

Can the EU and US find common ground on data and platform governance?

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Overview

Platform governance: Given threat to democracy of social networks, Western countries must find common ground on governing data driven sectors. Also, shared understanding among Western democracies that data-giants are too big, have too much information, and should be regulated. So yes!

Data Governance: Digital Trade and Data Gov Hub research found lots of common ground on data governance, but also significant differences among EU countries on data governance. So maybe!

Digital trade: Let's be optimistic. More common ground, but current model is out of date. So yes!

United States and China domination of digital economy pervades the discussion and makes it harder for Western democracies to find common ground



50%
of the world's
hyperscale
data centres



highest rates
of **5G**
adoption in
the world



94%
of all funding
of AI
start-ups



90%
of the market
capitalization
of the world's largest
digital platforms

The **largest digital platforms**
increasingly control all stages of the global
data value chain



With the pandemic their
dominant positions have
strengthened.

Collection



Transmission



Storage



Processing



Use



Platform Governance

US Policymakers have finally woken up to threat of social networking platforms and anticompetitive practices of some financial or retail platforms.

EU has led the way here.

US continue to argue that it must maintain the strength of some of these platforms to compete against China and so US remains reluctant to regulate but also Congress understands it must regulate.

My view is these companies will be stronger if they can learn to compete more rather than buying up their competitors.

What is data governance?

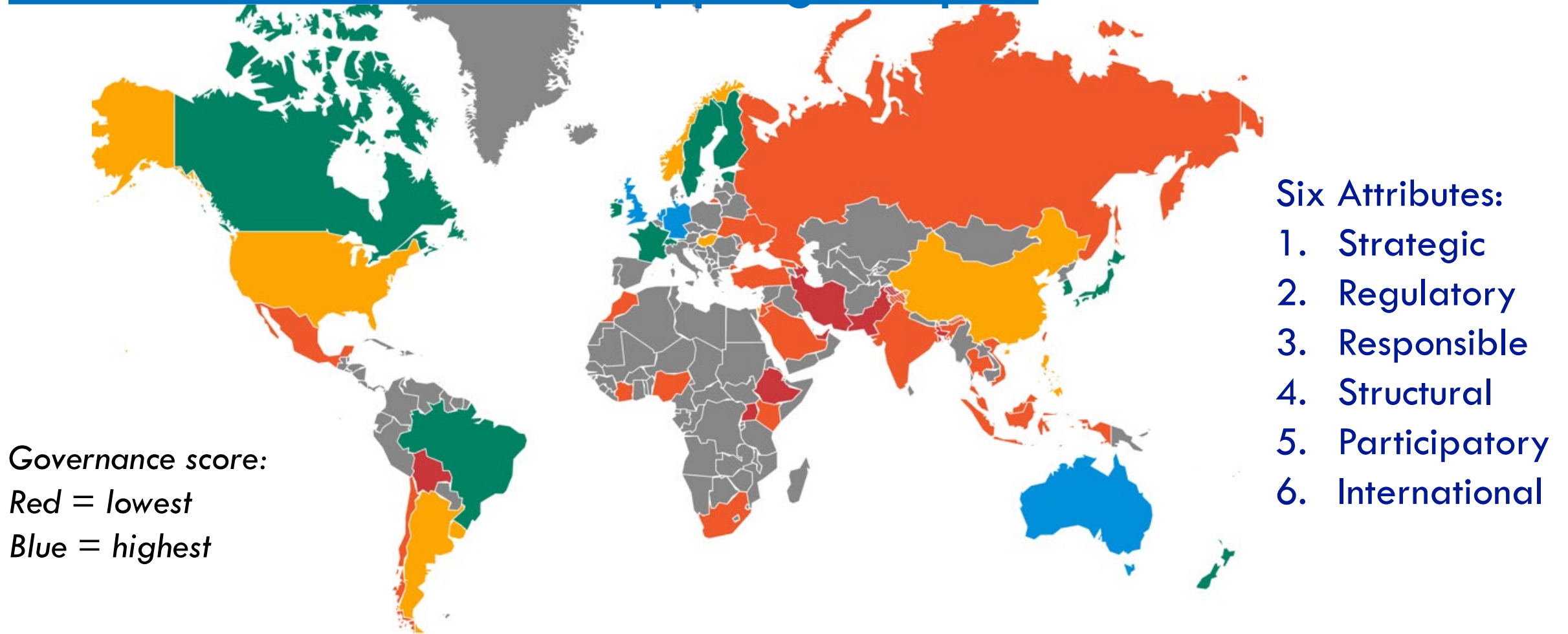
The OECD defines data governance as principles, policies, standards, laws, regulations, and agreements designed to control, manage, share, protect, and extract value from various types of data.



