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EU-US DIGITAL COOPERATION: A COMMON RESPONSE TO TECH CHALLENGES?

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PROCEEDINGS

MR. KERRY: Let me remind you to please silence your cellphones but use them to tweet at #dataprotection.

So this is Commissioner Jourová's second visit to the Brookings Institution. She came here for the first time in November of 2015. It was a particularly fraught time. It was at the same time as the attacks on the Bataclan nightclub and other places in Paris. It was on the heels of the European Court of Justice Schrem's decision invalidating the Safe Harbour decision. And of course, since then, it's been a pretty extraordinary time in the European Union. We've had the renegotiation of the Privacy Shield. We've seen Brexit. We have seen a data big bang that has led to all sorts of implications for our societies, for our news consumption, and for political debate. And you know, as well as the possibilities of artificial intelligence. And Commissioner Jourová has been in the middle of all these issues. She led the commission's decision making on the Privacy Shield and two subsequent reviews. She led the trialogue negotiations with the Commission, Parliament, and European Council on the general data protection regulation. And currently is in the middle of the digital agenda at the EU as it confronts fake news and other online content issues as it announced this week at the latest development in its strategy on AI. So I look forward to the opportunity to hear about these issues and explore them.

Before joining the commissioner, Commissioner Jourová was a popular minister in the Czech Government, a member of the European Parliament, and of a liberal party in the Czech Republic. So Commissioner Jourová (speaking in foreign language). Welcome and good afternoon. Welcome back to Brookings. Welcome back to Washington. Please welcome Commissioner Jourová to the stage.

(Applause)

MS. JOUROVÁ: Ladies and gentlemen, indeed, I was here last time in

November 2015. It was a dark moment, the day after the attack in Paris. And I must say

that I could not concentrate too much last time on the matters of protection of privacy in

spite of the fact that they are existentially important. But I still remember the atmosphere

here. Today I think the mood is much better. Thank you for having me here. Thank you

for inviting me again at your great institute.

Today I am here to discuss with you the EU-US cooperation in the wake

of tech revolution on both sides of the Atlantic. We face similar problems and have

similar challenges to find the right answers.

Digitalization has changed our lives beyond recognition. It has

revolutionized the way we work and travel, the way we learn about things. It offers no

doubt many opportunities for society and for economic innovation. But, recently we have

become acute aware of the challenges that digitalization and technology can pose to the

rule of law, democracy, and fairness. Regularly, we see shocking revelations, whether in

relation to Cambridge Analytica, foreign meddling in elections, or security gaps in critical

infrastructure like 5G.

And I see that more and more politicians in the United States are starting

to ask difficult questions. Are the tech giants too big to handle? Should they be broken

up? Are our competition rules up to speed with today's reality? Do we have tools to

protect our privacy? The same questions which we ask in Europe.

I came to the United States to share a European view on some of these

issues but also with a strong call to our American allies that it is time to shift up the gear

to work together and to become global rule makers rather than wait on the sidelines and

become a rule taker.

Before I elaborate briefly on these points, I wanted to share two personal

remarks because they will help you to understand what drives my actions. First, a small

concession. I would not describe myself as a coder or technology expert. And I even

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deleted my Facebook account a few years ago because I felt it had become a place only

for hatred.

To comment on this, my son always, he is watching what I'm doing and

he always sees me speaking at conferences as to the vital -- as to why technology, and

he knows I'm not a person of technology at all. And then he carefully asks me, Mommy,

is it really so bad with Europe? And I explain that I think I understand the impact of

technology on the people. This is my task.

And as for Facebook, when I announced that I canceled my Facebook

account there were people who looked at me as if they don't believe that somebody can

exist without a Facebook account. And also, there was a group of people who were

predicting that in politics I will be just a dead person. That I will be got off or not

connected with the people. I did it and I am still here.

I studied sociology, and also I'm a lawyer as my training, and this

background is shaping my views and my actions on the tech revolution in general and on

the internet in particular. And as somebody who studied sociology, I am mindful of the

effects digitalization and social media have on our society.

As a lawyer and EU justice commissioner, I am focusing on equality

before the law and legal protection of the people and our values. My mantra is what is

illegal offline must be illegal online.

And the second thing I wanted to tell you is that I don't have a kneejerk

reaction that regulation is the best way to solve all the problems. I am a fan of a more

light touch approach. To me, the main question is not to break up Facebook or not. The

big question is how we can maintain our values and expose them to the new digital age.

