

# ECOANTITRUST: LEARNING FROM NATURE TO BRING SUSTAINABILITY TO DIGITAL ECOSYSTEMS

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# BUSINESSES ARE **ECO-THINKING**



As we continue to expand our businesses from commerce to cloud computing, digital media and entertainment, among other sectors, Alibaba has evolved into **an ecosystem** that is unique, energetic and innovative

Alibaba Financial  
Report, 2021



...it's also going to take **ecosystem building**, norm setting and new forms of governance

Mark Zuckerberg  
on Facebook's  
rebranding to Meta, 2021



Our unique role as a platform and tools provider allows us to connect the dots, bring together **an ecosystem** of partners...

Microsoft Annual  
Report, 2020



...to build a new, intelligent **ecosystem** that efficiently connects customers and enterprises

Tencent Corporate  
Governance Report,  
2020

# A NEW ECOLOGY OF COMPETITION

An **ecological approach** can be used to analyze the evolution of any major business

Moore, 1993 <sup>1</sup>

We found that perhaps more than any other type of network, a **biological ecosystem** provides a powerful analogy for understanding a business network

Iansiti and Levien, 2004 <sup>2</sup>

The **notion of ecosystems** has raised awareness and focused attention on new models of value creation and value capture

Adner, 2017 <sup>3</sup>

Over the last few years, there has been a surge of interest in the **concept of “ecosystems”** as a new way to depict the competitive environment

Jacobides, 2018 <sup>4</sup>



<sup>1</sup> Predators and Prey: A New Ecology of Competition (1993)

<sup>2</sup> The Keystone Advantage: What the New Dynamics of Business Ecosystems Mean for Strategy, Innovation, and Sustainability (2004)

<sup>3</sup> Ecosystem as structure: An actionable construct for strategy (2017)

<sup>4</sup> Towards a Theory of Ecosystems (2018)

# BUSINESS ALWAYS **LEARNS TO ADAPT**



Standard Oil took over most oil refineries in the US, creating a “Mother Trust” – “a **maze** of legal structures, which made its workings virtually impervious to public investigation and understanding”

**Britannica**

Since 1892, the Standard Oil trust repeatedly lost in courts, but effectively continued to operate by **constantly reorganizing** their business and adapting to new regulatory environment

**THE TRUST EXISTED FOR 41 YEARS UNTIL FINALLY AN ANTITRUST LAWSUIT LED TO ITS BREAKUP**

# INDUSTRIAL VS DIGITAL

## INDUSTRIAL FIRMS

defined

discrete individual parts

static

structured

...we have had to plan our operations with extreme care

Henry Ford

## DIGITAL ECOSYSTEMS

blurred boundaries

agile

adaptive

dynamic

I call myself a blind man riding on a blind tiger

Jack Ma

# ECOSYSTEMS GROW

## BEYOND THE CONTROL OF ORGANIZERS

Facebook's nearly one billion users have become the largest **unpaid workforce** in history

D.Laney, 2012 <sup>1</sup>

The participation of millions of people from all walks of life in computer-mediated activities and interactions adds **a new source of wealth accumulation** to the previous mechanisms of exploitation of labor

H.Ekbia and B.Nardi, 2017 <sup>2</sup>

<sup>1</sup>To Facebook You're Worth \$80.95 (2012)

<sup>2</sup>Five Minutes with Hamid Ekbia and Bonnie Nardi on Heteromation, And Other Stories Of Computing And Capitalism (MIT Press, 2017)

# REGULATION IN A MECHANISTIC TRAP

Our existing institutions, mechanisms and models are **struggling to respond** effectively to the pace of change and its distributed nature

WEF Report <sup>1</sup>

But law is stuck in a mechanistic, seventeenth-century view that the world is made up of **discrete individual parts**. This led to legal theory focusing on these parts and ignoring the bigger picture...

Capra and Mattei <sup>2</sup>

## THE FLUID DIGITAL ECONOMY FLOWS AROUND ROCK-SOLID LAWS



...fluids do not keep to any shape for long and are constantly ready (and prone) to change it <...> From the meeting with solids they emerge unscathed, while the solids they have met, if they stay solid, are changed – get moist or drenched.

