

The Open European Strategy

Pursuit of the Fifth Freedom

Ver 1.5

The 13th Commission of the European Union will face unique challenges and opportunities, from economic recovery to restoring the long term ambitions of sustainable economic growth and an ever closer Union.

The Lisbon Strategy set the right target - the knowledge based economy - for Europe's ambitions, but it underestimated the endeavour. The EU's experience is not unique. What has become clear over the last decade is that deploying new technologies is only part of the picture. Seismic cultural and social shifts are being seen online, and the goal for the new Jobs & Growth Strategy must be to tap these forces for broader social challenges, such as climate change.

This Commission launched reflection about the Fifth Freedom for knowledge, learning and information, together with the core inputs to innovation: education and R&D. The next College must develop it's full potential.

This paper provides a series of specific recommendations that build on Google's insights into the dynamics of the knowledge economy.

These recommendations reflect the fundamental change in consumer expectations - no longer passive, today's "prosumer" expects to be in control - with an influence over the way services are developed, designed and deployed that goes way beyond focus groups into co-innovation.

Likewise, citizens also have more demanding expectations from Europe's democratic and social institutions: government, the social partners and civil society. Government, in particular, must share the leadership in developing the Fifth Freedom - a private-public endeavour for which the European Union is uniquely suited.

Google

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Strengthen the innovation system

Europe's ability to compete in a globalized economy is dependent on the quality and robustness of its innovation system. Policy measures that strengthen, change and innovate within that system should be given the highest priority for the incoming commission.

Audit the barriers to innovation

The Commission should conduct an audit of how EU and national rules create hurdles for knowledge entrepreneurs to bring an idea to market. Individually each policy may be well argued, but the aggregate effect is a major impediment to international competitiveness. The audit should, in particular, look at networks, standards and intellectual property protection, and then point to possible reform measures.

Barriers to innovation can also be the lack of harmonization of regulation and regulatory institutions in the European Union. The Better Regulation-initiative is laudable and needs to acquire a three-dimensionality: we need better regulation, better implementation of European regulation and better regulatory review and oversight to ensure we do not hamper innovation or create new regulatory burdens on companies.

Involve the entrepreneurs

The Commission needs to harness communications technologies to organise "conversation" with Europe's entrepreneurs. A platform to which barriers or problems could be posted, and then *rated* by others, would complement and fuel the audit. One competitiveness Commissioner should, for each Council Presidency, be appointed to liaise between the platform and the rest of the Commission. Sharing the responsibility would expose more Commissioners to the entrepreneur's challenge.

Reform the innovation incentives

The early years of the knowledge economy have been marked by the emergence of innovation & creativity models that diverge dramatically from those embodied in the existing intellectual property regimes. The changes go under names such as remix, co-innovation, and collaborative entrepreneurship. Traditional IPR based innovation and creativity needs to accommodate these developments.

Re-shape public procurement into an innovation instrument

Europe needs to integrate its public sector into the future innovation systems. Competitions for public contracts where the winner forgoes patents in exchange for long term contracts; awards for entrepreneurs that solve stated problems; and public-private cooperation in setting up innovation incentives should be explored. Public procurement should support and sponsor innovation based on Commission guidelines for innovation procurement.

Strengthen the open information society

Openness has been the watchword of the information society since the earliest days of the Internet, and it must remain so into the future.

Protect the open Internet

The open Internet drives and encourages open innovation. The Commission can re-affirm the European commitment to open networks by launching a collaborative exercise where citizens get to specify what they want from an Internet service and how they define openness. This work, drawing on the very openness it seeks to protect, should be a living document, defining openness collaboratively in the European Union.

Promote open standards & interoperability

Standards are quickly becoming integrated into the innovation process. Where standardization once meant that a certain technology or business had come to a stable point, open standards today denote the growth of a platform on which innovation can take place. The Commission can contribute to this platform by ensuring both that Europe uses open standards and to strengthen the existing open standardization processes against abuse. The EU must ensure not only a long-term sustainable information society where information is not locked into proprietary formats that could fall into disuse, but also a truly interoperable European, and through trade: global, infrastructure for innovation.

