



Bucharest Papers

**West and Tech.
Raising the Technology
Agenda at Bucharest
Forum 2022**

by Radu Puchiu



Radu Puchiu is Director,
Technology & Society Public
Policy Program, Aspen Institute
Romania.

As mentioned in the description of this year's edition of the Bucharest Forum, *"The multitude of profound crises from the past years amplified what was already a massive transformation occurring across the whole spectrum of our societies. Thus, while the security aspects remain a priority in these times of war, the conversation and actions of shaping the future stability, peace, and progress in the region and beyond are no less important."*

As expected, the societal impact of disruptive new technologies is high on the agenda. But the conversation should not neglect the complex issues of the increasingly dynamic and volatile regional and international contexts. In fact, if societal resilience is at stake, the answers should address both and provoke a forward-looking debate that ideally leads to a more coherent answer.

With no intention of limiting or narrowing the conversation, I see three angles around this need for a common answer in the West: the unity of the West on tech, the need for a broader approach to resilience, and the need for a joint cyber-defense.

Is the West united on tech?

The Russian invasion of Ukraine faced a strong and unitary answer from Western democracies. It led the once-divided European Union to unite behind sanctions against Russia - a more coherent collaboration between the US and the EU,

politically and militarily. Nevertheless, the war exposed a range of fragilities, from energy to defense, and stressed the fact that resilience depends on a strong economy combined with strategic autonomy in critical areas.

There has been much discussion about energy dependence, but the war in Ukraine also accentuates the need for strategic autonomy on critical technologies.

The European technology industry is a dwarf in comparison to America's tech giants - Facebook, Amazon, Apple, Microsoft, Google, and Netflix are worth approximately \$6 trillion while Europe's tech companies as a whole are worth about 30% of any one of the Big 4 American firms. SAP - by far the largest European technology corporation - is worth around 14% of Amazon or Microsoft. Only SAP makes it into the Fortune 500 in the Technology sector.

Yet should the vulnerability of the EU be seen and addressed separately? Or is it part of the West's vulnerability?

What we see now is more of a fragmented approach. Just to take the most recent example, the European Parliament recently approved the Digital Services Act (DSA)¹ which aims "to create a safer digital space where the fundamental rights of users are protected and to establish a level playing field for businesses". While user protection is one of the key elements of the EU digital strategy, the DSA is rather seen as a direct fight between the EU and tech giants.

DSA is just half of the story. The Commission proposed Digital Markets Act in December 2020 "to address the negative consequences arising from certain behaviors by online platforms acting as digital "gatekeepers" to the EU single market" which is also seen as a reaction to the practices of US e-commerce giants.

As an attack on our shared values triggered an united answer, as in Ukraine, a coherent answer to critical technologies areas is more than expected.

¹ <https://digital-strategy.ec.europa.eu/en/policies/digital-services-act-package>

From local tech to global resilience

Romania is ranking 27th in the Digital Economy and Society Index (DESI) of the EU, being the last among EU member countries on three out of the four dimensions of DESI (Human Capital, Integration of Digital Technology, and Digital Public Services). Closing the digital gap between Romania and the EU is a must but the conversation should be larger than this.

Europe's strengths and vulnerabilities are a result of its members' actions. That's why Romania's answer, as any of the EU countries, should be broader as it is part of a larger coalition of democracies: addressing its vulnerabilities and contributing to the resilience of the democracies of the West.

Raising the common technology agenda from this broader perspective is mandatory. If the global geopolitical future will oppose two main approaches to freedom and human rights, free economy and markets, then solving the structural problems Romania, Europe, and the West have is a must for the unity and prosperity we need. Technology conversation should follow this path.

There is a huge need for collaboration in this area not a separate quest for solutions. The tech vulnerabilities of Europe should not become a weakness for the democratic West. And local efforts should be aligned with this greater goal.

Collaboration is the key ingredient in Cyber Defence

The vision of a more open internal European data market is part of Europe's approach to its digital sovereignty. As telecommunications have become one of the main driving forces behind nearly all socioeconomic activities, our dependency on infrastructure and data increases. With the need for expanding the networks, the number of connections and data transfers increased but the vulnerabilities increased exponentially.

The OECD Recommendations of the Council on Digital Security of Critical Activities recognize that "the multiplicity and complexity of digital dependencies across sectors and borders and along critical activities' value chains create a shared digital security

risk that no single actor can significantly reduce for all; that each actor is therefore dependent upon and responsible towards all others to manage digital security risk”.

How do we respond to such digital vulnerabilities? Can the EU be hermetically sealed from the rest of the world regarding data?

The EU’s quest for digital sovereignty should be aligned with international cyber collaboration at the same time. Protecting data but also collaborating with the tech giants. A difficult task, I have to admit

Obviously, there are more questions than answers right now. But considering the high-level presence at the Bucharest Forum and its mission of offering a platform for forward-thinking on economic, security, and societal policies, there is a good chance that the coming dialogue between governments, civil society, and businesses would provide some answers and direction.

Personally, I am hopeful.