Bauman<sup>3</sup>

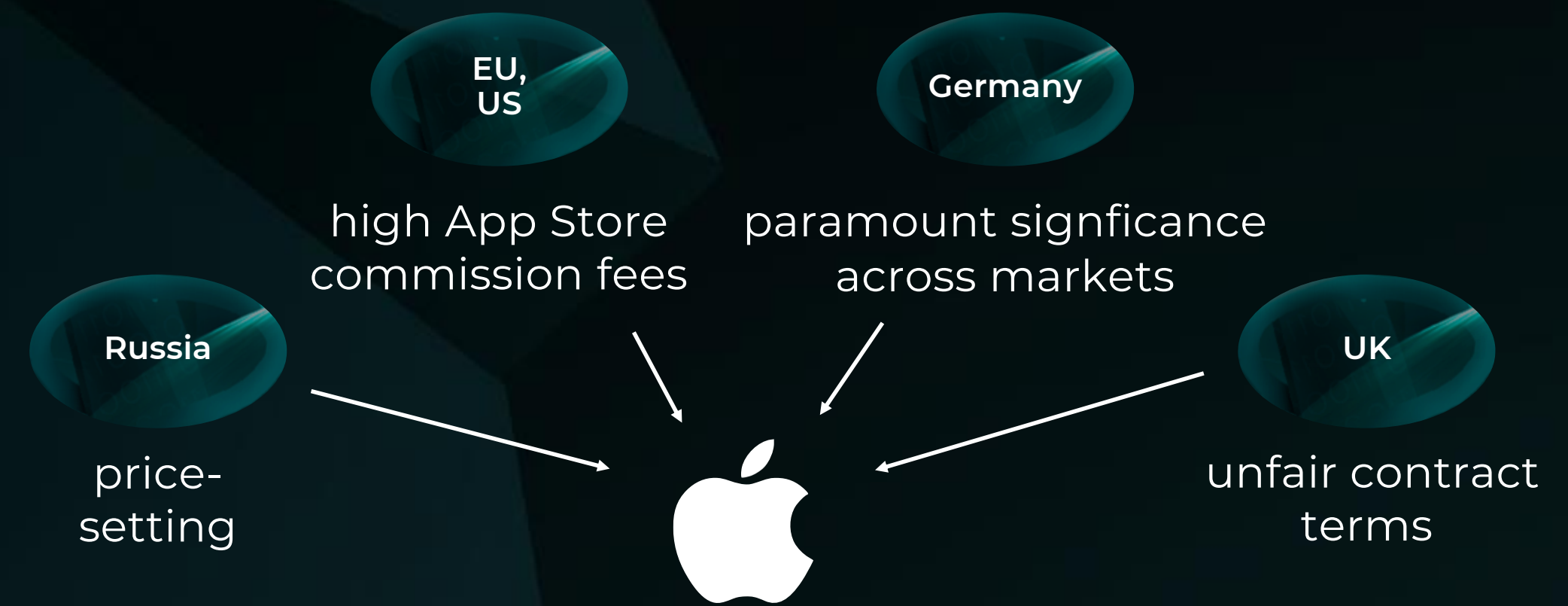
<sup>1</sup> Our Shared Digital Future: Building an Inclusive, Trustworthy and Sustainable Digital Society (2018)

<sup>2</sup> The Ecology of Law: Toward a Legal System in Tune with Nature and Community (2015)

<sup>3</sup> Liquid Modernity (2000)

# FRAGMENTATION OF THE GLOBAL DIGITAL ECONOMY

# SAME ANTICOMPETITIVE BEHAVIOUR SEEN THROUGH DIFFERENT LENS – FRAGMENTARILY





# SHARED VISION

TO ACHIEVE COMMON GOALS WE MUST SPEAK A “COMMON REGULATORY LANGUAGE”,  
JUST AS WE ESTABLISHED COMMON GROUND ON CLIMATE CHANGE AND BIODIVERSITY

**1995** the Convention  
on Biological Diversity

**2015** the Paris Agreement (UN Framework  
Convention on Climate Change)



Let us work together to build a  
community with a shared future for  
mankind and a better world for all.

