

With technology, the EU leaves in a paradox.

On one hand, we can say that the way we use technology in Europe is a factor that increases the number of reasons of why many want to leave here.

The EU has the best combination of political freedom, economic prosperity and social cohesion.

Now, we can add to that list that the EU provides the best protection of privacy in the digital age.

And that is no small feat.

Technology makes it possible to transform 1984 into a work of non-fiction.

And some places are making steps in that direction.

In some countries there is:

- censorship of the internet,
- monitoring of individuals with personal scorings, and
- social control with massive face recognition on the streets.

Who knows it that could be their weakest link.

And in other countries there are few limits on the way personal data can be exploited for private use.

In Europe we do not do any of that. Not only we do not do it but we have made it illegal.

In short, we enjoy the benefits of technology and make sure that its use is consistent with our values.

Europeans truly enjoy the benefits of technology and know that they can use it freely because their privacy is protected.

You could think that such an environment would be fertile for the most successful technology companies.

The paradox is that the region that more freely enjoys the use of technology does not create any tech giant.

(slide) In the slide we can see the huge value of US and Chinese companies even after the recent drop of the stock market.

(slide) The market caps of tech giants are in line with the GDPs of the big EU countries

However, we do not have a single company in that league.

And it is not for lack of trying.

(slide) For instance, 16 years ago, president Chirac said:

"We must take up the challenge posed by the American giants Google and Yahoo. For that, we will launch a European search engine, Quaero."

And indeed, Quaero was joint initiative sponsored by France and Germany.

Germany dropped out after a year and decided to do its own.

Seven years later, the project was stopped.

The same has happened with other attempts to be competitive in technology.

The EU court of auditors said that the initiative to lead High Definition TV had been a fiasco.

We have tried but have never created giants.

(slide) A similar situation takes place in the defense industry. In the slide you can see the market cap of the top defense players in the West.

You can see that the European ones are at the bottom of the list expect for Boeing given that its main revenues come from selling civilian airplanes.

The fact is that most of us choose to have a phone sold by a non-EU company.

The fact is that many EU countries choose to buy fighter jets from non-Eu companies.

And, do not get me wrong, that is perfectly OK.

We like the competition from like minded countries.

We just want to also be competitive.

And we want to be competitive for two reasons.

Reason number one is that total dependency is not the best of the ideas.

And reason number two is that we also want the high-paying jobs and positive externalities that come with innovation.

The question is, as always, what to do.

(slide) This Commission has been very active in this field:

- The Data Governance Act and the proposed Data Act aim to boost the use of data as a driver for innovation and growth.
- The Digital Services Act and the Digital Markets Act are setting the global pace in regulating platforms.
- The Standardisation strategy strengthens the ability of the EU to remain a global standard-setter
- The European Chips Act will see the EU strengthen its position in the global semiconductor value chain,
- The Space package includes a proposal for building an EU space-based global secure communication system.
- The Artificial Intelligence Act has proposed the first-ever legal framework on AI, which addresses the risks of AI and positions Europe to play a leading role globally.
- The EU's Cybersecurity Strategy is being implemented, including through the political agreement on the revised Network and Information Security Directive in May 2022.

- And the upcoming Cyber Resilience Act to bolster Europe's resilience against cyber-threats, as well as by advancing the EU vision of a global, open, stable and secure cyberspace in multilateral, regional, bilateral and multi-stakeholders engagements.

The EU is developing a network of bilateral partnerships that includes:

- 16 “digital dialogues” with partners from Australia to Brazil and
- 7 “cyber dialogues” with partners from India to Ukraine.
- The EU-U.S. Trade and Technology Council has become the bedrock for transatlantic cooperation to achieve leadership on global technology based on shared democratic values.

The EU has acknowledged the role of digital in foreign and security policy including with the adoption of the Strategic Compass, which provides a vision for EU security and defence for the next 5-10 years and sets out a number of measures to support the EU's ability to carry out an active foreign policy, while the Defence package includes a Roadmap on critical technologies for security and defence.

(slide) In their joint statement of February this year, China and Russia state their intent to promote joint efforts in technology and artificial intelligence not only among them but also with Brasil, India and Sudafrica.

(slide) On April this year, together with the USA, published the Declaration of the Future of the Internet which expresses the principles by which the Internet should be governed and used.

The EU should integrate the Declaration on the Future of the Internet into the EU's external actions by using the EU's instruments and funding to provide incentives to signatory developing countries to build capacities consistent with the Declaration.

We need to succeed in all these areas.

It is clear that will govern ourselves according to our principles.

But we also need to be competitive producers of technology. We have to learn from past experiences that failed and try again with renewed urgency.

We also want to see that people around the world enjoy technology according to the principles of the Declaration of the Future of the Internet.

And last but not least, we need to effectively defend ourselves from cyberattacks that seek to alter how our democracies work.

We have many initiatives in place. We just have to make them work. We have to solve the paradox that we lead but mostly as users and not as makers.

(1.111 words)

MARKET CAP

3 trillion

APPLE

2 trillion

MICROSOFT

ALPHABET (GOOGLE)

AMAZON

1 trillion

META (FACEBOOK)

TENCENT (WECHAT)

MARKET CAP
GDP

3 trillion

FRANCE

APPLE

ITALY

2 trillion

MICROSOFT

BRAZIL

ALPHABET (GOOGLE)

SPAIN

AMAZON

1 trillion

BELGIUM

META (FACEBOOK)

TENCENT (WECHAT)

DENMARK

Germany and France are negotiating plans to inject €1 billion to €2 billion over five years.

(...)

The project, conceived in April by President Jacques Chirac and Gerhard Schröder, is an attempt to develop a local challenger to Google.

(...)

Chirac said: "We must take up the challenge posed by the American giants Google and Yahoo. For that, we will launch a European search engine, Quaero."

MARKET CAP USA
MARKET CAP EU

RAYTHEON

LOCKHEED MARTIN

100 billion

BOEING

AIRBUS

NORTHROP GURMAN

GENERAL DYNAMICS

50 billion

SAFRAN

BAE

THALES

RHEINMETALL

Data Governance Act and Data Act > use of data for innovation

Digital Services Act and Digital Markets Act > regulating platforms

The Standardisation strategy > global standard-setter

The European Chips Act > presence in global value chain

The Space package > EU space-based secure communication

The Artificial Intelligence Act > first-ever legal framework on AI

Cyber Resilience Act > resilience against cyber-threats

The EU's Cybersecurity Strategy >

revised Network and Information Security Directive in May 2022

Russia and China intend to encourage interaction in the fields of public health, digital economy, science, innovation and technology, including artificial intelligence technologies, as well as the increased coordination between BRICS countries on international platforms.

Joint Statement of the Russian Federation and the People's Republic of China on the International Relations Entering a New Era and the Global Sustainable Development

February 4, 2022

Protect and respect human rights and fundamental freedoms across the digital ecosystem, while providing access to meaningful remedies for human rights violations and abuses, consistent with international human rights law.

Refrain from misusing or abusing the Internet or algorithmic tools or techniques for unlawful surveillance, oppression, and repression that do not align with international human rights principles, including developing social score cards or other mechanisms of domestic social control or pre-crime detention and arrest.

A Declaration for the Future of the Internet
April 2022