What don't we know about data governance?

- What kind of policies, processes, and outcomes can sustain trust among data users and producers?
- How to encourage data mixing and data sharing among private entities, between business and government and between users across borders, while effectively protecting individuals and groups?
- Can data truly be sovereign and if so, what individuals and groups are sovereign over data?
- What does effective data governance look like?
- Does effective data governance correlate with other forms of good governance?
- Does effective data governance correlate with income?
- Do international agreements regulating cross-border data flows build trust in data governance?

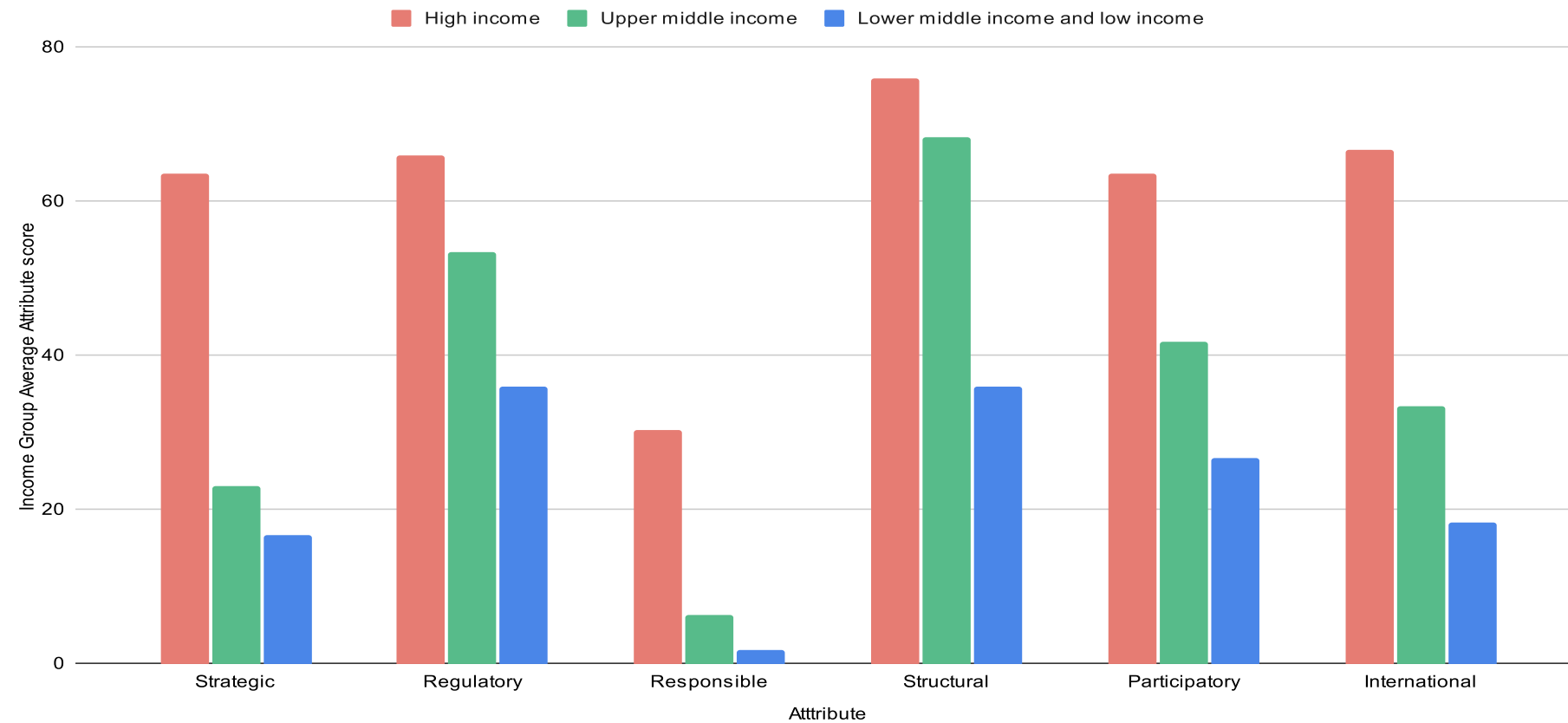
Digital Trade and Data Governance Hub: Global Data Governance Mapping Project



