Who's on top? The US-European struggle for internet leadership

BY ROGER J. COCHETTI, OPINION CONTRIBUTOR — 10/02/21 03:00 PM EDT

© iStock

The new, U.S./EU Trade & Technology Council's (TTC) first meeting in Pittsburgh in late September highlighted the differences between Europe and the United States on how governments should approach the internet. Broadly, the U.S. and Europe have offered different perspectives over the rules of the road for the internet for decades, and — combined with the Chinese-Russian highly nationalist model — offer three alternate pathways for the future of the internet. Most other countries, the internet and computer industries, and billions of users around the world are watching to see who's on top.

Although trade, R&D and climate policies are also important parts of the TTC's mandate, there are numerous other venues for US-EU talks on these three topics, suggesting that the real purpose of the TTC is how to manage the internet. While internet policies are only one piece of a much larger, increasingly tense, European-American relationship, the struggle over control of the internet has its own history, and — because of the internet's impact on society, trade, security, and national politics — internet policy may have now become the single most important feature of the transatlantic relationship.

To understand the different perspectives, one must begin a few decades ago.

The third perspective on internet governance — the highly nationalistic one pursued by China, Russia and around a dozen other countries — for brevity's sake, will not be addressed here. But it provides an important, third approach to internet governance.

By the mid-1990s, many European leaders recognized that the era of free-standing, unconnected computers was ending and that, in the future, networked computers would be a globally-dominant industry, as the aerospace, entertainment and the mainframe computer industries had been: Whoever housed and controlled the coming networked computing industry would hold the high ground in guiding and perhaps controlling the world's economy, security and culture.

Many Europeans were determined to not let Americans dominate yet another controlling industry, but, at the time, it was not clear whether private networks, like France's Minitel, or open networks, like America's NSFNET (also called internet), would come to dominate networked computing in the decades ahead.

By the time European leaders recognized that an open computer network, America's internet, had won, America's internet industry was already a decade ahead of Europe's… and well on its way to global domination. Unlike the aerospace and mainframe computer industries, however, this global open network was intimate inside each country, bringing together average people and wealth creation within and across countries.

Dominating the internet was tantamount to dominating commerce, media, education, wealth creation, political organizations and entertainment inside each European country (something that industries like aerospace or mainframe computers could never do.) So, for over two decades, Europe's leadership has understood that they simply could not concede unrestrained control over the internet to America's government and its industry without virtually losing control over their own identity and future.

Since Europe lost the first round of commercial/technological competition with America to dominate the global networked computing (i.e. internet) industry, it was thus forced to either create overnight a fully competitive European internet industry from scratch to prevent the Americanization of everything — or open a new type of competition with the Americans… which is what it did.

For over two decades, Europe and the U.S. have struggled over the rules and regulations governing the internet, with an alleged European higher intent of preventing the Americanization of everything until such time as there was a genuinely competitive European internet industry.

Notwithstanding the underlying strategic, economic, cultural, commercial and security issues that motivate the U.S.-European competition over a guiding philosophy for governing the internet, there are genuine differences in values and priorities between the two.

Were the underlying stakes not so high, however, specific rules of the road on such issues as taxing digital services where they are used, individual consent for commercial surveillance, or ultimate control over content could probably have been easily resolved. But the underlying stakes are high, making wholesale concessions by either side difficult.

During these decades, Europe and the U.S. have struggled over many basic rules governing (the primarily American) internet industry; the European mantra has been "values-based guide rails" while the American mantra has been "market-based innovation." And while there has been common ground in such focused areas as combatting terrorism and cybercrime, there has mostly been a growing sense in Europe that this is a struggle between America's strategic goal of preserving its global internet dominance vs. Europe's goal of preserving its own identity. Throughout decades of transatlantic negotiations on headline-making topics like security, trade, relations with China and climate change, the distinct trans-Atlantic dialogue over regulating the (mostly American) internet industry has only grown broader and deeper.

In their more candid moments, European leaders will point to the fact that the American government would never tolerate a situation in which Facebook, Google, YouTube, Twitter, Apple and nearly every other internet giant was located in — and subject to the laws and authority of — a single European country.

American leaders, in their more candid moments, will point to the fact that it was mainly America's non-regulatory "move fast and break things" approach to the internet — compared with Europe's "it's best to get government permission first" approach — that has led to America's dominance. Americans will sometimes also claim that Europe's "my values prevail" approach to internet governance only provides backhanded support for the Sino-Russian, national governmental control approach.

More than any recent U.S. administration, the current one has been dedicated to improving U.S.-European relations. Whether they have been, or will be, successful is a matter of opinion. But, unlike transatlantic dialogues on defense, trade, China, Russia or climate policies, the U.S.-European dialogues over the internet will be constrained by the facts that any outcome will affect the daily lives of hundreds of millions of average Europeans and Americans — and that there is a third, purely nation state-based approach that has been quietly growing. Which suggests that, for good or ill, progress is likely to be slow.

Roger Cochetti provides consulting and advisory services in Washington, D.C. He was a senior executive with Communications Satellite Corporation (COMSAT) from 1981 through 1994. He also directed internet public policy for IBM from 1994 through 2000 and later served as Senior Vice-President & Chief Policy Officer for VeriSign and Group Policy Director for CompTIA. He served on the State Department's Advisory Committee on International Communications and Information Policy during the Bush and Obama administrations, has testified on internet policy issues numerous times and served on advisory committees to the FTC and various UN agencies. He is the author of the Mobile Satellite Communications Handbook.