

Growth, competitiveness and employment

White Paper follow-up

Report on Europe
and the global information society

Interim report on trans-European networks

Progress report on employment

Extracts of the conclusions of the Presidency
of the Corfu European Council

This document reproduces the information society report on pages 5-39 and the Presidency conclusions on pages 126-134. The other two reports are available as separate documents on AEI-EU.

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Europe and the global information society
Recommendations of the high-level group
on the information society to the Corfu European Council
(Bangemann group)

In its Brussels meeting of December 1993, the European Council requested that a report be prepared for its meeting on 24 and 25 June 1994 in Corfu by a group of prominent persons on the specific measures to be taken into consideration by the Community and the Member States for the infrastructures in the sphere of information. On the basis of this report, the Council will adopt an operational programme defining precise procedures for action and the necessary means.

The following were members of the group chaired by Mr Martin Bangemann, Member of the Commission:

Peter L. Bonfield (Chairman and Chief Executive, ICL), Enrico Cabral da Fonseca (Presidente Companhia Comunicações nacionais), Etienne Davignon (Président, SGB), Peter J. Davis (Chairman, Reed Elsevier), Jean-Marie Descarpentries (Président Bull), Carlo De Benedetti (Presidente Amministratore Delegato, Olivetti), Brian Ennis (Managing Director, IMS), Pehr G. Gyllenhammer (former Executive Chairman, AB Volvo), Hans Olaf Henkel (Chairman and Chief Executive Officer, IBM Europe), Anders Knutsen (Administrerende Direktor, Bang & Olufsen), Pierre Lescure (Président Directeur, Général Canal +), Constantin Makropoulos (former Managing Director, ELSYP (Hellenic Information Systems)), Pascual Maragall (Alcalde de Barcelona, Vicepresidente de POLIS), Lothar Hunsel (designierter Vorsitzender der Geschäftsführung DeTeMobilfunk GmbH), Romano Prodi (Presidente Direttore Generale, IRI), Gaston Egmont Thorn (Président du Conseil d'administration du CLT), Jan D. Timmer (Voorzitter, Philips Electronics), Cándido Velázquez Gastelu (Presidente, Telefónica), Heinrich von Pierer (Vorsitzender des Vorstandes, Siemens AG).

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This report urges the European Union to put its faith in market mechanisms as the motive power to carry us into the information age.

This means that actions must be taken at the European level and by Member States to strike down entrenched positions which put Europe at a competitive disadvantage:

- it means fostering an entrepreneurial mentality to enable the emergence of new dynamic sectors of the economy
- it means developing a common regulatory approach to bring forth a competitive, Europe-wide, market for information services
- it does NOT mean more public money, financial assistance, subsidies, *dirigisme*, or protectionism.

In addition to its specific recommendations, the group proposes an action plan of concrete initiatives based on a partnership between the private and public sectors to carry Europe forward into the information society.

Chapter 1: The information society — new ways of living and working together

A revolutionary challenge to decision makers

Throughout the world, information and communication technologies are generating a new industrial revolution already as significant and far-reaching as those of the past.

It is a revolution based on information, itself the expression of human knowledge. Technological progress now enables us to process, store, retrieve and communicate information in whatever form it may take, whether oral, written or visual, unconstrained by distance, time and volume.

This revolution adds huge new capacities to human intelligence and constitutes a resource which changes the way we both work and live together.

Europe is already participating in this revolution, but with an approach which is still too fragmentary and which could reduce expected benefits. An information society is a means to achieve so many of the Union's objectives. We have to get it right, and get it right now.

Partnership for jobs

Europe's ability to participate, to adapt and to exploit the new technologies and the opportunities they create, will require partnership between individuals, employers, unions and governments dedicated to managing change. If we manage the changes before us with determination and understanding of the social implications, we shall all gain in the long run.

Our work has been sustained by the conviction expressed in the Commission's White Paper, 'Growth, Competitiveness and Employment', that '...the enormous potential for new services relating to production, consumption, culture and leisure activities will create large numbers of new jobs...'. Yet nothing will happen automatically. We have to act to ensure that these jobs are created here, and soon. And that means public and private sectors acting together.

If we seize the opportunity

All revolutions generate uncertainty, discontinuity and opportunity. Today's is no exception. How we respond and how we turn current opportunities into real benefits, will depend on how quickly we can enter the European information society.

In the face of quite remarkable technological developments and economic opportunities, all the leading global industrial players are reassessing their strategies and their options.

A common creation or a still fragmented Europe?

The first countries to enter the information society will reap the greatest rewards. They will set the agenda for all who must follow. By contrast, countries which temporize, or favour half-hearted solutions, could, in less than a

decade, face disastrous declines in investment and a squeeze on jobs.

Given its history, we can be sure that Europe will take the opportunity. It will create the informa-

tion society. *The only question is whether this will be a strategic creation for the whole Union, or a more fragmented and much less effective*

amalgam of individual initiatives by Member States, with repercussions on every policy area, from the single market to cohesion.

What we can expect for . . .

Europe's citizens and consumers:

A more caring European society with a significantly higher quality of life and a wider choice of services and entertainment.

The content creators:

New ways to exercise their creativity as the information society welcomes new products and services.

Europe's regions:

New opportunities to express their cultural traditions and identities and, for those standing on the geographical periphery of the Union, a minimizing of distance and remoteness.

Governments and administrations:

More efficient, transparent and responsive public services, closer to the citizen and at lower cost.

European business and small and medium-sized enterprises:

More effective management and organization, access to training and other services, data links with customers and suppliers generating greater competitiveness.

Europe's telecommunications operators:

The capacity to supply an ever wider range of new high value-added services.

The equipment and software suppliers; the computer and consumer electronics industries.

New and strongly-growing markets for their products at home and abroad.

The social challenge

The widespread availability of new information tools and services will present fresh opportunities to build a more equal and balanced society and to foster individual accomplishment. *The information society has the potential to improve the quality of life of Europe's citizens, the efficiency of our social and economic organization and to reinforce cohesion.*

The information revolution prompts profound changes in the way we view our societies and also in their organization and structure. This presents us with a major challenge: either we grasp the opportunities before us and master the

risks, or we bow to them, together with all the uncertainties this may entail.

The main risk lies in the creation of a two-tier society of have and have-nots, in which only a part of the population has access to the new technology, is comfortable using it and can fully enjoy its benefits. There is a danger that individuals will reject the new information culture and its instruments.

Such a risk is inherent in the process of structural change. We must confront it by convincing people that the new technologies hold out the

