Improved governance of digitalization – what might it look like?

What do Dieselgate and forums that self-organize the internet have in common? And what can we learn from both in terms of shaping digital transformation for the good of society? In the expert opinion paper published today by the Bertelsmann Stiftung, Dr. Carolina Ferro and Dr. Ben Wagner present their research on four case studies and proposal for an improved framework of governance for digitalization at the European level.

Digital policy is a unique policy area. As a cross-cutting policy issue, it affects individual regulatory areas as well as almost all other policy areas. Aspects of digital policy such as data regimes, cybersecurity and technical norms are relevant the future of the internet or 5G mobile communications infrastructure and are closely intertwined – even across borders – with many areas of our daily lives. This includes everything from automated driving to assistance...
systems in education and healthcare to the digitalization of sectors such as agriculture and construction.

Nevertheless, to date, regulation efforts remain sector-specific and national in scope. Several different approaches are taken at once, some of which complement each other – though far too often, many compete with each other. And in some cases, such as the 5G mobile communications infrastructure, inconsistencies are the outcome. The coexistence of two worlds of digitalization is also creating new tensions. Whereas the first digital areas such as the internet economy have attracted growing regulatory attention on the part of digital policymakers, the traditional regulatory framework for those industries undergoing digital transformation, such as the automotive sector, is increasingly challenged.

Since the introduction of Europe’s General Data Protection Regulation, we observe a trend toward the creation of common European rules for digitalization that are designed to ensure Europe’s standing as a region in which values remain in harmony with competitiveness. However, in order to deliver on this promise, European digital policy needs an EU able not only to take action outside its borders, but one with the institutional capacity to take action on its own soil.

Common European rules need to be complemented with improved coordination across sectors and policy areas. If taken, these steps would strengthen the Digital Single Market and European regulatory framework enforcement capabilities – also vis-à-vis external players. And both are preconditions for creating a strong digital Europe.

The expert opinion paper “Governance of Digitalization in Europe” by Dr. Carolina Ferro and Dr. Ben Wagner examines the reality of digital governance through four case studies: internet self-governance, Germany’s Network Enforcement Act, the automobile software emissions scandal, and the EU’s planned-for Digital Services Act. The paper shows where current practice fails and outlines possible ways forward toward a European, cross-sectoral and yet flexible approach to governance that may prove able to address future problems as well. As a proposal for discussion, the publication considers both national concerns and issues associated with European coordination. It proposes establishing a variety of discussion forums and more effective decision-making mechanisms for the common interpretation of European regulations. It also advocates the creation of a common pool of support for member states and their administrative bodies, as many digital policy questions will prove relevant in almost all areas, though not at the same time and not permanently, or with the same intensity. To this end, the authors
propose that a European pool of experts be established that would complement the available resources at the EU and national levels.

This expert opinion paper is a product of the 12-month exploratory project “Shaping Digital Policy – Towards a Fair Digital Society?”. The objective of the project, which was launched in the summer of 2019, is to identify the most promising approaches to formulating a digital policy for Europe that emphasizes participation. As part of the same series, two further analyses are scheduled for publication later in the year: Digital Agendas in Europe (Joschua Helmer 2020) and Smart Resilience (Dr. Annegret Bendiek and Dr. Jürgen Neyer 2020).