

Boosting the Digital Economy

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BIOGRAPHY

Michal is responsible for the agenda of Digital Single Market and innovative technologies, including artificial intelligence and blockchain. Michal worked for the GLOBSEC organization, the leading foreign-policy and security think tank in Central Europe, as the Head of Strategic Forums department, supervising flagship events of the organisation. At the same time, he was a project manager of the GLOBSEC Bratislava Forum, the most prestigious foreign policy and security conference in Central and Eastern Europe. He was a member of the GLOBSEC organization since 2010 and was responsible for several projects including the Warsaw Summit Experts' Forum. He earned his master's degree in international relations at the Matej Bel University in Slovakia and completed a semester at the Catholic University of Leuven with the focus on European studies.

We are in the midst of a technological revolution that will fundamentally disrupt industry, public administration and our way of life. The invention of steam power significantly re-shaped societies in the 19th century and similar breakthrough technologies, such as artificial intelligence, self-driving cars and blockchain will do the same. This issue represents a challenge for every industry in every country. Leveraging fast-emerging technologies is a goal that all countries share. Governments and captains of industries must lead this process in order to make the most of the positive impact these changes will have on the economy and society.

As regards emerging technologies, the EU lags behind global leaders like the United States, China and Japan. This gap is most visible when it comes to investments. OECD statistics show that public investments in start-ups focusing on AI are many times greater in the US and China than in the EU. Furthermore, 56% of the EU's investments were realized in the UK. The EU needs a coordinated and bold plan to boost its research and industrial potential to minimize this technological gap. The latest steps taken by the European Commission have shown a willingness to address this problem and it has drawn up its own strategy and has proposed a funding mechanism to finance these ambitious goals.

European AI strategy seeks to boost technological and industrial capacity in areas such as AI and this is a top priority. The Commission wants to support leading technological institutions, R&D and innovative scale-ups and start-ups in order to become a global technological and innovation hub. Slovakia

intends to follow this plan and will develop its own strategy to support the growing digital and data industry. The Deputy Prime Minister's Office for Investments and Informatization of the Slovak Republic will soon introduce the national Digital Strategy that will define particular activities and plans for the digital agenda. The role of the state is to establish functioning digital innovation hubs consisting of various entities – technological universities, scientific institutions, SMEs, leading companies and NGOs and civic society, where they can collaborate on joint projects and bring more innovations to the market. We firmly believe that innovation hubs will support companies, particularly SMEs, to digitize and innovate their business models. Innovation hubs will also advise companies on how to fund these processes.

The strengthening of the digital and data economy will also have a vast impact on the national economy. Most importantly, we believe that the growing digital and data sector will help diversify the Slovak economy, which is heavily dependent on the automotive industry. If we succeed with our goal of establishing new R&D centers and strengthening existing business projects in this sector, we believe this will help stop the outflow of the best students and will also persuade Slovaks working abroad at the leading tech companies to return home and help develop the national digital economy.

At the national level, we need to systematically prepare for the new Multiannual Financial Framework (2021-2027). As declared by the Commission, the digital agenda will be a top priority as regards funding. Based on the initial proposal, the new funding program

called Digital Europe will be established with the aim of investing 9.2 billion euro to align the EU with increasing digital challenges. Within the Digital Europe Programme, there are five priorities: high performance computing, artificial intelligence, cybersecurity, digital skills and ensuring a wide use of digital technologies across the economy and in society. In close cooperation with universities and private partners, we need to draft meaningful projects that will help boost research and development in innovative technologies such as AI and high performance computing.

There is also a need to deal with the growing issue of a lack of labor in the ICT sector. Based on an analysis of the Digital Coalition, a national platform for public and private organizations, in 2020, we will lack 20 000 employees in the ICT sector. A tailor-made communication strategy is needed to convince young people, especially women, that studying informatics and new technologies makes sense and is highly valuable.

Digital transformation and ongoing technological trends are disrupting our world in many ways. It represents great potential that can help us secure further economic growth, diversify our economy and stop the brain drain from our country. Artificial intelligence and robotization can help us deal with the lack of labor and minimize the negative impact of current trends, such as the aging of society and the negative demographic curve. It is the responsibility of the public authorities to create an environment, particularly in terms of regulations and investments, where digital sector and research can continue to develop and flourish.