

The geopolitics of technology

Charting the EU's path in a competitive world

SUMMARY

The emergence of a contested multipolar world, one that is increasingly inward looking and unstable, has been paralleled by profound technological change and deepening digitalisation of economies and societies. Technology has become a battleground in the geopolitical quest for power. Global technological rivalries – broadly divided between countries promoting liberal and human-centric governance models and those deploying technology to support authoritarianism – are reshaping the world. Other undecided countries are meanwhile sitting on the fence.

A case in point is the intensifying Sino-American tech rivalry, including in the pivotal artificial intelligence (AI) and semiconductors sectors. In addition to its deep impact on economies and competitiveness, technology is also at the core of geopolitical struggles through its deployment in cyberwarfare, election interference and misinformation.

Supporting open trade, a multilateral order and global standards have always been among the EU's fundamental principles. To safeguard those values and navigate this new, challenging, fractured and confrontational environment, the EU has been developing a policy toolkit for quite some time. Additionally, it has frequently been a front-runner in regulating critical emerging technologies, while also establishing partnerships with allies and like-minded countries, safeguarding its internal market and addressing technological vulnerabilities and strategic dependencies.

Since the underlying trends are unlikely to weaken, the issues at the nexus of geopolitics and technology are expected to feature prominently on the European Parliament's agenda during its 2024–2029 legislature. Experts recommend that to maintain its normative heft, the EU needs to build its industrial prowess by boosting its technological capacity, investing in digital infrastructure and financing innovation. The EU should also strengthen ties with like-minded countries and engage the Global South, expand its economic security policy and enhance the Global Gateway initiative. Boosting competitiveness and striking the right balance between autonomy and openness as well as between security and free trade, remain the key challenges in a world shaped by multiple crises and disruptive technologies.



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