Let's start with Europe's response on the issues which I have indicated.

First let me say a few words related to the values. Despite all the changes, I think we

want to maintain who we are. Modern Europe, like the United States, has been built on a

solid foundation of democracy, freedom, fairness, and (inaudible). Digital or not, for values this should not matter. Technology is a means to an end, not an end itself. It

must serve the people.

Yet, many of the tech champions were labeled as the disruptors,

sometimes disregarding even those core values. The only long-term solution I see is for

a democratic society to reassert control of this process and put people at the center of

the technological revolution. In Europe, we want to create a regulatory floor to help

people gain more control and to make more choices.

And this leads me to GDPR, General Data Protection Regulation.

Because this is the core legislation, we have to address the issue or the plan to give

more control over the privacy and the data to the citizens, to the people living in Europe.

Now, GDPR is almost one year old and the first conclusions are that it is

working well. We are starting to see positive trends when it comes to innovation and data

security or when it comes to citizens making use of their new rights. For instance, data

portability. This was not a foregone conclusion as I still recall the first reactions, many of

them also from the United States, that privacy is a European obsession. That in the age

of social medial, privacy is obsolete.

Today, we hear from those social medial that they would welcome a

GDPR standard globally and that they want even more regulation. What a difference a

few years can make. It is why I think GDPR works. That GDPR is based on simple

principles. It is a federal law with a core set of rights and it's enforced by independent

authorities. The advantage of this approach is that it creates the same rules for

businesses in the biggest single market of 500 million consumers.

I'm still counting UK. Is there something new today? No? (Laughter)

GDPR offers an easy way to move data between each other. Despite

criticism, none of the doom and gloom scenarios have materialized. Companies report

that it was an opportunity to put their house in order when it comes to the data they hold

and increase its security. It also helps them develop more trustworthy relationships with

their customers and offer innovative, more privacy-friendly services.

Our legislation is not the only thing we. When it comes to online content,

we wanted to preserve the broad freedom for platforms to operate, but we also wanted

them to start fixing the problems they themselves helped to create. I don't think the

American companies coming to see me from time to time like my welcoming sentence.

Hello, welcome. And tell me how you will correct or fix the world which you have spoiled.

And they thought it was a typical bad Czech joke. You know? Czechs are quite famous

for having a cynical sense of humor. And I said, no, no, I mean it seriously and you are

creating problems so you have to be part of the solutions.

So we work with tech giants to achieve this principle which I said before,

my mantra. What is illegal offline is also illegal online. I speak here about the illegal

content.

We had to react under the situation in Europe because the combination

of the still present consequences of the economic crisis, the migration crisis, and

terrorism created very explosive atmosphere in the European Union and it reflected an

online wealth. And the virtual violence was that close from inciting violence in real life.

That's why we had to act.

And our solution came through the method of differentiating the level of

threat which we saw in a different kind of illegal consent. The bigger the potential harm

for the people, the faster and stronger the reaction should be. Terrorist content and child

sexual abuse images are the biggest threats according to our assessment. On terrorist

content, we already proposed legislation. We have in the legislation the obligation that

after notification by the law enforcement authority, the tech company has to remove the

terrorist content in one hour. One hour which is necessary. It's rather cruel. It's a very

short deadline. But we have a very good source of information in Europol and they said

ISIS was and is willing in online world. They open the website and in two hours' time

they have 100,000 followers. That's why we need to be (inaudible).

Just look at the attack in New Zealand. Facebook needed, I think, 15

minutes to stop it because it was screening in real time. And then they need I think one

week to find all the copies which a half million copies distributed in 15 minutes. So this is

why time and fast reaction really matters. So this was terrorism as the illegal content

which we assessed as the most dangerous one for very good reasons.

For illegal hate speech, that is banned in all member states by European

and national laws. I worked with platforms on the voluntary code of conduct to ensure

that the rules that apply offline are also respected online, and we achieved good results

quickly.

I had numerous debates with American colleagues, with NGOs, with Jeff

Sessions, about the freedom of expression which is unlimited in America and I said, well,

in Europe there are some limits. There is some hate speech which is prohibited by the

criminal law because this is the kind of speech which (inaudible) hide behind the freedom

of expression. This is not right. Nobody will call for killing. There must be some crime

and punishment as a principal for online world when it comes to illegal content such as

illegal hate speech.

