommunications sector (2018). Their analysis has limitations, however, because it does not fully address the central implication: that distribution operates as "the key *locus of power and profit*" in media economies (Garnham, 2000, pp.161-2). As power aggregates vertically within a network media economy, we can see some forms of competition decrease. Thus: "Content providers, while not small, are significantly more competitive, and are facing a less competitive provider market in the essential service of distribution. This imbalance leads to rent extraction by the less competitive segment" (Noam, 2016, p 1345). As is already evident in three crucial areas of distribution in the Indian media network economy (TV distribution, mobile telephony and broadband internet), this is a capital intensive segment of the value chain that tends towards concentration and reduced competition. In turn, control over distribution presents opportunities for creating bottlenecks and reinforcing market power (see Fitzgerald, 2015). As Evans and Donders have noted, the ability to bundle broadband, voice, and subscription television offers network operators "significant advantage vis-à-vis satellite operators and streaming platforms" (2018, p. 32). They operate as the internet's gatekeepers, dictate the terms of access and means to connect to consumers. In an era of broadband network infrastructure, network owners "virtually control the new distribution channel of the new television industry and have bottleneck power" (ibid, p. 72).

The consolidation of telecommunications in India is probably the most critical area where a battle for market power has been fought over the past two decades. A policy shift in 2001 removed the state monopoly over the telecommunications sector, attracting both foreign direct investment and a host of private operators interested in developing India's mobile telecoms market (Mukherji, 2008). By 2010, competition between fifteen major players drove the expansion of coverage and the reduction of charges and tariffs, making India the world's second-largest telecom market. In the same year, Mukesh Ambani's RIL emerged as the only successful bidder for pan-Indian 4G wireless spectrum (it achieved this by acquiring the broadband services provider Infotel Broadband Services Limited immediately after its successful bid) (Pendakur, 2013). Mukherjee posits that Reliance was then able to use regulatory loopholes to corner the 4G market, in part because state agencies "deliberately" allowed Reliance "to untie regulatory knots because that was the best policy to guarantee the spread of Indian telecom revolution" (2018, p. 182).

Using a 2013 license conversion process for converting internet service providers into full service operators, Reliance launched its Reliance Jio subsidiary in 2015 and, in 2016, instigated a price war that forced competitors to match Jio's loss-making deals on data, causing a rapid decline in revenues and substantial industry consolidation (Thakurta and Ghatak, 2016). Jio thereby emerged as the third largest operator with 340 million subscribers. Smaller firms merged with other firms or exited (TTSL, Telenor, MTS). Ironically, Reliance Communications (RComm) owned by Mukesh Ambani's brother Anil, previously the second largest TSP in 2010, was forced into bankruptcy. In 2018, the Indian state regulators approved the purchase of the 3rd biggest TSP, Idea, by the largest player, Vodafone, in a deal that gave Vodafone a majority stake (45.1%) in the combined entity with the Aditya Birla Group holding a 26% stake. By the end of 2019, Jio had become the second largest operator and is currently only 50 million subscribers behind Vodafone (Fitch Solutions Group, 2019*)*.

A similar trajectory has been seen in television, where the Cable Television Networks (Regulation) Amendment Bill 2011 prompted consolidation of the cable and satellite segments of India's network infrastructure. High capital expenditure requirements on set top boxes and back-end infrastructure came at a time when broadcasters were facing new competition from over-the-top platforms made possible by cheaper internet rates and subsidised through bundled service packages offered by the major telecom operators, Vodafone, Airtel and Reliance Jio. Subsequently, the number of direct to home (DTH) platforms has reduced from 7 to 5. In 2017, the Essel Group (owner of Zee Entertainment and Dish TV) acquired a controlling stake in the satellite firm Videocon D2H in order to consolidate its position through acquisitions of regional MSOs. But, by 2019, mounting debt pressures compelled Essel to combine its satellite operations with Airtel Digital. The deal between Airtel and Dish TV can also be seen as a response to the continuing expansion of Reliance Jio (Laghate, 2018). In October 2018, Reliance acquired controlling stakes in India's two largest cable TV and broadband companies (a 51.3% stake in Hathway Cable & Datacom and a 66% stake in DEN Networks).