Open up broadband for competition

The European commitment to competition is central to achieving openness. History has shown that competition promotes investment in new networks and keeps prices attractive. A virtuous circle of mutually reinforcing online opportunities and network capabilities has driven the EU to over 100m broadband connections. The Commission should ensure that regulators are able to intervene to sustain the virtuous circle into the future, and to monitor new networks closely.

Foster flexible spectrum policy

The mobile Internet is rapidly emerging, but ensuring sufficient capacity and the scope to experiment will be vital. White spaces and unlicensed spectrum show promise, and the success of WiFi shows how de-regulation can boost innovation for access. Spectrum policy will determine the role of these networks in creating open competition for traditional services as well as for enabling a new virtuous circle in the mobile Internet. The Commission can support this development by ensuring that innovation in spectrum can be easily encouraged through special innovation instruments and a much more flexible licensing regime.

Open access to public sector information

Government is also a creator of knowledge based services and it will need a policy for making this available with maximum openness too. Further strengthening and developing European legislation on opening up access to public sector information and publicly funded research is an important part of enabling entrepreneurship as well as transparency. Strong rules, appeals processes and an extended scope for the current legislation would be welcome moves in advancing this cause.

Develop sustainability through information

Europe's citizens want to contribute to the climate change challenge but they are poorly equipped with information on their energy use. The EU needs to be innovative about innovation in this space, and to facilitate society's adaptation to energy efficiency.

Develop an energy information policy

Europe leads the world in the deployment of smart meters; this is a major opportunity to improve energy efficiency in Europe. Real time access to data about energy usage is a powerful force for changing behaviour and in time can also be fed back to household appliances to enable them to optimise their energy use directly. The role of communities (social networking) in creating society-wide momentum should be explored. Open standards and privacy guidelines are therefore a priority. Likewise, intelligent billing and charging will allow for additional economic incentives, as well as for users to feed energy back into the grid and be remunerated.

Europe also has access to a significant amount of public sector information on everything from environmental impact of consumer devices to energy consumption in different regions. The Commission should prioritise opening up this data to foster a competitive market in knowledge management entrepreneurs to enhance consumer access to it while making purchasing decisions.

The Commission also has the opportunity to open up access to the European Union Emissions Trading Scheme to other countries globally, in order to provide transparency and trading for them. These countries would naturally self-allocate caps, but the value of agreeing on a common system for these trades would be immense. The resultant data would give a great overview of the current situation, and allow for coordinated activities in the future.

Reorganize around new technologies

The productivity growth inherent in ICTs is unleashed first when companies, organizations and others reorganize around the opportunities enabled by technology. An energy efficient society needs to build on the same insight, releasing the *sustainability growth* inherent in new technologies by finding flexible models of social and economic organization. The Commission could start asking the hard questions around how that re-organization should look, how it can be driven by data and developed by mass collaboration.

As an example, the growth of location based solutions will enable smart logistics and data driven transport planning to minimize environmental impact. The Commission should establish a network of public-private research partnerships to promote best practise in the integration of information management into logistics.

Create energy innovation prizes

The Commission should list the top ten problems it wants to see solved in the sustainability field and offer prizes for the ideas and innovations that solve those problems. This would enable the innovations to be released - royalty free - to the community and foster rapid adoption.

Broaden the energy base

Europe must drive forward with the deployment of renewable energies in order to meet its 20-20-20 targets. The EU has an important role of coordinating this to ensure that countries take advantage of their comparative advantage of intermittent renewables (e.g. sun & wind) and base load renewables (e.g. enhanced geothermal systems). A European energy meter should show the collective European energy base and progress on adopting renewables.

