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A commentary on the European Commission's "Digital 'to-do' list: new digital priorities for 2013-2014"

Blog Editor



*The European Commission has released a new priority list of digital agenda actions, one in a series of a periodic "stock-taking" exercises. In this post, **Jonathan Liebenau** and **Silvia Elaluf-Calderwood** review the main points and offer some critical comments on the future of digital Europe.*

In the current "[Digital 'to-do' list: new digital priorities for 2013-2014](#)" released shortly before Christmas, seven priorities are identified as the ones that place emphasis on "the most transformative elements of the original 2010 ["Digital Agenda for Europe"](#). The seven items range widely and imply different policy instruments. While the broad ambitions are recognizable as European ambitions and the general scope has not changed in over a decade, each restatement of goals deserves scrutiny for indications of shifts in attitudes that might affect resource allocations, regulatory practices and alterations in coordination actions.



"New adopted priorities"

- 1. Create a new and stable broadband regulatory environment**
- 2. New public digital service infrastructures through Connecting Europe Facility**

The first, to "create a new and stable broadband regulatory environment" may be the most contentious, partly because the battleground has been fought over with a sense of desperation during the past few years and because there are few finely honed policy instruments. The currently preferred European Commission terminology for the U.S. euphemism, "net neutrality" is "non-discriminatory network access", and that is supposed to be strengthened, along with a new costing methodology for wholesale access. An additional ambition for net neutrality in an unspecified European context is also included. Perhaps the most intriguing proposal is for "mechanisms for reducing the civil engineering costs of broadband roll-out. This ambition is linked to the second priority, which addresses public service infrastructure in relation to deficiencies in the European single market in relation to functions such as electronic identity, business mobility and procurement.

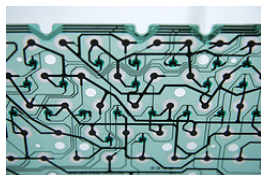
- 3. Launch Grand Coalition on Digital Skills and Jobs**

The third priority revealingly conflates two disparate ambitions: to shift skills in the labor market towards ICT and to "make Europe 'start-up friendly'." Here the Commission envisages coordination activities and action plans to deliver what subsidies and labor market practices have failed to do.

- 4. Propose EU cyber-security strategy and Directive**
- 5. Update EU's Copyright Framework**

The fourth and fifth sections address longstanding concerns of the ICT community, cyber-security and intellectual property and appear modest and routine in their ambitions. They are, for the most part, uncontroversial but do align the Commission with some contentious approaches, such as promoting specific kinds of privacy-by-design products and the details of modernizing copyright in ways that clarify fair use principles.

- 6. Accelerate cloud computing through public sector buying power**
- 7. Launch new electronics industrial strategy**



The sixth and seventh goals are straightforward matters that relate to public procurement for cloud computing targeted industrial strategy for the electronics sector. The first of these is largely in the hands of governments, most of which are well along in the path towards upgrading IT functionality, in familiar ways, through new-generation cloud services. The second could either mean trade restrictions that are already illegal or unpopular, or more of the same with regards to continued applications of existing industrial policy instruments such as subsidized incubators and accelerated infrastructure investments.

Critique

This is a mix of uncontroversial, highly contentious and ambitiously aspirational projects. Some, such as a new costing methodology for wholesale access to broadband markets and e-ID, involve tinkering with decades-long issues that should not any longer be regarded as optimization problems. They should be seen as mobilizing highly politicized regulatory instruments that inevitably favor some stakeholders at the expense of others.

The goals associated with the labor market are especially concerning, given the mismatch between the supposed scale of the ambitions, "avoiding one million ICT jobs going unfilled", and the real policy tools the Commission has. This priority, perhaps

more than others, misinterprets what markets are supposed to do, in this case using relative wages to induce specific skills development, and what governments can do, such as ensuring that basic education through high school is very well delivered.

The last "new priority" is the most long in the tooth and conjures up images of forlorn or at best modestly successful ventures over the past few decades. While the Sophia Antipolis (Nice) and Grenoble clusters of micro- and nano-electronics are at best modestly successful after massive French state investment, Britain abolished its regional development agencies last year, amid criticisms that this sort of targeting ought not to be government's business. Other initiatives around Europe for [similar clusters of innovation have mixed results](#). Many of the innovation efforts in the ICT/optics sectors are focused on creating hardware technologies (e.g. fibre optics). However, they fail to bring resources and expertise for the development of the service and consumer area, where most of Europe's digital economy profits are concentrated. An exception is Germany with its service innovation hubs in Berlin creating a wide range of digital products and services in encryption and new media.

This article gives the views of the authors, and not the position of the London School of Economics.

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