So this is terrorism, child pornography, and hate speech which we call or

consider to be illegal content. There is some harmful content which is legal. It's

disinformation. Lying is not illegal. That's why we have to take a different approach

when we speak about the laws which apply offline to apply online. We don't have any

laws prohibiting lying.

We have five member states which have in the criminal law the article

that the panicking messages can be sanctioned by criminal law but it's a very small

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number of states.

So here you will agree with me on this information. We take a more nuanced approach. In self-regulation we focus on transparency. In parallel, we create networks of fact checkers and systems to be able to detect massive fake news campaigns fast and to react also fast. And more long term we invest in media literacy in education and in support for independent quality journalism.

When it comes to artificial intelligence, we want to support it. We must support it but ensure that it benefits people and eliminate bias. That's why just earlier this week we have proposed an ethical human centered approach to Al. We have to find a way that Al as a technology will be a force of good rather than multiply bias.

Let me say a few words about how we prepare for the elections in light of all those threats and negative features related to technologies. We took lessons from the US elections, but also from our own European cases. And we are now also working with platforms on a voluntary basis to inject more transparency to election campaigns online. They cannot be a black hole with no information on who stands behind an ad and who paid for it. Debate in a true democracy must be transparent. And this must include political advertising in social media. Otherwise, we have become vulnerable for possible manipulation including by foreign actors.

I always say that the elections must be the competition of ideas and visions, not the competition who can better use dirty money to pay dirty campaign such as through Cambridge Analytica method. So this is what I have in mind here. This is what we don't want to have in Europe anymore.

So what are the next steps? Today, the US and EU are facing, as I said at the beginning, very similar challenges. It would make our response much stronger if we came up with similar solutions to simplify. Today, I see two camps globally. A people-friendly camp that understands that we should have more control over our data,

including in the online environment, a camp that shares the view that all players,

including governments, have to respect limitations when it comes to the processing of

person data and be transparent. Europe is a proud member of this first camp of this club

because it is based on our values, on who we are.

And there is the other camp that has a lax approach to privacy, prioritizes

uninhibited and uncontrolled access to data in the name of business or government

interests. I would want the United States to join us in the first camp and to build on our

successful privacy work, for instance, in the privacy issue. It's time to work together also

with Japan and other like-minded allies on setting the global standard and leading the

way. I believe this is the right moment to build a global coalition and promote secure flow

of data and people-friendly tech based on trust and respect of strong privacy tools.

This could create a strong transatlantic floor that could become a part of

the answers to burning questions about 5G infrastructure, China, or the power of data-

hungry tech giants.

Europe will be going through a political transition this year, starting with

the European Parliament elections and then towards the end of this year with a new

European Commission with, I think, I guess, new ideas, fresh ideas of the new

commissioners. The old ones are already quite tired.

I am sure that the response to tech challenges will be high on the

agenda but I am not predicting that necessarily there will be regulation. Maybe the new

commission will continue our soft touch approach and cooperation with the tech industry

on a voluntary basis, but who knows?

I have some ideas who Europe should focus on these challenges. First

of all, we should continue to follow the people first approach.

Second, we should follow an independent ethical evaluation on the

impact of the tech innovation on the people and our lives. We should not aspire to

become the next episode of the Black Mirror TV show.

Third, we should think how to implement the values by design approach

by companies. This would mean, for example, ensuring that programmers think from the

start of building algorithms about how this could affect our fundamental rights.

Fourth, we should not be afraid to have a serious discussion about

accountability in the online environment.

Fifth, resist temptation of overregulation. Rather, we should look into

adopting the existing rules on, for example, productive data discrimination or cars to take

into account new developments, for instance, in artificial intelligence.

And the sixth principle, we have to find a way to allow startups to

innovate and to grow, help them to find the smart money. We could think of lessons we

learned from the fintech industry and think of a regulatory send box for startups.

The way we shape our societal and political response to tech revolution

will influence the next generations. I want to see Europe and American working together

because we are democratic societies built on similar values and we are exposed to

similar problems. And if we manage to arrive to convergent solutions, our voice would be

heard around the world and ewe would be in the lead of shaping global solutions. But if

we will become rivals and promote conflicting models, none of us will win. We will both

lose ours to others.

So it's decision time, and I trust that Europe will be a good partner and

also serve as an inspiration for the current US debate.

Thank you very much.