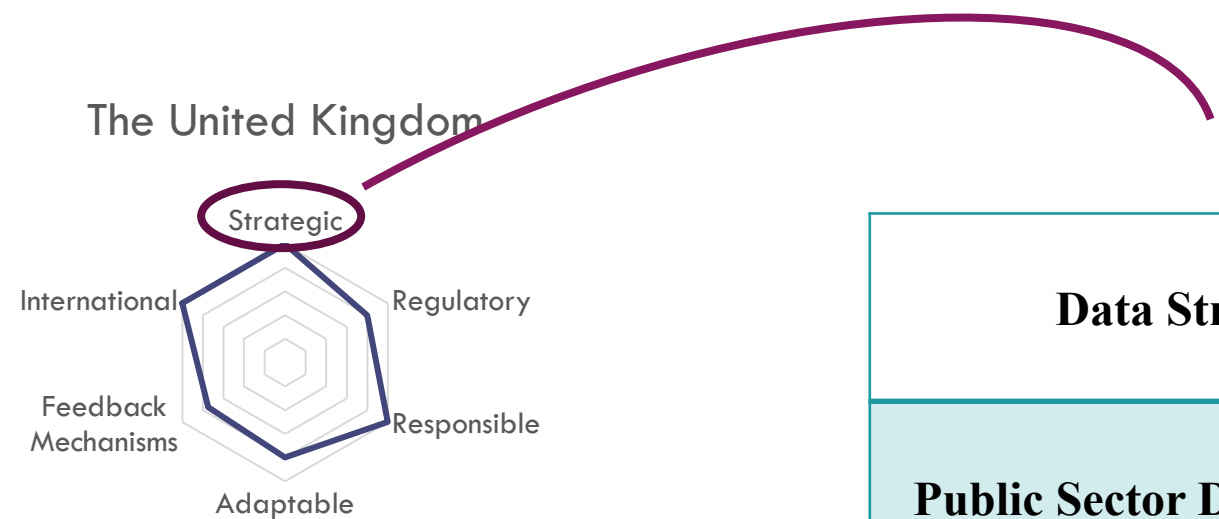
Source: [Digital Trade & Data Governance Hub: Global Data Governance Map](#) (accessed 3 November 2021)

INCOME AND DATA GOVERNANCE BY ATTRIBUTE

Income Group Average Attribute Score by Attribute



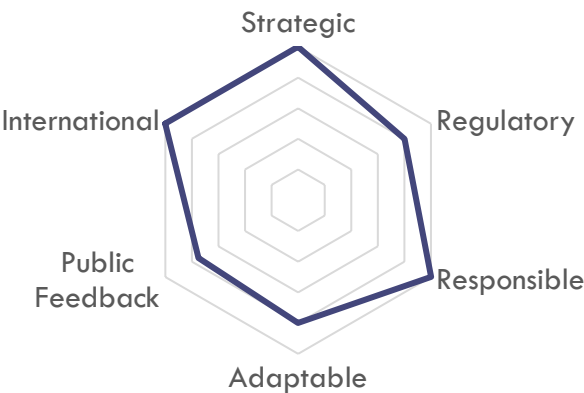
DIMENSIONS OF A COMPREHENSIVE APPROACH TO DATA GOVERNANCE



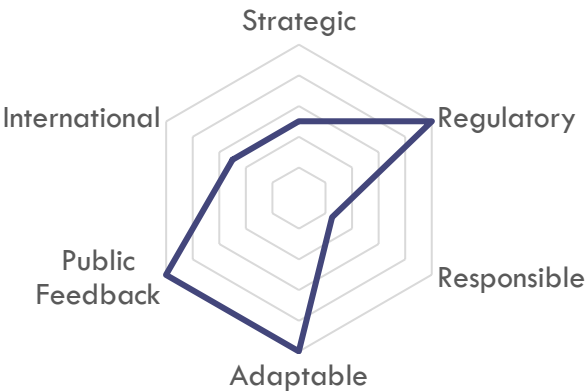
Data Strategy	<u>UK National Data Strategy (2020)</u>
Public Sector Data Strategy	<u>Seizing the data opportunity: a strategy for UK data capability (2013)</u>
National guidelines for private sector data sharing	<u>UK Data sharing: a code of practice</u>
AI Strategy	<u>AI Sector Deal (2018)</u> <u>AI in the UK: ready, willing, and able? (2018)</u>