Xi Jinping at the 76th Session of  
the UN General Assembly, 21 September 2021

# ECOANTITRUST



A gentleman seeks  
harmony, and not  
uniformity

**Confucius**

## WHAT

Ecological approach  
to regulation

## HOW

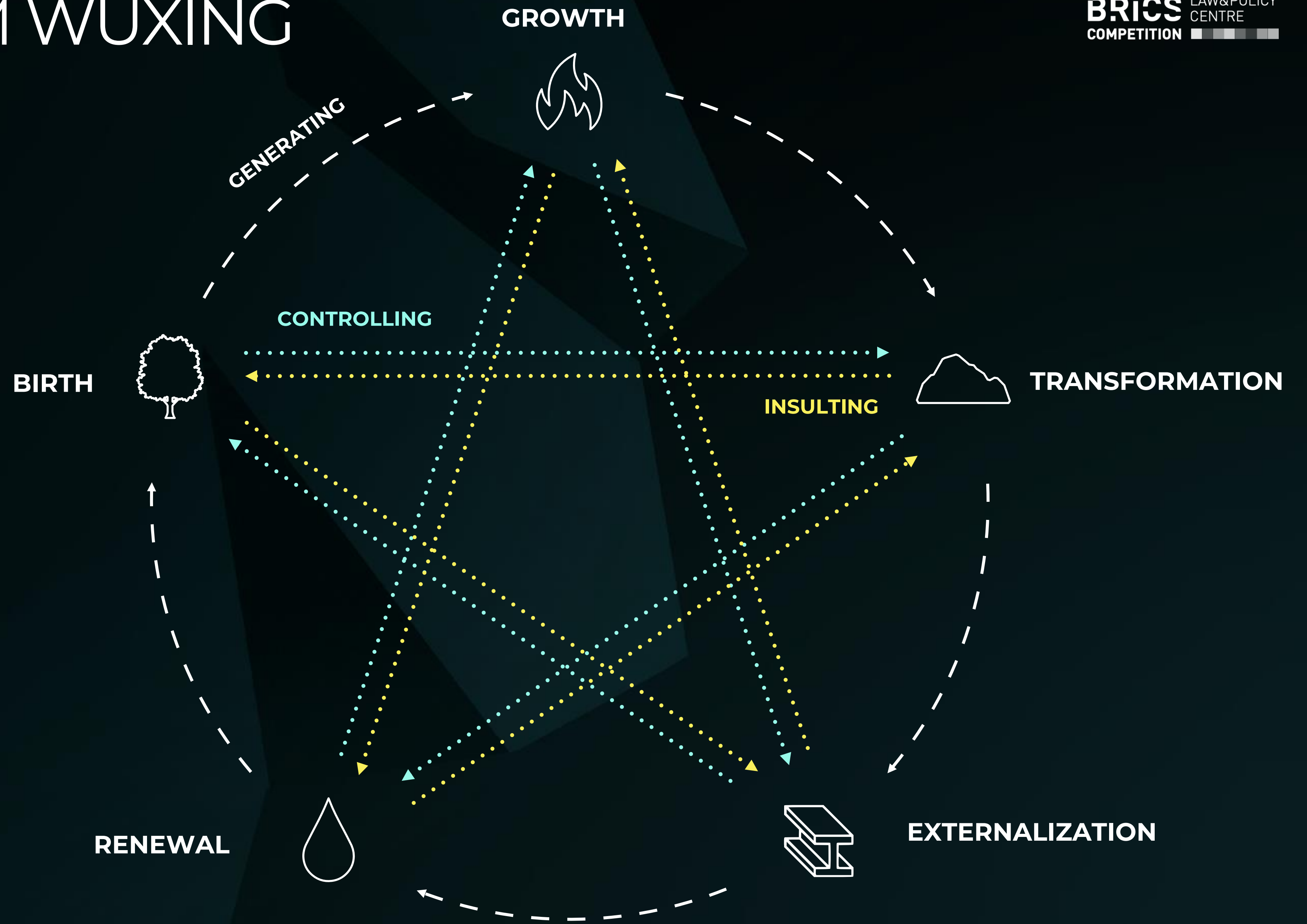
Based on a wellspring  
of knowledge provided by  
ecology and biology

