

Innovation, competitiveness, geopolitics in the Digital Age: does EU regulation embrace or strangle digital change?

An exchange with

David Teece

(UC Berkeley)
and

Nicolas Petit

(European University Institute, Florence).

**The event will take place
on 30 March from 5 to 7
pm CET.**

Last November, David Teece (professor at the Institute for Business Innovation, Haas School, U.C Berkeley) and Nicolas Petit (professor at the European University Institute, Florence) published a thought provoking piece in the Financial Times titled:

"Europe should embrace digital change, not strangle it".

They claim the EU's approach to innovation is outdated: it ignores the specificities of the digital sector, it is biased against big players, it chokes innovation, and it wrongly assumes that setting regulation standards provides is a source of comparative advantage in the global economy. The EU needs European superstar firms to compete beyond "imitative competition" and the Commission's recent Commission's proposal for a Digital Market Strategy might not allow it.



Yet, this vision raises questions: does the EU really need European superstars? Does "European" mean "Franco-German" industrial champions (like in the aborted Siemens Alstom merger) or the promotion of innovative ecosystems capable to promote new firms creation, phase out poorly managed zombie firms, and allow the diffusion of dynamic capabilities? Will other Member states find their own interest in an European approach? Would it be to the detriment of the Internal Market? Is the relevant market European or global? At the end of the day, is Europe really strangling the digital change, or regulating it to its own benefit?

Beyond those questions, we should not lose sight of the geopolitical implications. Are European digital champions a must for Europe to play in the Big League? What political powers does it take to implement what the authors advocate, a more centralised Europe? And finally, in times when the Big Techs overstep their role, isn't it simply dangerous for democracies to assume that "big is beautiful"?

David Teece and Nicolas Petit's presentation will be followed by a high-level discussion with decision makers from Visegrad countries and beyond

ON 30 MARCH FROM 5 TO 7 PM CET.

NICOLAS PETIT

has been appointed as Joint Chair in Competition Law at the European University Institute (EUI) and the Robert Schuman Centre for Advanced Studies (RSCAS). Nicolas Petit is also invited Professor at the College of Europe in Bruges. He will be on special leave from the Law School of the University of Liege (ULiege) where he has been full Professor since 2007 and where he received his Phd.

Prior to joining the EUI, Nicolas Petit has held a public office position as a part time judge with the Belgian competition authority, and has also worked in private practice with a leading US law firm in Brussels.

Nicolas Petit is the co-author of EU Competition Law and Economics (Oxford University Press, 2012) and the author of Droit européen de la concurrence (Domat Montchrestien, 2013 and 2018), a monograph which was awarded the prize for the best law book of the year at the Constitutional Court in France. In 2005 he was a member of Harvard Law School's Visiting Researchers Programme.



NICOLAS PETIT



Nicolas Petit's work has appeared in numerous journals including the Antitrust Law Journal, the European Law Review, the Review of Industrial Organization, the Columbia Journal of European Law and the Fordham Intellectual Property, Media & Entertainment Law Journal. Nicolas Petit is the 44th top SSRN author in the category "Law". Since 2017 he is a member of the European Commission High Level Expert Group on Artificial Intelligence.



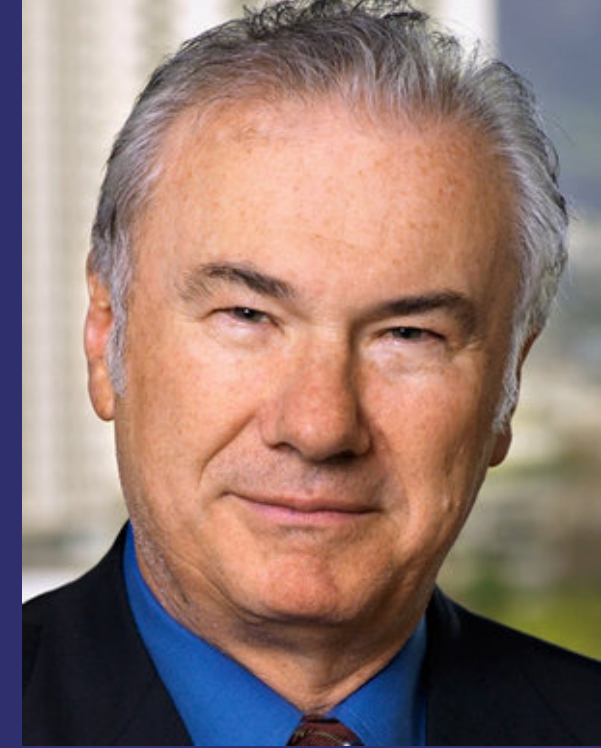
DAVID J. TEECE

David J. Teece is the Thomas W. Tusher Professor in Global Business and director of the Tusher Initiative for the Management of Intellectual Capital at the University of California, Berkeley's Haas School of Business. He has authored over 30 books and 200 scholarly papers, and has been cited almost 170,000 times, per Google Scholar. Dr. Teece has been ranked as the world's most-cited scholar in the combined field of business and management in an analysis of science-wide author citations published in PLOS Biology, a peer-reviewed journal. He is co-editor of the Palgrave Encyclopedia of Strategic Management. Dr. Teece has received nine honorary doctorates and has been recognized by Royal Honors.

Dr. Teece pioneered the dynamic capabilities perspective in strategic management, defined as "the ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments." According to Science Watch (November/December 2005), his paper (with Gary Pisano and Amy Shuen) "Dynamic Capabilities and Strategic Management" was the most cited paper in economics and business globally.

Dr. Teece co-founded and is executive chairman of the Berkeley Research Group, an expert services and consulting firm of economists and other professionals with expertise in domains ranging from higher education to corporate finance. Founded in 2010, BRG had more than 40 offices and 1,200 employees as of December 2020. Dr. Teece also founded, and then acted as chairman and then vice-chairman of the Law and Economics Consulting Group (LECG), a business that provided expert advice and testimony to companies and countries in need of independent economic analysis and review.

Dr. Teece has a PhD in economics from the University of Pennsylvania and has held teaching and research positions at Stanford University and Oxford University. He has received honorary doctorates from the University of Canterbury, New Zealand; St. Petersburg State University, Russia (where he was instrumental in founding the Graduate School of Management); Copenhagen Business School, Denmark; Lappeenranta University of Technology, Finland; University of Calgary Haskayne School of Business, Canada; Kaunas University of Technology, Lithuania; EBS University of Business and Law, Germany; Edinburgh Business School, United Kingdom; and Keio University, Japan.



DAVID J. TEECE

Other honors Dr. Teece has received include:

- Thinkers50 Hall of Fame (2020)
- Citation of Excellence, Emerald Publishing (2017)
- Named among Who's Who Legal's five "Most Highly Regarded Experts" in North America (2016)
- Distinguished Fellow, New Zealand Association of Economists (2016)
- Eminent Scholar Award, Academy of International Business (2013)
- New Year Royal Honours, Companion of the New Zealand Order of Merit (2013)
- Herbert Simon Award (2011)
- Winner of the Best Paper Prize Award of the Strategic Management Journal: "Dynamic Capabilities and Strategic Management" (2003)
- Viipuri International Prize in Strategic (Technology) Management and Business Economics (2003)
- On Accenture's list of the world's "Top 50 Business Intellectuals" (2002)