

Data enclaves: Valuing Google's data assets

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Digital data is increasingly understood as a key asset in our digital economies. But how should we value such digital data? It is quite an important question for which no-one currently has a generally accepted answer (Girard 2018; Marciano et al. 2020). Numerous policymakers, regulators, and stakeholders are all trying to work out how to manage the collection, use, and valuation of digital data in order to balance the negative implications of its collection and use – such as privacy loss, data breaches, or declining market competition – with the social and economic benefits that may result – such as improved service delivery, more efficient welfare systems, or better products. These policy institutions, standards-setters, and stakeholders include sub-national and national governments and their agencies (e.g. UK Treasury, Canadian Competition Bureau; Province of Ontario); national and international statistical offices (e.g. StatCan, System of National Accounts); think tanks (e.g. Centre for International Governance Innovation, Bennett Institute); inter-governmental institutions (e.g. UNCTAD); supra-national institutions (e.g. EU, Eurostat); international institutions (e.g. World Economic Forum, OECD); professional organizations (e.g. CFA, Law Commission); and private business (e.g. Deloitte) (see WEF 2011; Canadian Competition Bureau 2017; UK HM Treasury 2018, 2019; UNCTAD 2018, 2021; CIGI 2019; CFA 2021; OECD 2019a, 2019b, 2022; StatCan 2019; Bennett Institute 2020; Deloitte 2020; EC 2020; European Parliament 2020; Ontario 2021; Law Commission 2021; SNA 2021;).

Understanding digital data as an asset requires an interdisciplinary approach. Analysing its valuation is an analytical and empirical project that necessitates drawing on insights from science and technology studies (e.g. Beauvisage & Mellet 2020; Birch and Muniesa 2020; Prainsack 2020; Birch et al. 2021), economics and political economy (e.g. Durand & Milberg 2020; Strauss et al. 2021; Rikap 2022), law (e.g. Cohen 2019; Pistor 2019; Drexl 2021; Viljoen et al. 2021), and policy studies (e.g. Haskel & Westlake 2018; Li et al. 2019; Birch et al. 2020; Komljenovic 2022). As an asset, digital data is constituted by a socio-technical configuration of legal rights, technoscientific devices, and policy regimes that create forms of de facto data exclusivity and control (Drexl 2021) through the construction of limitations on data access (Zech 2017; Marciano et al. 2020; Birch & Cochrane 2022). Actually existing digital data valuation does not reflect ownership and property rights per se, but rather diverse modes of access and use restrictions created through economies of scale, network effects, intellectual property, limited interoperability, contractual arrangements, etc. As a result, digital data is increasing concentrated into 'data enclaves' (Birch forthcoming) – rather than data monopolies – controlled by a few, large digital technology firms, especially so-called Big Tech (US House of Representatives 2020).

In this paper, I use Google as a case study of how Big Tech firms treat and value digital data as an asset. I focus on how Google understands, frames, and values the digital data it collects from users, especially as part of a broad monetization strategy. To do this, I qualitatively analyse an extensive dataset of financial documentary materials produced by and about Google, including: their financial reports (2004-2022); their earnings calls (2005-2022); their SEC filings for mergers (e.g. purchase price allocations); and court cases about the collection and monetization of digital personal data. I use qualitative data analysis software (NVivo and ATLAS.ti) to identify the different modes of access and use restrictions that Google deploys to turn digital data into an asset.