DIMENSIONS OF A COMPREHENSIVE APPROACH TO DATA GOVERNANCE: RESULTS

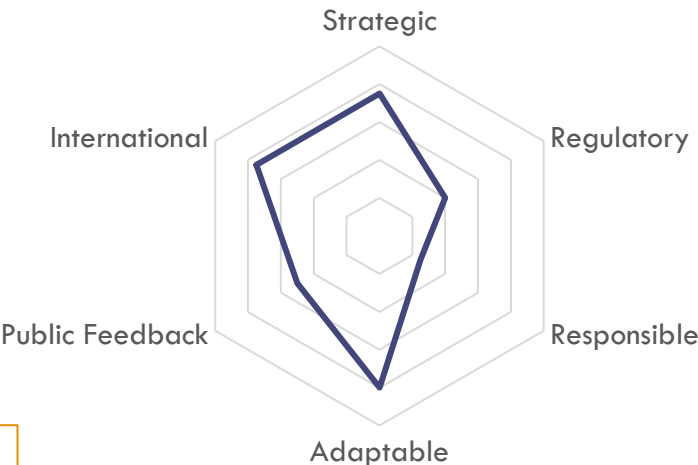
The United Kingdom



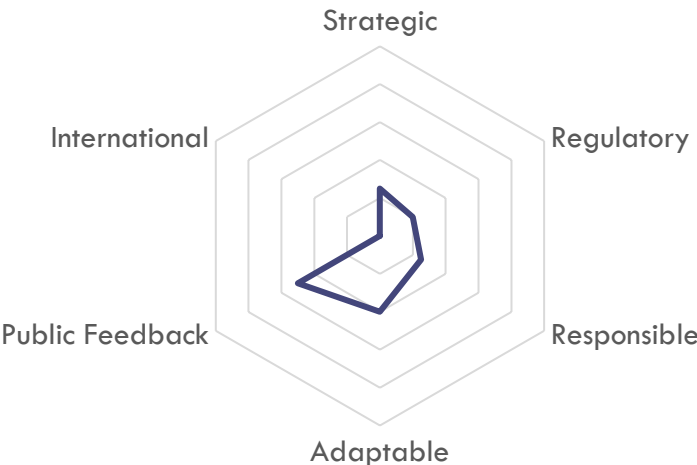
Brazil



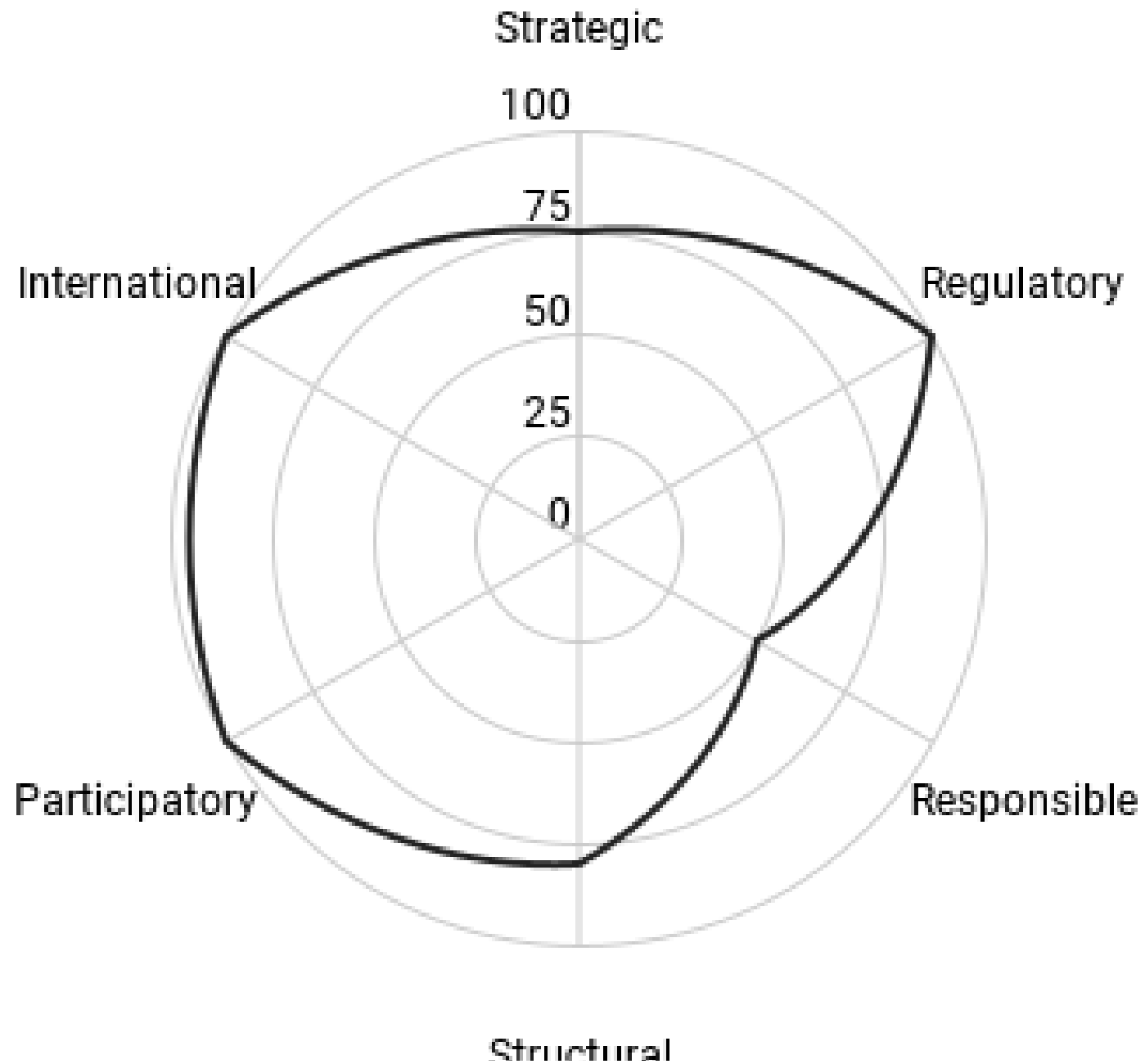
The United States



India

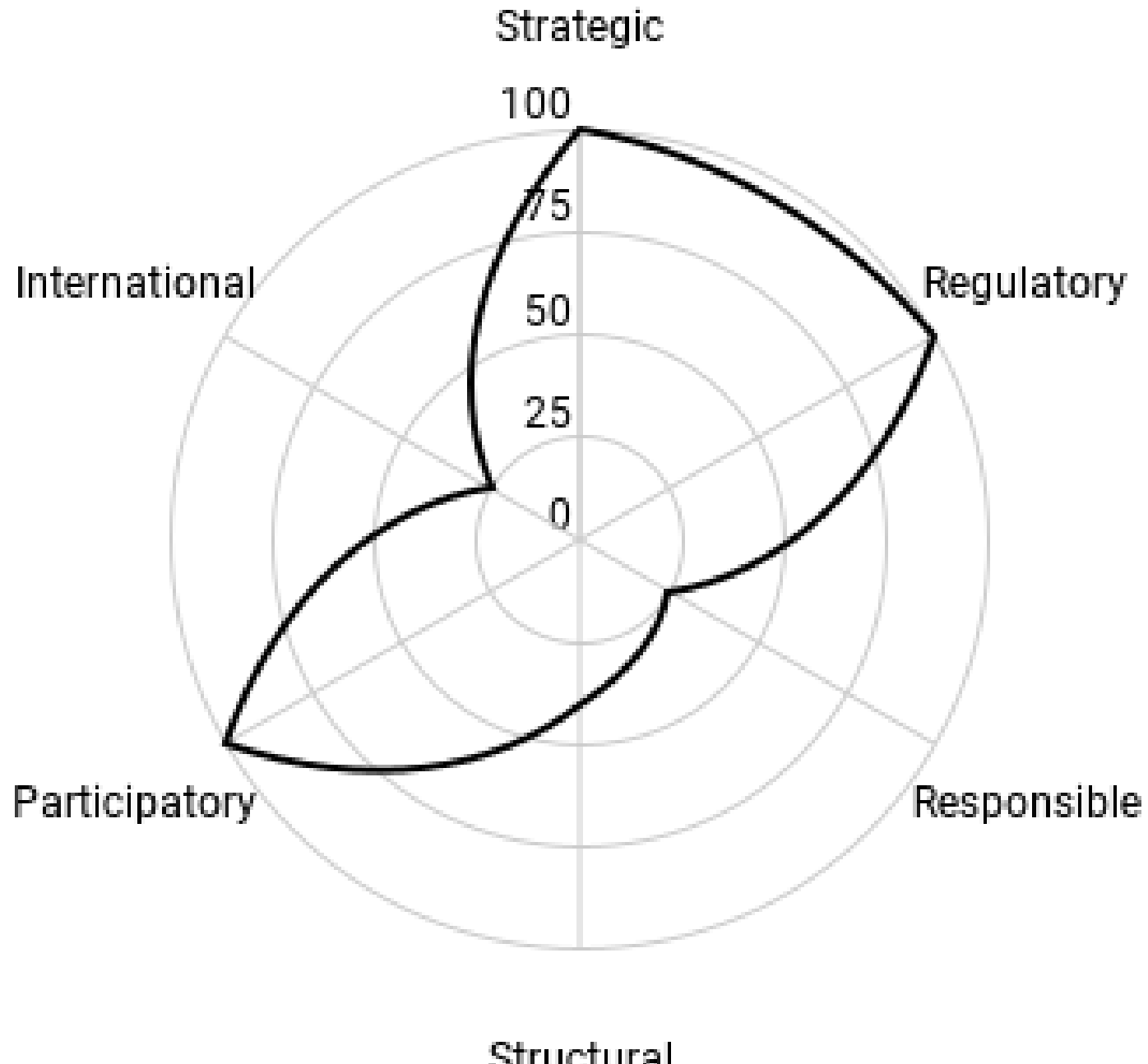


Germany



Germany

European Union



European Union

Some problems with the current Digital Trade Template of US/EU/Canada

- is not fit for purpose (may not accomplish the dual goals of expanding market access and limiting use of barriers to market access) and is not comprehensive/holistic
- may not encourage the regulatory coherence we need (this is true of other countries' templates too).
- is not up to date (as tech changes, need for governance strategy, purview and structure change--technological neutrality may not work) and it will fall further behind as new technologies create new governance challenges.
- is not up to date with other countries templates (e.g. digital economy agreements vs digital trade)
- may not be sufficiently democratic--does not include user needs, does not address user concerns, still negotiated in secret etc...) and may not be sufficient to bolster democracies (e.g. disinformation, malware)