These acquisitions were part of Reliance's larger goal to create a fiber to the home (FTTH) broadband service called Jio GigaFiber (Ramachandran, 2018; Pandey 2019a). After the acquisitions of Hathway and Den, Reliance now controls 24 million cable-connected homes of these two companies across 750 cities, around 35% of the estimated cable user-base of 70 million. As Parthasarathi and Srinivas note, these acquisitions have created effective cable monopolies in some regions (2019). Nonetheless, while this may be a substantial holding in the cable television market, it is only one piece of Reliance's strategy of expanding market share in the network economy through a so-called 'triple play' of mobile phones, TV distribution and home broadband. The media strategy is, in turn, subservient to the larger aim of developing the underlying network, where Reliance's interests as an infrastructure business converge with its newfound interest in data storage and mining. Thus, in announcing the Jio GigaFiber project at Reliance's AGM, Mukesh Ambani emphasized this would be the world's largest greenfield fixed-line broadband rollout, with a simultaneous launch in 1100 cities across India and a total of 1600 cities connected (Pandey, 2019b).

Financialisation 'with Indian Characteristics'

Financialisation in India's media sector, via both domestic and imported sources, has been prompted in a large part by the massive capital investment costs associated with the development of digital and data infrastructures. From a Braudelian perspective, financialisation deepens the integration of the networked media economy with the non-competitive plane of anti-market capitalism. Three processes can be distinguished as part of this shift. First, through financialisation, companies and industries become objects of speculation. Second, financialisation engenders a reorganization of industry structures, by enforcing an equivalence between market concentration and financial capacity. For Bouquillion, it is these developments associated with media cross-ownership, increasing market dominance and vertical integration that are fundamentally detrimental to processes of competition (2008). Anti-competitive practices allow corporations to dominate their markets, take advantage of their customers and manage the aleatory nature of valorisation through preferential modes of financing. Thirdly, through financialisation, the networked media economy comes under the wider influence of the global financial sphere. All three processes entrench the hierarchies of the economic-world (*économie-monde*) within culture and communication.

Bouquillion's work deploys Wallerstein's notion of a concentric model of influence and exploitation, figured by core, semi periphery and periphery, with Anglo-American institutions at the centre of the financial web (1991). The manner in which corporations interact with finance in India, however, raise important questions about the purported centrality of Anglo-American finance in a Braudelian analysis. Khatri and Ojha highlight three elements that define how financial relations have operated in the post-liberalisation period (2016). First, the 'business group' remains an enduring institutional characteristic of Indian capitalist enterprise (Caussat, 2017, Mazumdar, 2011). Here, family-controlled conglomerates remain the typical unit of decision-making and dense corporate networks based on business group, family and caste remain evident. Second, banks do not play the same coordinating role as in other economies (Naudet and Dubost, 2016). Indian corporate businesses rely on political connections to facilitate financing from public sector banks. Third, Indian corporate businesses display a "cavalier attitude toward loan repayment because they have very little of their own capital" at stake (Khatri and Ojha 2016, p. 64). The private wealth of family conglomerates is well protected by fraudulent accounting practices and tax loopholes, while the financial reliance of businesses on the state banking sector has led to the overhang of Non-Performing Assets (NPAs) on the ledgers of state banks (Mukhopadhyay, 2018).

Public banks typically take on private sector losses but are, in turn, recapitalized by the state, especially when it comes to what are regarded as priority areas. In that respect, the digital sectors have been heavily favoured, even though the costs of digitization and infrastructure upgrades have been very high. Even with the public sector backstop, Reliance Jio's entry into the market came at a time when debt levels were already affecting the major players in this sector. The Reliance ADA Group led by Anil Ambani, as the parent of RComm, was forced into bankruptcy and taken to court by the Ericsson group for non-payments of debt (Kurup, 2019a, Shrivastava, 2018). Another major player in the network infrastructure space, the Essel Group faced similar problems and was forced to seek buyers of its assets. Vodafone Idea may have to exit the market, due to rulings that impose significantly higher government dues on data traffic. For the previous two decades, the controlling shareholders (often called ‘promotors’) in large business businesses could expect sympathetic treatment from their lenders, typically state banks. A seismic change came in 2016, when the government approved the formation of the National Company Law Tribunal (NCLT) and passed the Insolvency Bankruptcy Code (IBC), both of these initiatives being enacted in response to the dire state of bank lending as corporate loan defaults reached drastic levels.

The IBC determines that a defaulting company’s boards and management can be removed and assets put up for sale. As banks scaled back their lending, heavily indebted groups turned their attention to the long- stagnant corporate bond market, mutual funds and non-bank institutions. The Reserve Bank of India put a limit on bank exposure to individual groups. Financial institutions now have greater confidence in getting their investments back and crucially they have begun to secure loans against the promoter’s personal shares in listed companies. Following bond defaults of IL&FS, a big infrastructure group, in 2018, weaker promoters found it harder to renew debt financing and mutual funds began to sell shares when a decline in value challenged their claims on the debt. This forced some promoters, notably Essel Group’s Subhash Chandra to sell off parts of their empires to pay back creditors with a claim on their personal shares. These forced sales reflect a shift in balance in a system long typified by passive investors and toothless banks.