(Applause)

MR. KERRY: Well, thank you very much. As an avowed transatlanticist,

I truly appreciate your appeal for cooperation between the US and the EU. I've certainly

argued many times that the differences are much smaller than I think they are often

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perceived, and as you said, that we have values in common and you know, that we are both systems that are based on democracy, rule of law, fairness as you discussed. And liberal democracies at a time when liberal democracy is under pressure. As you mentioned, from China, but elsewhere around the world as well.

I want to explore a little bit what that cooperation looks like. Is there cooperation with the United States on hate speech and terrorist content, on AI, other, you know, some of the other expressions of digitization that you discussed and what does that cooperation look like today?

MS. JOUROVÁ: Thank you very much.

The cooperation works well. You know, you mentioned it last time when I was here, it was after the Court of Justice suspended Safe Harbour. It was still under Barack Obama's time and we started to work on the system which was later called Privacy Shield. And with the change in the administration after the elections when Mr. Trump became the president, we had different concerns and expectations that it might be at least over some period of time more difficult, but I must say if I can be concrete because Privacy Shield is a distinct case, I must say that I have very good cooperation with Will Ross, who understands the importance of Privacy Shield for business and it's his job to do everything good for business. I have rather good cooperation with the Federal Trade Commission. I am monitoring what the other authorities here are doing to keep the Privacy Shield up and running. We had some hiccups related to ombudsperson. We were waiting too long. And, you know, the ombudsperson was an offer from the American side. And you will have your person here. Somebody trustworthy, somebody independent who will handle the complaints of Europeans, and suddenly we were waiting almost two years for the person to be fully fledged and appointed to do the job, but now it's going a good direction.

So on the Privacy Shield concretely, keeping this mechanism running,

it's quite good. What we would like to see in the United States, and I will not surprise

you, to see the federal law which would be comparable with GDPR. And I don't want to-

I came here so for this visit to lobby for this, and the lobbying should not be

counterproductive. You can -- you will agree with me, so of course, I am not saying there

should be copy-paste version of GDPR. Of course, if it happens and if the US will have

the federal law, it will be American-specific way of solving the issues. But I offered

inspiration in GDPR.

And one of the good things on GDPR is that it's general. It's not driven

into some casuistic kind of prescribing how to solve this or that problem because the

legislation has to be future proof, also. You cannot predict all the changes in the

technology, so the general character of GDPR gives space for a risk-based approach in

application. And I think that this could be the one, one of the inspirations for the law.

I came here from the Senate. I have a really good feeling after the talks

with several senators, who all of them told me yes, we are working on the law and we

need to do something. And it must be horizontal. We have to guit -- own the sector

approach, and it has to be federal. So I am optimistic today.

On hate speech, federalist content, we cooperate with American

businesses, as I said, and not so much with the legislators. I don't want to talk only to

speak so I will cut it short.

MR. KERRY: I certainly want to hear from Vera about your discussions

on the Hill, but let me pursue a little bit some of the developments in Al. So you talked

about the Commission, communication this week on ethnical. One of the things that it

talks about is international consensus building on human centric AI. Can you talk a little

bit about sort of what you see as the process of that? And how you'd like to see U.N.

States participate?

MS. JOUROVÁ: I see very big space for cooperation with the United

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States because what we do now on AI, it's not a regulation. For once Vera has a shtick to react in a paranoid way on the risks and threats. Now, it's for a long time we are relaxing. I think that this commission showed that they are now a regulatory machine. But we decided to first set the standards and the principles, including ethical principles which I think should be applied everywhere in the world, especially in the United States where a lot of those innovations are developing fast. And here it's again about the values. It can also be black box where you don't understand the algorithm but it's not good for only some. It should not be the copy-paste of our imperfect world just transferred into artificial intelligence world with all the unfairness and inequalities. It must be more transparent. It must respect the privacy value. And that's why we came now with the ethical principles and with the ideas how we should prepare our society for the artificial intelligence era because we live in a world of uncertainty. But one thing is certain, that AI will change the way we work and live.

So we are covering also the future of labor and education. And later in June we will come with our guidelines which will explain how the current civil law should apply on AI situations related to liability for damages and safety of products. So this is the way we go. And if the next commission will come with regulations it's not excluded but I would wish to continue like that because at the same time we are investing into the development, technology for development into our academic sphere which cooperates with business and we need to keep the big brains in Europe so this all requires a lot of investments. And so doing all that we cannot bite the other hand, kill it by some killing rules which will go to the detriment of the whole thing.

