

October 25, 2005

**THINKING GLOBAL**  
 By FREDERICK KEMPE


## How the Web Was Run

### The U.S. and Europe Are at Odds But There May Yet Be a Way Out

October 25, 2005

A new transatlantic conflict has erupted over Americans' continued control of Internet governance. The issue may seem arcane compared with other disputes, namely Iraq. But the two sides of the debate are responding with rancor and the stakes are considerable: How the Internet is managed could affect issues ranging from free speech to business regulation.


As was the case with Iraq, some European Union officials privately accuse Americans of arrogance and unilateralism. Yet unlike Iraq, this time all 25 EU countries have unified behind a position that Washington believes endangers its interests. America and its industry friends worry that Europe's fuzzy-headed multilateralism could endanger one of globe's most valuable resources.

A showdown will come Nov. 16-18 at the United Nations' [World Summit for the Information Society](#)<sup>1</sup> in Tunis, Tunisia. The outcome won't be binding but will be politically significant. Both sides agree that they must avoid empowering autocratic governments -- which some fear would be the result if Internet governance is spread among multiple governments. The trick will be how to deal with world sensitivities over American oversight without undermining the very success that U.S. control has spawned.

\* \* \*

Bush administration officials blame the European Union's surprise attack on U.S. Internet interests on [Viviane Reding](#)<sup>2</sup>, a 54-year-old former journalist, who is now tiny Luxembourg's only member on a panel of 25 EU commissioners. Her outsized responsibilities reach from digital entertainment and media to telecommunications and the Internet. Even EU officials appeared stunned when their [1 1/2-page proposal](#)<sup>3</sup> for a "new international cooperation model" immediately inspired laudatory

#### DOW JONES REPRINTS

 This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers, use the Order Reprints tool at the bottom of any article or visit: [www.djreprints.com](http://www.djreprints.com).

- [See a sample reprint in PDF format.](#)
- [Order a reprint of this article now.](#)

#### THINKING GLOBAL

##### Sign up to receive<sup>10</sup>

alerts when new installments of Thinking Global are published.



Frederick Kempe also writes a daily analysis of the biggest news of the day. You may sign up to receive Mr. Kempe's full daily commentary by email, along with links to all of the stories and features that are mentioned in each day's Asian or European edition of the print Journal.

#### ABOUT FRED KEMPE

Frederick Kempe, an assistant managing editor of The Wall Street Journal, has spent his career tracking global political, economic and business issues. Until recently, he was the editor and associate publisher of the Wall Street Journal Europe. As a correspondent he covered stories including the rise of Solidarity in Poland, the unification of Germany and the collapse of the Soviet Union, and he reported on wars in Afghanistan, Iraq and Lebanon. He is the author of three books: "Father/Land, a Personal Search for the New Germany," "Siberian Odyssey, a Voyage into the Russian Soul" and "Divorcing the Dictator: America's Sordid Affair With Noriega." He is a graduate of University of Utah and Columbia

statements from the undemocratic likes of Cuba, Iran, China and Saudi Arabia.

University. Write to Frederick Kempe at [fred.kempe@wsj.com](mailto:fred.kempe@wsj.com)<sup>11</sup>.

"Seeing who was supporting [the EU] was a good market-based test for what was going on," says [Ambassador David A. Gross](#)<sup>4</sup>, the senior diplomat leading negotiations. "The EU proposal in my view was historic and shocking." He believes a more multilateral governance system would endanger everything from free expression to innovation. "It was so extraordinarily different than any position they had taken before."

In an interview, Ms. Reding returns volley. She argues nothing has changed in the EU position, which has long endeavored to gradually move the Internet away from U.S. control while preserving its openness. She says it is the Bush administration that has drifted from the Clinton administration's agreement to internationalize the Web. Ms. Reding says she wants the current framework, which gives the Commerce Department ultimate oversight over Internet governance, to be replaced with no government oversight – U.S. or otherwise.

Ms. Reding wants technical management to remain in the hands of California-based Internet Corporation for Assigned Names and Numbers, or Icnann, a Commerce Department-sanctioned nonprofit that oversees the address system that helps Web traffic find its destination. Without U.S. oversight, Ms. Reding, says Icnann would turn to its [Government Advisory Committee](#)<sup>5</sup> for advice when it runs into a tricky political situation. And she wants the committee broadened to include more governments as well as representatives from the private sector and nongovernmental organizations.

Critics say the elimination of U.S. oversight would leave the Icnann vulnerable. Over time – and with potentially growing influence from the Government Advisory Committee -- Icnann could become ensnared in bureaucratic, multilateral oversight. "What is to stop the U.S. or the U.N. or another other group from taking responsibility for operations," says Mr. Gross. "We look at the Internet's success and want to make sure we keep the recipe for it. If you modify it, the risk is that you come out with something far worse."

In any case, he says, the U.S. isn't ready to give up the Internet's holy grail, it's "root zone authoritative file." That is what Icnann oversees and what ensures that when Internet users type in a Web address, they end up at the Web site they have in mind – whether they're in Pittsburgh or Pretoria.