In this new context, private equity firms inevitably become larger players, as buyout firms fill the void for companies cut off from bank lending or the corporate bond market (Wilson, 2019). There are also new opportunities for the strong, as billionaire family businesses increasingly conducting private market transactions via private equity firms (UBS/PwC 2017). The value of private equity deals in India hit a peak in 2019, with the largest private equity deal ever in India, a US$ 3.66 billion investment by Canadian firm Brookfield Infrastructure Partners in one of Reliance’s network infrastructure investment trusts which controls 170,000 telecom towers (Kurup 2019b). Reliance had previously signed another deal to raise US$14 billion through the sale of a 20% stake in RIL's refining and petrochemicals business to Saudi Aramco. With the new 5G spectrum auction scheduled for the 2019 financial year, one commentator noted that “this is grave news for RIL's competitors, whose resources now look even more scarce in comparison to the conglomerate” (Philipose, 2019). Thus, it is by no means clear that the larger players in India’s networked media economy have passed under the domination of the global financial sphere and are driven by “the drum beat of Wall Street, quarterly returns and the stock price” (Garnham, 2004, p.99).

Data Protection and the Search for National Champions

Institutions of the state are equally crucial to Braudel’s explanation of capitalist anti-market dynamics, given their capacity to organise oligopolistic competition and guarantee the international hierarchy of capitalist interests. In India, both before and after independence, the state has played a critical role in enforcing domestic monopolies and oligopolies, while periodically tilting the balance between national and international capital interests. The most recent example, in 2018, is a series of regulations and policy statements on data localisation that are intended to constitute parts of a new Data Protection Framework. In April 2018, the Reserve Bank of India directed payment firms to store data locally. In July 2018, the Personal Data Protection Bill 2018 mandated that an active copy of personal data records be stored in India. In December 2018, new e-commerce rules prevented foreign companies from selling products in India from their own affiliated companies, causing the likes of Amazon and Walmart to significantly restructure their operations. Separately, a draft report from a panel working on cloud-computing policy recommended that data currently kept in the cloud be stored in India. In February 2019, the data protection framework was more firmly enunciated in the E-Commerce Policy draft, which also seeks to regulate cross border data flows and mandates that after a three year period all data generated in India, via social media, search engines and e-commerce must be stored in India. Effectively, this furthered the proposition enunciated in the Government's earlier Electronic Commerce 2018 consultation paper that Indian data should be "stored exclusively in India" (DPIIT 2018, p.6; cf. Goel 2018, 2019).

Beyond a broad shift to data localization as the key element of the Data Protection Framework, the Draft National e-Commerce policy posits a substantially different perspective from the Personal Data Protection Bill and the TRAI recommendations on Privacy, Security and Ownership of the Data in the Telecom Sector released in July 2018 (MEITY 2018; TRAI 2018). While also acknowledging that individuals are the right holders of their data, there is a an important shift in the e-Commerce policy, which states that: "The data of a country, therefore, is best thought of a collective resource, a national asset, that the government holds in trust, but rights to which can be permitted. The analogy of a mine of natural resource or spectrum works here" (DPIIT 2019, p.14). It proposes viewing data as a property owned by the state and commercially licensed to those who seek to mine it for the purposes of "maximizing growth and for delivering the greatest benefits to all sections of society". The policy further states that the "the presence of 'network effects' means that …Digital capital (granting data the status of 'capital' at par with financial capital of a corporation) has come to be reckoned as one that matters no less than intellectual property or industrial capital (funds)" (DPIIT 2019, p. 6).

The Draft National e-Commerce policy and consultation paper notes that "just a handful of companies have managed to dominate the digital economy" and its purpose was to boost "the domestic digital economy to find its rightful place with dominant and potentially non-competitive global players" (DPIIT, 2019 p.15 DPIIT, 2018, p. 2). Previously, in July 2018, India's representatives at the WTO complained that developed and dominant countries, such the United States and China, were attempting to instigate international rules on e-commerce in a manner that would harm domestic interests in India. Reflecting the perceived need for a robust Indian response, the secretary of India's Telecommunications Department, Aruna Sundararajan, announced in January 2019 that a private meeting that the Indian government, having noted the success of China's internet giants, Alibaba and Tencent would introduce a so-called "national champion" policy to promote the success of domestic companies. The *Wall Street Journal* later reported that the intent was to promote Indian companies in ways that allow them "to become global champions" (Purnell and Roy 2019). In practice, all the changes suggested in the Data Protection Framework and the wider push to create a national champion are mostly likely to favour Reliance. As one Indian consultant noted: "We're witnessing the evolution of a big digital player...It looks like Jio is emerging as a national champion" (Findlay 2019; Purnell and Roy 2019).