MR. KERRY: Yeah. So you talked about some of the discussions you had here about the First Amendment in relation to what you described as illegal content, and that's sort of a foreign phrase in the United States. As much as I think we do shares values, one place where I do think our sense of democracy and freedom is distinctly

different is with regard to freedom of expression and how you strike that balance with other rights and other interests.

Do you see ways of bridging those differences across the Atlantic?

MS. JOUROVÁ: Well, it's the American choice. Of course, you have your constitution. You have your First Amendment. This is the golden principle. And maybe I will now say something which might not be -- I have to be well understood. The United States can effort such an approach. Effort. You can risk to keep it unremitted. The EU is historic. There are horrible scars which we still have in our societies. There's all the demons which we now see again. I could tell you horrible statistics related to anti-Semitism which is visible in online very well. You can touch it. And many other things we simply had to reflect this in the legislation and to mark some or qualify some of the speech as prohibited hate speech.

And when I was in Silicon Valley last year, I spoke to the big people from big tech and there is a shift. At the beginning of our talks I still heard the opinion, we have nothing to do with the content. We are only the technology, the pipes. And we have nothing to do with the data which goes -- which flows through the pipes. It's very rare now. What I hear from the industry is, no, we feel co-responsible for the content. We don't like it. We grabbed too much power and no responsibility. We see that the world is getting into some very dangerous disbalance. And if you can do this in a smart way, take some of the power back. This is what I hear from the tech sector. And the people are telling me they hope that we will do it in a smart way. So that's the response we came with against hate speech. We have this voluntary action. We have now I think seven of the biggest ones, biggest companies under this scheme covering around 25 percent of the European space. They have committed themselves to remove within 24 hours the illegal content, the hate speech which is a clear-cut case. So in case of doubt, they should not touch it if they are not certain that this is the hate speech which is

prohibited by the law.

Of course, you can say how can the tech company decide what's illegal.

You will be right, but we cannot wait five years for the decision of the court in these

individual cases. The people will be killed in the meantime, and I'm not exaggerating.

So, but we say in case of doubt, keep it there.

I was sitting in Dublin two hours with those that were cleaning the pipes.

Horrible dirt. You don't believe that this is still human beings' production what I read.

The people can do it. It was in the headquarters of Facebook. The people can do it two

or three months. Then they are totally burned out and they have to go do something

else.

So this is the European way. In Germany, they already adopted the law

where the companies have to remove the hate speech. In case of doubt they remove it

because they are under sanction, and so there are pressures on us from some different

sides to legislate for the rest of Europe in a similar way as Germany does it, but I don't

think that it's necessary up to now.

MR. KERRY: So I do, before we go to the audience, want to follow up

on your meetings on the Hill. And I'm encouraged by your optimism. Lots of us I think

are waiting to see white smoke come out of the Senate Congress Committee. So did

they tell you anything about --

MS. JOUROVÁ: They seem to be all nonsmokers.

MR. KERRY: Did they tell you anything about what they're going to do?

MS. JOUROVÁ: I spoke to four senators from both parties and the main

message was we need to do something.

MR. KERRY: Well, that's a start.

MS. JOUROVÁ: Good start.

MR. KERRY: We're making progress.

MS. JOUROVÁ: Then I had different views on how tough the legislation should be, what should be the priorities, the people, the business. You know, there are a

MR. KERRY: So do you see a chance if we pass a bill that the United States can get adequacy?

lot of different variations possible but a good start.

MS. JOUROVÁ: What do you have is the adequacy? We want to cooperate. No, I mean, Privacy Shield is a kind of adequacy decision. We recognized the protection here. But that is something stronger behind that. We have a chance now to connect with Japan and with some other key players in the world -- Europe, United States, in agreeing the high standards for the protection of privacy and to do this for the sake of the protection of people but also for enabling the trade contacts and the free flow of data, the convergence which will be beneficial for all. So I think that is also a very strong business case for the senators or the legislators who want to see this also reflected in the economy.

MR. KERRY: Great. Well, let's go to the audience for questions.

So, ma'am, in the second row here, please wait for the microphone. And if you could just stand up and identify yourself.

MS. NGUYEN: Thank you. My name is Jeanie Nguyen with Voice of Vietnamese Americans. As Americans, I strongly applaud and support your GDPR.

MS. JOUROVÁ: Thank you.

