Digitalisation

How the EU and rising powers can shape their future sustainably

by Sven Grimm, Wulf Reiners and Benjamin Stewart,

German Development Institute /
Deutsches Institut für Entwicklungspolitik (DIE)

The Current Column

of 6 April 2020

Deutsches Institut für
Entwicklungspolitik

German Development
Institute

The Covid-19 crisis reduces interactions at the personal level, cuts physical international connections, and at the same time accelerates digitalisation processes all over the globe. Even before the pandemic, the need to reduce emissions challenged the necessity of global physical meetings with their high carbon footprints; and called for green technical solutions. Digitalisation has great potential to serve as a catalyst for the worldwide transformation towards sustainable development, as endorsed by the United Nations 2030 Agenda for Sustainable Development. Although not comprehensively integrated in the 2030 Agenda, digital technologies are some of the most powerful tools for achieving the Sustainable Development Goals (SDGs). At the same time, digitalisation itself is changing our lives – on a personal, political, societal, environmental and economic level – in the coming decades. Debates and practices in all sector will change, too, from agriculture to industry and finance, from education to health, democracy and human rights. The interdependence of digitalisation and sustainable development has therefore to be addressed in an integrated manner, in Europe and beyond, to maximise positive effects and mitigate potential negative effects.

Digitalisation is a domestic issue as well as an imperative for international cooperation. Aiming to lead the transition to a healthy planet and a new digital world, the European Commission published a vision, goals and priority areas on how to shape Europe's digital future in February 2020. The European Union also declared its ambition to become a global role model for the digital economy. It will establish and promote digital standards while supporting the digital development of developing and emerging economies.

"The current crisis is an urgent call for a profound analysis of the impact of digitalisation on sustainability, and a long-needed discussion how to govern and utilise it meaningfully for the common good."

Investments in digitalisation are also taking place in many other parts of the world, including technologically developed rising powers. Countries like Brazil, India and Mexico are formulating digitalisation strategies and utilizing new technologies to tackle their specific challenges, e.g. in the governance of large populations or managing their resources. Their approaches have a substantial influence - due to their size, large populations, and their position in the international arena. These rising powers employ digital tools similarly, but at varying rates and with different economic outcomes. The efficacy of a nation's digitalisation process comes down to national politics and the willingness of the society to adopt digital practices.

Here, a lot of the dialogue is taken up by the corporate commercial model of US digitalisation (Google, Amazon, Facebook, Apple) on the one hand, and the state invigilator model of Chinese digitalisation on the other. European positions, as expressed by the General Data Protection Regulations (GDPR), are recognised in these rising powers, too, and serve as a point of orientation when privacy, data security and the relationship between state and citizen are discussed. Europe should build on this role and develop deeper partnerships with emerging economies to jointly develop models in line with European standards, i.e. based on evidence, good governance as well as human rights, including the right to privacy.

These alternative models can manage to make use of the opportunities of digital instruments and contain the potential for misuse. In the current Covid-19 crisis, this implies that digital tools can facilitate collaboration without physical meetings; and at the same time, tracking of infections and the monitoring of compliance with contact bans can be organised in a way that they respect fundamental rights to the highest extent possible.

To address questions like this, the PRODIGEES project – short for Promoting Research on Digitalisation in Emerging Powers and Europe towards Sustainable Development – was created. It engages in research between various think tanks and research institutions from Europe and Brazil, India, Indonesia, Mexico, and South Africa. PRODIGEES' research focus lies on the intersection of digitalisation and sustainability and it strengthens the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE)'s partnerships with actors from rising powers. This new initiative is part of the Managing Global Governance (MGG) programme and won a 4-year grant from the EU's Horizon 2020 research framework programme. On this basis, the partners also engage in transnational trainings and multi-stakeholder dialogues to promote policy paths for the achievement of the SDGs.

Given the catalytic function of the Covid-19 pandemic for digitalisation, the current crisis is an urgent call for a profound analysis of the impact of digitalisation on sustainability, and a long-needed discussion how to govern and utilise it meaningfully for the common good. Closer partnerships must be formed with emerging economies in order learn from and with each other about our digitalisation processes and use modern technology as a transformational tool towards sustainable development.