

GLOBSEC Brussels – The Future of Transatlantic Relations in Digital Policy

18/01/2022 – 16h00-17h00

Online webinar

In December 2020, the European Commission presented its new digital legislation proposals. With record speed, the Council of the European Union and the European Parliament took their positions in the last two months. January 2022 started with the trilogue on the Digital Markets Act and a plenary vote on the Digital Services Act (20 January). The Artificial Intelligence Act is currently to be discussed by the co-legislators in the Council and the Parliament with the expectation to both have a position this year. As the European Commission announced 2021-2030 will be the EU digital decade, more in the following years can be expected from the EU policy side.

At the same time, US Congress is reversing its historically hands-off approach to the internet, by introducing digital legislation bills of their own. The fact that the two blocs have decided to start regulating is the first step towards a common approach. It's important to note that public discourse and political thinking on both sides of the Atlantic are still guided by different philosophies: In Europe, data security and citizens' rights are in the centre while in the US, freedom of speech is a crucial factor. To bridge the schism of approaches will be difficult, but it's in the interest of citizens' welfare and economic prosperity.

The economic prosperity and the increase of citizens' welfare is not to be underestimated. The European Commission projects for 2025, halfway the EU digital decade, to have a 530 % increase of global data volume from 33 zettabytes in 2018 to 175 zettabytes. The value of data economy in the EU27 is expected to increase from €301 billion in 2018 to €829 billion in 2025. The number of data expert in the EU will be doubled to nearly 11 million. 65 % of EU citizens will have at least a basic digital skill, a number that is expected to increase drastically after 2025.

For now, the US and EU are taking more, and more fruitful steps forward. Following the appointment of Ms. Khan as Head of the US Federal Trade Commission, Commissioner Vestager is confident that transatlantic cooperation will be intensified in the immediate future. The Trade and Technology Council that they both launched aims to establish a joint framework of cooperation that moves beyond differences and begins to align both regions' priorities. In 10 working groups, issues like data governance and technical standards should be tackled. However, more steps ought to be taken to align both legislations.

Time is, however, not on the side of the US and EU. If both allies don't decide to intensify the transatlantic approach towards digital regulation, they risk losing the opportunity to set a standard for the world. There is also a need to think in detail and move away from overly general considerations that are technically pointless. A populist approach to antitrust would cause lasting self-inflicted damage that benefits authoritarian rivals of democracy.

The transatlantic approach can be a problem itself as well as it's unlikely that Congress will pass any digital-focused bills before lawmakers shut down ahead of November's midterms. If the Democrats soon no longer control both the legislative and executive branches -as its likely the Republicans will take over congress after the midterms- Biden's digital policy engagement may be stuck, leaving the EU alone.

The US and EU should focus on a shared set of values to define the internet. Critical properties of the internet can become the starting point in moving forward, regardless of which particular approach each decides to follow. The result must therefore always lead to the protection of an open, global, and interoperable internet.