MS. NGUYEN: And ask Americans for support of senators to pass the law, whatever you think should work.

I have a question regarding the EU role in lobbying for your ideal GDPR with China, the Indo-Pacific, and especially, Vietnam. Vietnam recently followed the model of Chia not pass the new cybersecurity law that strictly violates -- it was created by China model to violate the privacy of their citizens, to score the citizens, and we are very

upset and worried about that.

We also wanted to know, recently President Xi came to the EU and

visited with all three leaders of the EU, France and Germany and I think somebody else.

And I want to know if you had a chance to talk to them regarding that and what is the

future plan is to make sure that the Americans and the EU's work will not be undermined

by China's new technology innovations, especially with 5G. Thank you.

MS. JOUROVÁ: Thank you very much. I will be brief because there are

so many questions.

On China, this is one of the reasons why we are pushing so much this

possibility of creating this global standout belt because it might lead to very strong

economic pressure on the countries like China where, of course, there is a totally

different concept and the respect to the individual rights is very limited. And we have, in

Europe, we recognize the protection of privacy as a fundamental right. When I spoke to

my Chinese partners two years ago, we spoke about two different things. I spoke about

the protection of individual rights and I heard from the Chinese side that the Chinese

people are happy to have the economic and social rights, and fundamental rights is a

useless kind of ballast or something unimportant.

So I think we should impose the pressure on such countries also by now

advancing the talks with India which will be a very important player. They have the new

law on privacy which is in some aspects similar to GDPR and we will discuss further the

possibility of some future adequacy. We are not there yet. We are very advanced with

South Korea where we have analyzed and compared the legislative framework and it is a

realistic vision that we will have the adequate services of South Korea as well.

On cybersecurity, so back to China, in all our talks related to business

cooperation, we always emphasize the factor of fundamental rights. This is in all our

declarations, in all our contacts, but this is the strongest push we can impose. What we

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can do more is to be more resilient against the threats through the new technologies which would endanger our security. And this is what Europe is planning. This is what we recommended to the member states. This is, I think, in line with what the United States is doing. I think that it is quite clear that the technologies which might have the potential to be used for some kind of spying or reporting to the regimes like the Chinese regime, this is a clear and very dangerous security threat and both the United States and Europe recognize this now officially and will, at least on the European side we will take measures.

MR. KERRY: Let's go to this side of the room. In the back on the left. Hold on for the microphone, please.

MR. JOUROVÁ: I heard that he's a student. Congratulations.

MR. MCINTOSH: (Inaudible) McIntosh. So I was asking like, so you hear a lot of candidates talking about wanting to break the tech giants. What would you think is like the biggest, like the biggest affect if they were to actually do that? Like what would be the biggest harm if a candidate like Elizabeth Warren, assuming she actually makes it through the nomination, would be able to like regulate the tech giants and break them up?

MS. JOUROVÁ: I will tell you my personal view. I think that we should be able to differentiate what is happening to consumers and what is happening to citizens. We see that these big tech, they are -- their marketing is based on the algorithms, on the bubbles, which work well for selling the products to consumers. But once they are used to sell some politicians to citizens, this is dangerous, as well as it is dangerous when the citizens are dealt with like a crowd. That's why we wanted through GDPR to guarantee the respect to individual persons. I see the risk when these companies would start to invade into the political debate. Now, before the elections, we have tough talks with Facebook and other companies. We want them to do something

actively against this information. Not delete it but to leave it there, to label it, and so on.

And we want them to work against artificial intelligence production of this information.

But we always say do not touch the political debate. You must not moderate the debate.

You must not use your enormous power for deleting some opinions or shrinking the

space for some political doctrines. This is not your business. We don't want you to

moderate our political debate in the EU. And we don't want you to actively influence what

the people should think and for who they are going to vote.

I had the instinct, when I came into this portfolio, I had an instinct of

somebody who lived half of their life in totalitarian regime. And when I started to realize

and understand how it works, how the crowd is handled, how the people are influenced, I

realized, my goodness, this is something I remember. This was exactly the same thing.

The easy to manipulate crowd. The people who want to eat, the people who want to

have cars, this is enough for you. You are consumers. You should shut up as citizens.

You know, there are some commonalities which really made me very

nervous and which I think that we have to work against, actively work against it. GDPR is

only part of the solution.

