

# FRANCIS GURRY

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### Virginie ROBERT

Francis Gurry, we hope you will say something a little more positive. We definitely understand that there is a lot of risk and there is a question of trust. We definitely need to find new forms of governance. The idea of putting networked intelligence together gives me a little hope. What do you make of this?

### Francis GURRY

Thank you very much Virginie and ladies and gentlemen colleagues. Thank you also to Thierry de Montbrial for this invitation. I will not be such an optimist, I am afraid, nor necessarily a pessimist, but I will focus more on the problem than the solution, because we cannot design the solution until such time as we have a thorough understanding of the problem. We are getting there, but we are not completely there.

Regarding the impact of the connected world on governance, the greater the connection, the greater the dependence that is created, and the greater the dependence, the greater the vulnerability and risk. We have seen that, and we see the risk to privacy which is playing out in the policy and governance discussions on the protection of personal data. The risk to business assets is playing out in terms of how we deal with cyber-espionage. The risk to integrity of data is playing out in the fake news area. The risk to security is playing out in the cyberwarfare area.

We can say about these risks that they are qualitatively different from the risks of the past, and they are qualitatively different for several reasons, first of all because they are international in character, and that is just an obvious thing, but it is not necessarily the case with risk frameworks of the past. The second is that they are occurring at an accelerated speed, and the third is that they are very radical, a product of the accumulation of knowledge. Sherlock Holmes says that knowledge begets knowledge as money begets interest, and that is what is happening, of course, with the degree of knowledge in the world.

Our institutions were designed for a completely different risk framework than these. Thinking in terms of a walled city, it was one government's response to the sort of risks that were out there. Now we are confronting qualitatively different risks, and that is causing radical disruption in the efficiency and efficacy of our governance institutions, because they were designed for something else, frankly. We can see that in many different ways.

For example, I gave three things differentiating risks these days in the connected world, one of them being speed. Coming out of that, we find ourselves confronted with a series of situations which our institutions have not had the time to reflect upon and consider. We live in a world in which you can do anything except that which is expressly prohibited, as opposed to a world in which you can only do that which is permitted, and I am not proposing a change. Science and technology, as long as we live in such a context, particularly with the speed and accumulation, will be way out in front of the institutions that were designed to deal with different risks and risk frameworks.

There are many examples, but the effect of it is that governance is reverting increasingly to the market and technology, or if you like, in order, it is reverting increasingly to technology which is actually determining social directions, or the direction of society, and business models built by the market upon that basis. It has nothing to do with governments. You can see this in anything from relatively trivial examples to major ones.

I can give you one from my field, which is music. There has been a revolution in the last 20 years in the production, distribution and consumption of music – everything has changed. We have reached a situation in the last two years in which, for the first time in 20 years, the size of the music industry worldwide has grown, as opposed to reducing, and digital market sales are increasing. That situation was produced by the market, not by governments, and I am speaking as someone whose job is to get international cooperation around solutions for this sort of situation. It has been produced by different and more accessible business models.

Therefore, we have a situation in which a lot of governance and social direction is being set by the market and technology, regardless of ideologies, just as a consequence of the speed and the radical nature of technologies. Coming to the international solution to that – since one of the features of the new risk framework is that these risks are international – it is much worse and much slower than at the national level, but of course we have international problems and risks. Furthermore, at the international level, what we see is that these areas of risk are also the areas of competition.

Let me give the example of Ebola and the WHO. It is relatively easy in the WHO to get unity of purpose about the suppression of Ebola because everyone's interests are the same – we all want to suppress it for different reasons. That is not the case in science and technology, because it is the centre of competition between countries, and this is a newer feature because it was not always so much the centre, although I would argue it has often been near the centre. Secondly, it is also the centre of difference and of disparities. The great disparities in the world are produced by differences in technological capacity.

Therefore, we face a situation which is a perfect storm in many respects – new risks of a different nature, which are stressing and disrupting the governance institutions we have known, because they were designed for walled cities, different situations, and difficult to move forward, because this is also the area where we have huge differences and the area of competition.

These two factors – that science and technology are really the basis of competition and also the basis of the biggest disparities – are producing a situation which are contributing to the movements we see towards unilateralism as a policy posture rather than multilateralism, because if you are going to compete you will go to your national basis for doing so. This is also contributing to these movements we are seeing towards national and unilateral approaches as opposed to multilateral ones.

However, on the other hand, because of interconnection, the first mover, provided it has scale, will determine the global rule, and we see that in the GDPR, so the EU has moved first, and the scale of the EU is such that the whole world has to comply with it. It might be different if some small country, an island state, introduced the regulation, but it is the EU. Furthermore, there is a growing pressure which we have seen over the last couple of days, for example with Tim Cook from Apple speaking out and saying that the US also needs to develop a regulatory framework for the protection of personal data. This, plus the social movements on the Internet, all produce a situation in which influence is being exercised in a different way, by the first mover. I am not saying that the EU deliberately chose to do that, but that is the impact these days of an absence of multilateral and a reversion for lots of reasons to unilateral approaches. However, we will also see that first moves are made by China and by the US despite its non-regulatory culture. This produces a situation which is not very optimistic for risk management, where we have a completely new set of risks to deal with.

Therefore, we have to radically rethink our governance models to deal with new forms of risk.