# INSIGHTS FROM WUXING

Ecosystems are **cyclical** in nature

Businesses think **cyclically** and adapt their strategies, according to **stages** of their lifecycle

Regulators should capture this **cyclical logic** as well

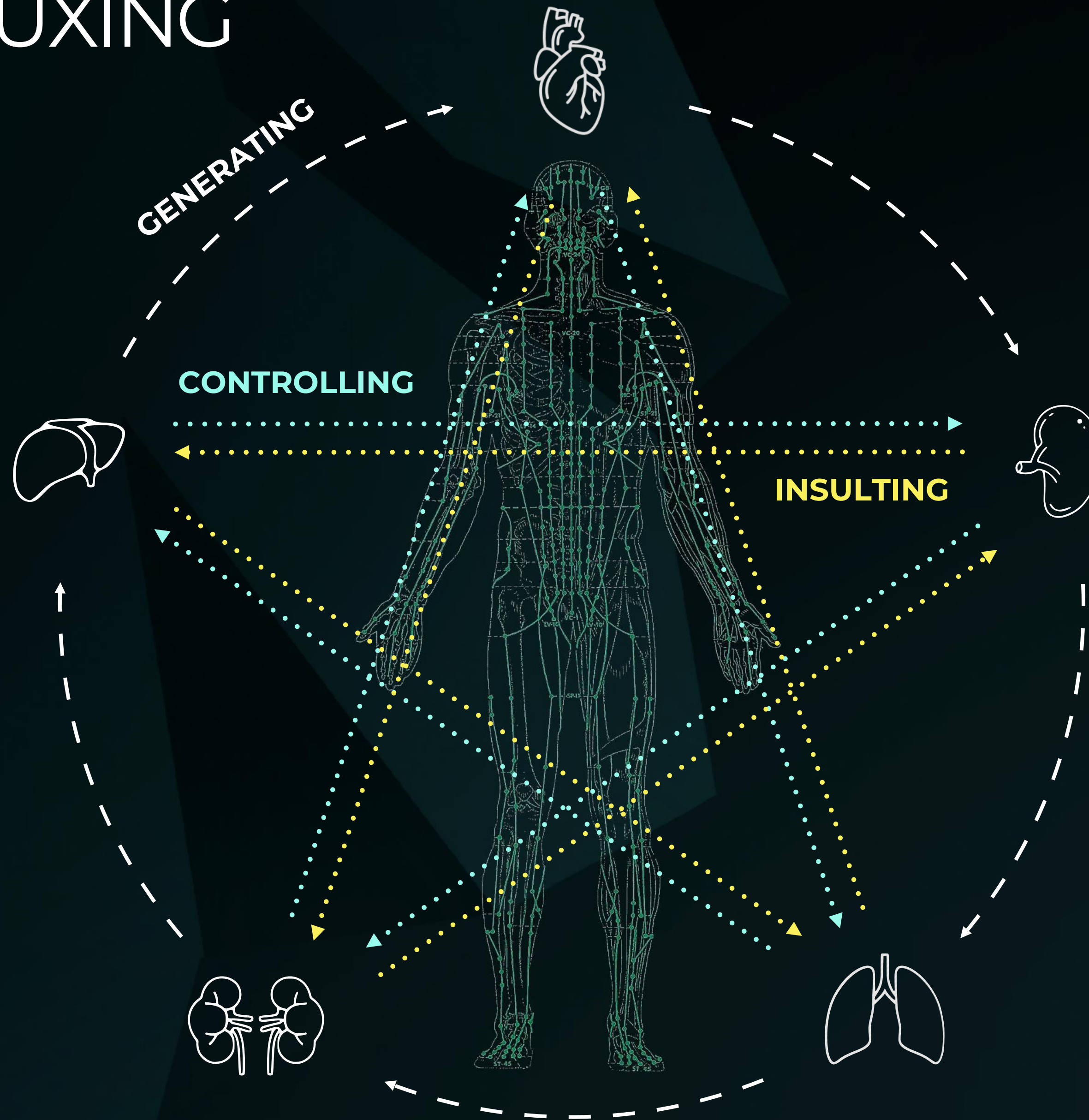


# INSIGHTS FROM WUXING

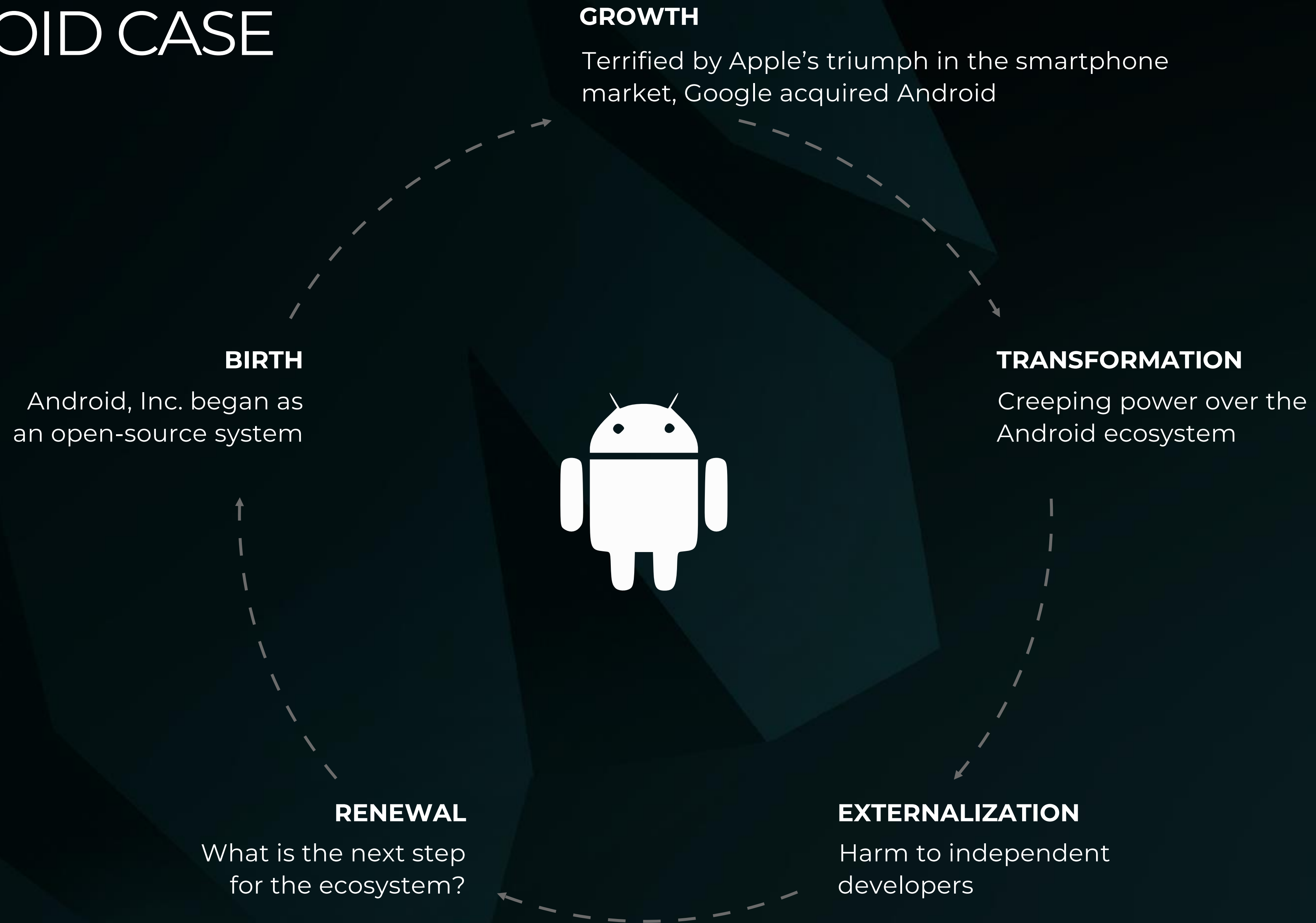
The sages did not treat those already ill, but treated those not yet ill, they ... put in order what was not yet in disorder

