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Interview with Jovan Kurbalija, founding director, DiploFoundation

# "The EU market is the oil of the global digital economy"

By Richard Werly in Geneva | Monday 21 October 2013



One of the leading experts on internet politics, Jovan Kurbalija, founding director of DiploFoundation, talks toEuropolitics about the upcoming EU summit on the digital economy and innovation (1) and the crucial Internet Governance Forum (IGF), being held this week in Bali, Indonesia.

You will be attending this week the Internet Governance Forum in Bali, while European leaders will discuss the digital economy

and innovation during their summit in Brussels. Is it time for the European Union to pay more attention to these subjects?

Just keep an eye on the most recent news, especially after the Snowden scandal and the revelations on the extensive cyber surveillance by the US' National Security Agency (NSA): it is obvious that Europe's digital role and ambitions are at stake. The way an emerging country like Brazil has decided to confront the United States, with Brazilian President Dilma Rousseff deciding to cancel her official visit to Washington because of the NSA's illegal activities, proves that tectonic changes are taking place worldwide. Questions like data protection, confidentiality of information, data storage or cyber security are becoming essential for governments, corporations and citizens alike. Dealing with them is not only crucial, it is urgent.

### Will the EU be represented at the Internet Governance Forum? What can be expected from that meeting?

The IGF, which meets every year, is not a decision making body, but it shapes our future digital environment. Around 2,000 experts and players from the internet industry will converge on Bali. They will all have in mind the revelations brought up by Edward Snowden, and the necessity to take into account the ongoing cyber challenges to data protection and privacy. So the voice of the EU must be heard.

#### What are the options on the table?

The IGF in Bali will, again, not come to any decision. But the participants will test the waters on the framework for the future of internet governance. It is no surprise that the US doesn't want to change the present set-up, which gives a very big say to the largely American-controlled internet industry. Meanwhile, some important countries, like China or Russia, are in favour of more government involvement. A lot of countries are in favour of a greater role for the Geneva-based International Telecommunications Union (ITU). They would like to apply to the internet a kind of United Nations model, where everything has to be decided by consensus and, consequently, can be easily vetoed. Brazil, having taken the lead, intends to propose a global internet summit for 2014.

### Can the voice of Europe be heard?

The European leaders have a very powerful instrument in hand: the internal market, with its 500 million affluent consumers, is the oil of the global digital economy. But the EU still lacks an internet industry on par with its market share. It is absolutely necessary to revitalise the digital economy in the Union. Meanwhile, Europe must not leave its data exposed to cyber threats and plots. The heads of state and government, meeting this week in Brussels, should ask themselves the question why is it that not a single internet giant is based in Europe? Why does Silicon Valley dominate the world?

#### The EU has an official digital strategy. This week's European Council will come up

## with conclusions. Symposia are being held regularly in Brussels. This subject is anything but ignored...

Yes, but what have the results been so far? What concrete steps have been taken to protect data in Europe? When are we going to see cloud computing in Europe compete with that in the US? What are the incentives for digital companies to develop their businesses the same way as it is done in Silicon Valley? The solution is not to blame the United States. This would be a disaster. The strength and power of giant American digital companies derive from decades of support for innovation. In Silicon Valley, the Americans have managed to come up with a "winning combination" that favours creativity. Let us draw the necessary lessons.

#### What would these lessons be?

Once again: the EU has two extremely powerful instruments at its disposal: the depth of its market and the competition prerogatives of the European Commission. It is essential for the Union to use both these instruments, but it should also keep the doors open to newcomers. The worst regulations are those that prevent new actors from entering the market and experimenting with their own innovations. Europe must become a new digital frontier, an area that lends itself to digital adventures.

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#### Jovan Kurbalija

Dr Jovan Kurbalija, 50, is the founding director of DiploFoundation (www.diplomacy.edu), a non-profit organisation working in the field of diplomacy and digital politics. He is a visiting professor (e-diplomacy) at the College of Europe in Bruges. His book, 'An introduction to internet governance', is now in its fifith edition. It was translated into eight languages.

(1) For the draft conclusions of the EU summit, see Europolitics4734

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