- **So, digital trade is an opportunity.**

Digital Trade and the Challenge of New Tech



“Augmented reality: An enhanced version of reality created by the use of technology to overlay digital information on an image of something being viewed through a device (such as a smartphone camera).”

Virtual reality (VR) implies a complete immersion experience that shuts out the physical world.

The challenge of virtual reality linked to digital trade

On October 4, Facebook [said](#) it will invest \$50 million over two years in global research and program partners to ensure its metaverse products "are developed responsibly."

Meanwhile, at US Mexican border, teenage guides move migrants from Mexico through gaps in border walls. These guides [use highest tech funded by Mexican criminal gangs](#). What if they could train in augmented reality headsets? Is it something that nations should address in trade agreements?

Alternatively, could VR facilitate trade negotiations, as policymakers may use it to develop greater understanding and/or empathy for other countries norms/positions?

What should digital trade say about labor rights and labor conditions?

Deskilling can also take place where complex skilled work undertaken by workers are broken down into simple unskilled tasks. Note deskilling can also lead to reskilling (learning new skills)

[One CEO claims](#) that chatbots and AI will completely replace the call center sector.

Many people with college degrees work on labeling AI, so that it can be made understandable to a program (training). ILO says these workers often work without a contract, employed by subcontractors to the firm and do not have decent work conditions.

Should trade agreements [include rules protecting these workers?](#) How?

What about the digital impact on democracy?

U.S. global digital strategy has traditionally prioritized a “free and open internet,” yet it is struggling to adapt to new issues and technologies.

E.g. “Clean Network” program’s impact on telecommunication carriers, app stores, cloud services, submarine cables, and 5G traffic.

Many argue that surveillance capitalism model and [disinformation are threatening democracies?](#) What should trade agreements say, if anything about business models, competition policies, and disinformation?