There is a striking overlap in the wording and imagery used by the Department for Promotion of Industry and Internal Trade in the draft policy on Indian National e-Commerce, and the mantra that equates 'data as the new oil' being expounded by Reliance. This is not entirely surprising in itself, given the prominent role that Reliance executives played in the formulation of the new draft bill, and their obvious benefit form legislation that requires data created by users in India from e-commerce platforms, social media and search engines be "stored exclusively in India, (Sen, 2018). Reliance has vigorously lobbied to have laws enacted that would lead to data localisation, and the company also made this position clear in its submission to the TRAI's *Privacy, Security and Ownership of the Data in the Telecom Sector* consultation, once again calling for data localisation, specifically in relation to Over-The-Top (OTT) operations. Analysts have concluded that “if the ecommerce draft in its current form gets enshrined as law, Jio will have a huge edge over others” (Sen, 2019). In e commerce specifically, Reliance Retail already boasts 10,000 stores across the country and is the largest organized retail chain by revenue in the country. It is currently ranked the fifth-fastest growing retail company in the world by Deloitte.

Mukesh Ambani has made it clear that he plans to use the Reliance Jio network to turn RIL’s retail arm into an e-commerce platform. Unlike international competitors such as Amazon, Reliance will be permitted to operate an ecosystem model, in which it can sell its own inventory and simultaneously act as the e-market operator. This model of operation will not be available to Walmart-FlipKart and Amazon, unless they substantially restructure their operations through investments in locally based infrastructure and procurement. In order to house data locally, both companies would have to use local data centres, which would be costly and deprive their operations of the advantage of possessing a mature architecture. Furthermore, the requirement to house data in India will open up access to digital advertising on both platforms for Reliance. A Merrill Lynch report concludes that this alone could benefit RIL by US$ 1 to 2.5 billion dollars per annum (IANS 2019). Meanwhile, Reliance has announced further investments in five tech companies, specializing in services ranging from logistics to voice technology, all of which support the central goal of integrating the group’s burgeoning “digital initiatives”.

Localising Platform Capitalism

The expansion of the digital economy and growing heft of large platform operators from the US and China, and now possibly India, through the ‘national champion’ model, underscores many of the concerns raised UNCTAD about unequal power relations in global data value chains. An increasing digital dependency prompted by the market domination of the seven ‘super platforms’ aligns well with a Braudelian framework that views capitalism as a system of power built on a global scale. As Bouquillion argues, Braudel’s approach is in accord with other theorists such as Schumpeter and Galbraith who argue that the power of large institutions over market dynamics invalidates neoclassical economists’ claims that capitalism can be equated with the ideal-type conception of the market (2007, pp.173-174). There are, however, fundamental theoretical questions about Braudel’s proposed divide between a ‘fully competitive market economy’ and a private anti-competitive realm of capitalism (see, for example, Howard, 1985). For one thing, it runs counter to classical political economy’s notion of ‘real competition’, in which positions of monopoly and rent-extraction provide the basis of ongoing competition (Shaikh 2016). From another perspective, it can be seen to infer that the market economy ‘below capitalism’ is somehow characterised by transparency, equal exchange and equilibrium. As Parthasarathi and Athique's analysis of the meso-level 'market of operations' in the Indian media economy makes abundantly clear, the regional and cultural affinities, political connections and power imbalances that mark the development of network infrastructure at the local level invalidate any such notion of perfect competition stabilizing below the elite domain of capital interests (2019).

There are also crucial domestic characteristics that an approach based on Braudel and inter-national dependency models tends to elide. If capitalism is too narrowly defined by production for profit in a world system of exchange, in which countries in the periphery are “exploited” for the benefit of the core, then the internal power relations that characterize the development of the digital economy within a complex society such as India can end up being understated, or even overlooked entirely. Equally, dependency and world systems approaches to media and communication can be easily manipulated through nationalist discourses in situations where state interests and ‘business friendly-development’ are so often substitutable. Indeed, recent shifts across the world towards various forms of state-sponsored ‘collective data ownership’, which clearly benefit domestic state-capital alliances, can be too readily justified by making ominous references to the ‘imperialism’ of the seven super-platforms emanating from the US and China. Given India's considerable scale and diversity, its highly concentrated capital distribution, uneven economic geography, lingering feudal social structures and the close relationships between political actors and family-held business empires, we should remain attentive to the fact that core-periphery issues have to be understood as being as much internal as external factors. In that respect, the greater utility in a Braudlian analysis may be found in its application beyond the concerns of world systems theory, where it may allow for some fresh insights into the co-evolution of ‘crony capitalism’ and networked media economies.

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