

IT companies call for concerted action against US dominance: “Golden opportunity”

Hundreds of IT companies have joined forces in a manifesto to break US technological dominance in Europe. One of the demands is that public sector actors must be forced to purchase solutions from European suppliers. “If we are to bring about change, we need a different economic policy,” says IT and security expert Daniel Melin.

The EU's dependence on American tech giants such as Microsoft, Google, and Amazon has escalated from a pressing issue to an urgent one. The risk of Trump exploiting US dominance in a new conflict is no longer considered hypothetical, as Dagens Industri recently reported. Throughout the EU, there is talk of independence and autonomy.

Now it is time for Europe's leaders to move from words to action, according to Daniel Melin, business developer at Swedish cloud company Safespring and involved in Eurostack – an industry initiative backed by around 300 European companies, mainly in IT but also manufacturers such as French aircraft manufacturer Airbus.

“Through its trade policy, Europe has impoverished its own IT industry. European IT companies' deliveries within the EU have steadily declined and are now down to around 10 percent of the market,” he says.

The government, led by Minister for Public Administration Erik Slottner (KD), has been talking about a cloud policy for almost a year, notes Daniel Melin.

“If we are to bring about change, we need a different industrial policy. Now is a golden opportunity.”

The changes that Eurostack is pushing for can be boiled down to three points. One of the demands is that the public sector in Europe should be forced to purchase a portion of its procured IT from European suppliers. This was rejected by Erik Slottner this summer, according to Daniel Melin.

Furthermore, Eurostack is calling on its own sector. The IT industry must become better at collaborating, creating alliances, and combining its services so that European players become more attractive on the market. Finally, it wants to bring about regulatory changes that give pension funds greater opportunities to invest in unlisted IT companies as a form of long-term venture capital.

In which IT area will it be most difficult for us to catch up with the US?

“There are lots of cloud services in Europe – they are not as big as the American ones and do not have as many features. They are not difficult to scale up or build – but they are capital intensive.”

“When it comes to semiconductor manufacturing, it would take a very long time for Europe to become even a reasonable player,” says Daniel Melin, pointing out that Nvidia's chips are already a geopolitical power tool that the US is using against China.

Within the EU, a bill on AI and cloud services is being drafted. In addition, new recommendations are coming on how public actors can think about procuring cloud services.

“It will be easier to demand European delivery – whether authorities, regions, and municipalities will be forced to buy more from European IT companies remains to be seen,” says Daniel Melin.