[Could it undermine existing alliances?](#)

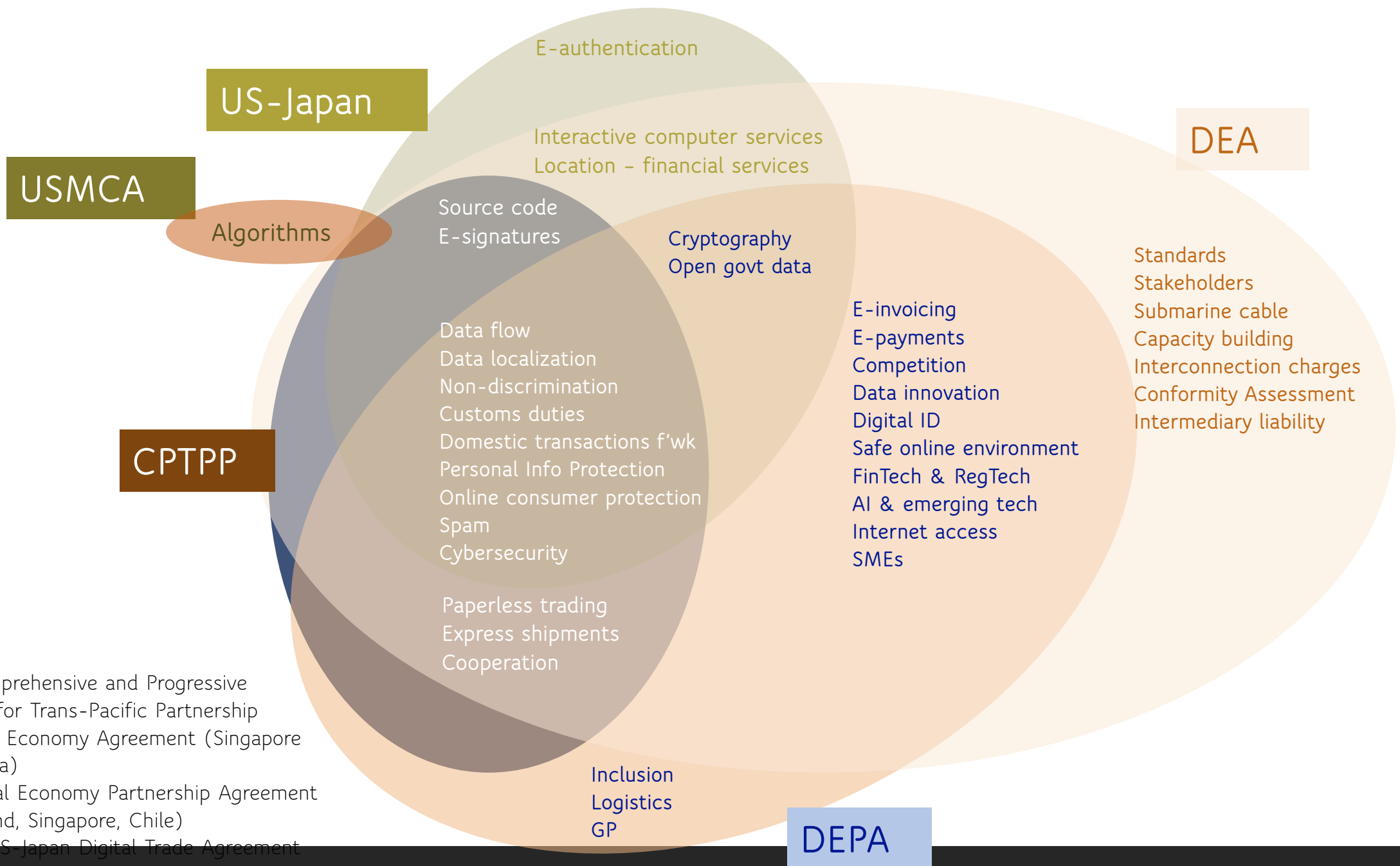
Or could it strengthen democracies?

In his [*Washington Post* essay](#) on June 5, US President Joe Biden sketched out what could become a doctrine for his foreign policy: The United States will rally the world's democracies to deliver results for their peoples and the world—and thus better contend with the world's authoritarians, starting with China and Russia.

So, should the US establish an agreement facilitating the free flow of data among likeminded democracies from Australia and Brazil to Uganda, Ukraine, United Kingdom and Uruguay?

Do Asian Digital Economy Agreements present a path forward?





Key
 CPTPP: Comprehensive and Progressive Agreement for Trans-Pacific Partnership
 DEA: Digital Economy Agreement (Singapore and Australia)
 DEPA: Digital Economy Partnership Agreement (New Zealand, Singapore, Chile)
 US-Japan: US-Japan Digital Trade Agreement

Thank you