The Yellow Emperor's Inner Classic, ~300 BC

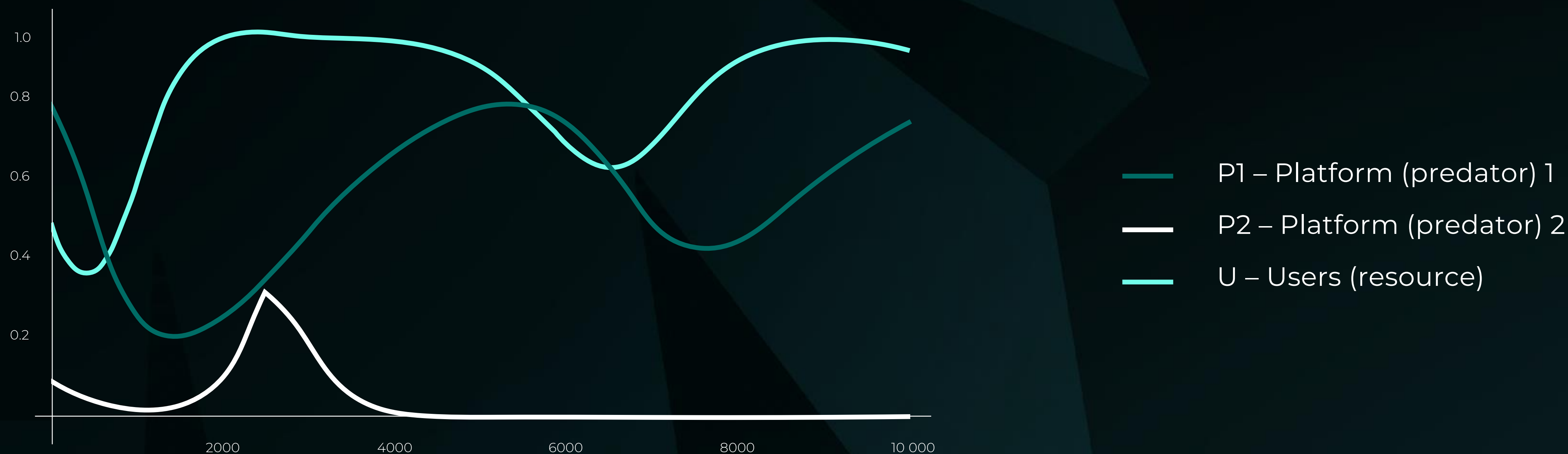
**Holistic approach in traditional Chinese medicine** to achieve whole-body balance



# ANDROID CASE



# INTRAGUILD PREDATION MODEL\*



Intraguild predation refers to killing and sometimes eating of a potential competitor of a different species. It provides an analogy for business strategy: P1 retains its dominance at the market by “eating” P2. Although it does not benefit much from P2’s biomass, this allows to weaken the competitor.

\*working material for Ecoantitrust Project by Elena Rovenskaya and Gergely Boza (IIASA)

# LEARNING FROM NATURE TO BRING SUSTAINABILITY



All theory is grey, my friend.  
But forever green is the tree of life.

Johann Wolfgang von Goethe, Faust

To regulate ecosystems efficiently we need to understand their nature

**IT IS DESIRABLE THAT REGULATORS TRANSFORM THEMSELVES**

**FROM**

**MECHANICS,**

who repair and maintain,

**TO**

**GARDENERS,**

who cultivate and breed

谢谢!  
**THANK YOU!**

[ECOANTITRUST.ORG](http://ECOANTITRUST.ORG)