At the same time, I don't belong to the politicians who will make them

guilty for everything wrong which we have in our society. So let's not overdo this. There

is a lot of hypocrisy. If the children are committing suicide after what they read online, the

family should think about what care they gave to the children, what attention was in the

family. But it's not wrong that the mother is Facebook and the father is Google. Or who

else, Instagram or whoever, you know, I am not in it so.

MR. KERRY: Very interesting.

MR. JOUROVÁ: I have my splendid isolation. So the threat to

democracy and individual autonomy of people, this is what I personally see as the

biggest, biggest threat.

MR. KERRY: We are running out of time, and I know I need to keep you

on schedule. So let's take a question here and a question right here on the aisle. So

we'll take the two questions. Stand up and give the questions.

MS. JOUROVÁ: I'm sorry I was too long.

MR. KERRY: And try to answer both at once.

MS. JOUROVÁ: The Chinese is preventing you from speaking.

SPEAKER: You had mentioned the EU ethics guidelines that were

published this week, and I was curious to get your view on how you think the debate over

whether AI will require something beyond just ethical guidelines, perhaps some form of

new law. How will you think about that problem? What would be the things that you

would be looking for as those ethical guidelines are implemented and experimented with

to decide whether ethical guidelines is enough or whether you would need a GDPR-style

or other kind of legal regime for AI in Europe?

MR. KERRY: And across the aisle? The gentleman leaning over. Oh,

sorry. I didn't see your hand up earlier.

MR. ROTENBERG: Commissioner Mark Rotenberg with the Electronic

Privacy Information Center. I wanted to ask you about the consent order against

Facebook that the FTC announced in 2011. It's been almost eight years. There's been

no enforcement action. We learned recently that there were 26,000 complaints against

Facebook pending at the FTC. I know you expressed some concern at Chairman Joe

Simons earlier this year. Have you had an opportunity to speak with him? Is there any

news about possible action by the FTC against Facebook?

MS. JOUROVÁ: I'll answer first your question. I will speak to him in one

hour.

MR. KERRY: Okay.

MS. JOUROVÁ: And I still have full energy to ask. I wish very good

cooperation, to have very good cooperation with FTC but also, of course, we are following what they are doing on the cases which relate to former Safe Harbour and now Privacy Shield because we need to see the proper enforcement response. So this

consent issue is one of the questions I will have.

MR. KERRY: And future measures on AI?

MS. JOUROVÁ: The future measures on AI, I, my prediction is that in five years' time we will have to regulate on the things which where we see the standards which we are setting now failing. And it might be a case the transparency because we really need to know how the algorithms work. And it might be the case of safety of products. But it's just my personal view of where it could develop but who knows? And of course, there will be sectoral legislation needed in defense how far we shall let this go in literary technology, in health sector. I think there will be the pressure in different sectors to adopt -- to adapt the legislation on the new emergent situation in AI.

MR. KERRY: May I impose on you for one wrap up question? You said I think at some point it's decision time. The election is coming up. So, and Brexit may be a laughing stock but you made a joke about it, but the challenges are still there among many others. What do you see as the stakes for the European Union in this election?

MS. JOUROVÁ: The extremists will be higher and more vocal. But we will survive. Speaking about we, Democrats, not necessarily only liberals. There are fair conservatives in the Parliament. And I think just to complain, I am a little bit provoked by that. When I hear some, not colleagues, commissioners, but from the political sphere, I hear the colleagues, politicians who half of their time when they speak to people they complain about populists and nationalists. My god, shouldn't we save energy and time for inventing good solutions and good visions for the people who expect us to come again and ask for the trust and ask for the new agreement? I think that we are losing time. So, of course, I am also scared about the development in some parts of Europe. I sit in the

Parliament very often. I have a lot of questions and I hear what the left side and far right

side is saying. It's very interesting. I thought it particularly interesting, practically it is

horrible when I hear the different solutions on the problems from the far left and far right,

but the result, if they implement their solutions, the result will be totality. And I see it very

quite clearly. So that's why we need to get the people to go to vote, not normality but

something which we can offer them and I am sure that Europe will have to do more to be

more resilient against the external threats. Maybe to forget the legislation of smaller

things to focus on big things because the external pressures are so high that it would be

a disaster if we start dismantling it. When there is pressure from outside, you have to be

much stronger inside, and I'm sure we will manage that. This Brexit result. We are not

happy about Brexit.

MS. KERRY: Please thank Commissioner Jourová. We'll send you off

to your meeting with Chairman Simons.

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