Ms. Reding bristles in response. "If I have learned something in 25 years of politics, it is that if you are isolated, the best defense is attack. Today, in a globalized world in which the Internet has become a global resource for freedom of expression and for economic exchange, this monopolistic oversight of the Internet by one government is no longer a politically tenable solution." She argues that larger countries kept out of the governance system will set up their own Internets, which would muddy the online world.

She believes the EU has done the U.S. a favor by drawing unfriendly world governments toward a compromise position. "It is true that some governments outside Europe, particularly in the developing world, have argued that this can best be achieved by creating a formal, treaty-based U.N. organization to supervise the Internet. ... Europe does not agree. ... There must not be any government involvement in the day-to-day management of the Internet, neither one of the U.S. government nor by any other government."

Erika Mann, a member of the European Parliament who specializes in such issues, sympathizes with Ms. Redding's arguments but fears the EU has moved forward with inadequate debate, raising an issue in an unconsidered way that could have waited. "One must be very naïve to argue the way the European Union is doing at the moment," says Ms. Mann. "The moment you talk about replacing the U.S., you have to name who would do it. There's no methodology of how to choose the others."

\* \* \*

So how did we land in this transatlantic mess? The causes are a case study in how Europe and the U.S. often end up in transatlantic dustups where common purpose would better protect democratic interests.

- Rising anti-American resentment and the Bush administration's suspicion of multilateral decision-making have complicated America's defense of its Internet position. A short Commerce Department statement of four principles on Internet governance issued in June fanned the flames by essentially calling for an indefinite continuation of the current system (while increasing international consultation). Mr. Gross argues [the statement](#)<sup>6</sup> followed intensive consultation with governments and industry, but that didn't lessen the usual charges of American arrogance.
- Commissioner Reding's world view differs from that of her predecessor, Erkki Liikaaenen, now Finland's central bank president. U.S. officials believe she is more susceptible to political arguments against American unilateralism and less swayed by practical and technical arguments of how a new system could endanger the Internet's success. She has a doctorate in human sciences from France's Sorbonne and, as a long-time journalist at the Luxembourgish *Wort*, she concedes that she's not a "techie." [Mr. Liikaaenen](#)<sup>7</sup>, a political scientist from Nokia's homeland, had close links to business and made frequent trips to Silicon Valley.
- Europe and America have fundamentally differing philosophies on global governance. Europeans tend to value process more, while Americans prefer results. The EU itself was born out of a process whose aim was to prevent new war in Europe and, thus, the EU is valued for its own sake irrespective of its inefficiencies. Americans find it difficult to love multilateral bodies that don't produce results -- or might endanger achievement.

There still appears room for a solution in Tunis that doesn't endanger the Web, but it will involve getting EU compromise on the U.S. role. Ms. Reding's spokesman Martin Selmayr says the EU could accept a step-by-step process that removes that U.S. role gradually. The U.S. doesn't feel change is necessarily: It would prefer Washington's oversight remain fixed even as an international advisory forum's role expands.

There may be ways to split the difference. For instance, Nominet, which looks after all .uk domain names, [backs an Argentine proposal](#)<sup>8</sup> rather than the EU stance. The Argentine plan -- one of eight alternative plans that have been floated -- may just work. It satisfies the U.S. desire to retain ultimate oversight, while giving Ms. Reding the kind of world-wide forum she wants to advise Iann. Perhaps Argentina can help save the U.S. and EU from themselves.

- *Who do you think should govern the Internet?* **Write to** Frederick Kempe at [fred.kempe@wsj.com](mailto:fred.kempe@wsj.com)<sup>9</sup> with your thoughts.

**URL for this article:**

<http://online.wsj.com/article/SB113016040615477507.html>

**Hyperlinks in this Article:**

- (1) <http://www.itu.int/wsis/>
- (2) [http://europa.eu.int/comm/commission\\_barroso/reading/profile/index\\_en.htm](http://europa.eu.int/comm/commission_barroso/reading/profile/index_en.htm)
- (3) <http://www.itu.int/wsis/docs2/pc3/contributions/sca/EU-28.doc>
- (4) <http://www.state.gov/r/pa/ei/biog/46292.htm>
- (5) <http://gac.icann.org/web/index.shtml>
- (6) [http://www.ntia.doc.gov/ntiahome/domainname/USDNSprinciples\\_06302005.htm](http://www.ntia.doc.gov/ntiahome/domainname/USDNSprinciples_06302005.htm)
- (7) [http://www.weforum.org/site/knowledgenavigator.nsf/Content/Liikanen%20Erkki?  
open](http://www.weforum.org/site/knowledgenavigator.nsf/Content/Liikanen%20Erkki?open)
- (8) [http://www.theregister.co.uk/2005/10/19/nominet\\_votes\\_argies/](http://www.theregister.co.uk/2005/10/19/nominet_votes_argies/)
- (9) <mailto:fred.kempe@wsj.com>
- (10) <https://users1.wsj.com/pznsetup/sub/email/setup.html>
- (11) <mailto:fred.kempe@wsj.com>

**Copyright 2005 Dow Jones & Company, Inc. All Rights Reserved**

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our **Subscriber Agreement** and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit [www.djreprints.com](http://www.djreprints.com).