Build the best education in the world

Europe needs a strong educational system to develop innovative and intellectually agile knowledge workers, yet Eurostat notes a decrease in absolute numbers in some areas of e-skills. More than 25% of the productivity growth in the last five years has been calculated to come from ICTs, but this can only continue if the level of skills does not sink. European schools must ensure that no child is left off-line, and that life-long learning becomes a natural component in European labour markets - ensuring flexibility and security through continuously developing and adapting competence. It is serious that

Build information technology literacy into the foundation of the economy

Europe needs to develop strong information technology literacy programmes and to ensure that its deployment in education. Europe has a strong educational sector, publicly financed, and there would be much to gain from making sure that it share its curriculum online. Strong fundamentals in maths, science and the social sciences are necessary to build a lifetime habit of continuing to educate ourselves. The Commission needs to make e-skills a priority, not least because the latest statistics show a worrying stagnation in Europeans information technology literacy.

Open up school systems

Data driven systems to evaluate and measure school success can help to replicate successful strategies and remedy failures. Access to performance metrics will add to the incentives on building strong schools. The Commission should ensure that data on schools, their accomplishment and their results is openly available for comparison and evaluation in order to create an open education market.

Promote e-Accessibility

The digital divide - along all its fault lines - must also be addressed. It is simply not acceptable that a significant percentage of Europeans are excluded from the new services. Open, interoperable web architectures offer significant opportunities to improve e-accessibility issues. The Commission should announce an opening for an e-accessibility ombudsman to monitor and drive this development onwards.

Lecture notes are public sector information too

Europe's universities are primarily financed by public funding. In other parts of the world, commercially run universities are publishing lecture notes online. Europe's universities must join this trend.

Strengthen European culture and values

The European Union is a union of cultures and values - the knowledge society can be a powerful force to reinforcing them.

Embrace multilingualism

By charting, developing and embracing the diversity of languages in Europe we can preserve the many perspectives, unique insights and cultural richness of Europe. New technologies can help both preserve and strengthen this multilingual environment, by making available works and materials in these languages broadly and opening up to a wider world those cultures that may have been reserved for but few Europeans. The Commission should ensure that there are no regulatory barriers for new technologies that support multilingualism.

Preserve the European digital heritage

Europe must not become an "amnesiac society" by virtue of ignoring the important issues of digitization, restoration and archiving this new digital culture. What the next generation cannot find online they will tend to think does not exist. The Commission should open a call for public-private partnerships to address digitizing our common European heritage.

Defend free speech

The Internet is creating new trade flows and new challenges for undemocratic governments. Censorship is therefore becoming not only an issue of fundamental rights, but also a potential trade issue. Europe's traditions make it the natural leader in this respect, but only if we truly are a model that the global community can point to. The pressures for a more controlled Internet are present in the EU too, and real care must be taken not to succumb to motives that are harmful to the sort of global society Europe wants to champion. The Commission should make free speech an integral part of its trade agenda as well as of its core values.

Empower the social dialogue and consumers

The strength of the knowledge economy to empower communities in an unprecedented way needs to be tapped for the benefit of everyone. The formal collective representatives of employees and consumers need to be encouraged to adopt leadership roles in the transition to the knowledge economy. They can be role models for the opportunities, but they must also develop their potential to act as informal leaders within the communities that self-generate. The Commission should call upon these social partners to develop their vision of Europe.

Build an open and transparent government

The European model places a substantial responsibility on government to deliver public services for citizens. The public sector must therefore recognise its responsibility to be a leader in knowledge working internally and enabling knowledge entrepreneurship in the economy. The Commission has a unique opportunity to reform the European institutions to let European values like openness, transparency and freedom shine through.

Move from passive to active government transparency

Governments need to echo the porous relationship between business and consumer and involve citizens through-out the political process. Tomorrow's citizens will expect the tradition of elected representatives to open up to their participation, and technology enables that. Finding a new balance between leadership and populism could be the political challenge of the decade.