

### **PANEL**

# Artificial Intelligence and the Future of EU Foreign Policy



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#### **Executive Summary**

Vocal Europe hosted an event on AI and its implications for diplomacy and EU foreign policy on the 8th October 2019. Organised as a panel discussion, the invited speakers brought up a variety of important issues surrounding this technology helping the audience to get a better understanding of the dynamics caused by this general-purpose technology.

The panel was hosted by **Ebubekir Isik**, senior policy researcher at Vocal Europe, coordinated by **Matthias Peschke**, policy researcher at Vocal Europe, and counted on the contributions of **Andrew Camilleri**, technical attaché at the Permanent Representation of Malta, **Ricardo Castenheira**, counsellor for the Permanent Representation of Portugal, **Eline Chivot**, senior policy analyst at the Center for Data Innovation as well as **Maaike Verbruggen**, PhD researcher at the Institute for European Studies at the Free University of Brussels.

The speakers were on the same page when it came to the short term changes induced by AI: it will increase efficiencies and substantially support the work of diplomats and policymakers. This is because AI is able to analyse huge amounts of data and recognise patterns unlike any human. Therefore, it can be used as a tool in a variety of different areas such as trade negotiations, speech writing or instant translations.

Besides being a tool, AI is also policy itself. Again, the panel coincided that developing this technology is central in order to remain influential as a country on the international stage. This requires legislators to provide a flexible framework necessary for business to produce innovation that is capable of competing globally. On the other side, the negative externalities that come with this ground-breaking technology need to be addressed through reasonable regulation that meets the privacy and ethical demands of citizens.

Each of the participants acknowledged that the EU is lagging behind in the development of AI and that it needs to catch up without losing its commitment to values. At the same time, the EU has to be bold enough to promote new technologies in order to not be sidelined by the global competition coming from the US and China. An often frequently mentioned argument in this context was the necessity to develop a common and cohesive approach to AI of which the ethical guidelines are considered a step into the right direction.

Furthermore, there was consensus that the EU should invest in AI capacity building. Officials, policymakers as well as citizens have to be educated on the opportunities AI provides in order to harness the entire spectrum of benefits. This would improve decision-making and enable the EU to establish a dialogue on eye level with business leaders and receive their input on what needs to be done to grow the AI industry in Europe.



#### Introduction

On the 8th October 2019, Vocal Europe organised the panel discussion "Artificial Intelligence and the Future of EU Foreign Policy" at the Press Club in Brussels. The goal of this event was to provide a wide audience with insights about how AI will impact and change the political field.

#### **Background**

The idea behind this event was to raise awareness and inform the public on the opportunities and challenges induced by the rapid development in the field of artificial intelligence (AI). A couple of years back, only developers were dealing with this issue but this has changed. The increase in computer processing power has allowed for the development and widespread availability of the Smartphone which, in turn, has caused the creation of unprecedented amounts of data. This data is the lifeblood of AI applications to which we have come used to in recent years whether it is in the form of Google searches, purchase recommendations or finding cheap flights.

Compared to other general-purpose technologies of the past such as the steam engine, the railroad or electricity, the impact of AI on society will be much faster and wider in scope. Therefore, it is imperative that more debates occur on this issue and more information about the development is shared with the public as well as with policymakers.

#### **Panel Discussion**

The coordination and preparation of the panel was done by **Matthias Peschke** whose research on AI and foreign policy at Vocal Europe has laid the groundwork for this event. **Ebubekir Isik**, senior policy analyst at Vocal Europe, moderated the discussion and gave a short introduction to the topic and the speakers. He also explained the format of the panel which was designed to give each panellist 5 minutes to elaborate on the changes we can expected through the development of AI. This was followed by a couple of specific questions for each speaker's field of expertise before a Q&A session gave the audience a chance to ask questions of their own.

Andrew Camilleri, technical attaché to the Permanent Representation of Malta, enriched the debate through his substantial experience in lobbying for legislation in the field of technology. A seasoned speaker, who debated the implication of AI on numerous occasions, Andrew explained that the changes of AI will not make the job of a diplomat obsolete in the near future. The job will still consist of representing one's country's interests in the best way possible, collect information, analyse it and make decisions. AI, with its ability to recognise patterns in huge amounts of data, will complement these tasks by allowing for more efficiency and better-informed decisions.

He further argued that AI is not only a policy tool but also policy itself. The former is an instrument that can help to improve human analytical capabilities while the latter refers to measures aimed at maximising the benefits of this technology for society. It is important for everybody to realise that these two things are separate topics and need to be analysed independently.

With respect to using AI as a tool in diplomacy, Andrew is convinced that all branches of government, in addition to the private sector and regular citizens, need to be educated on how to use AI. Only then can the EU harness the potential of this technology which reinforces the importance for member states to develop a common and coherent approach to AI that encompasses all levels of society.



He also addressed practical examples of where AI could benefit the EU saying that it would have a large impact on negotiating trade agreements with third countries. In such cases, the commission would pull all the information that member states have on the issue and analyse it in order to devise a negotiating strategy that is most likely to be most fruitful.



Andrew Camilleri, 8 October 2019. Credit | Vocal Europe

However, this can only happen if member states are willing to share sensitive information with each other. This is where the problem lies, according to Andrew, as, according to his experience, it is already very complicated to simply share information within different government departments let alone different countries. Andrew further contemplated other potential uses for AI such as risk assessment of extreme weather and expressed his hope that the new commission will look more into these things since the outgoing commission has not done so.

A fear of his is not developing this technology as this would mean being left behind and becoming less and less important. He opined that, moving forward, the EU should have a "strategic reflection" on where it wants to go with respect to AI and not just develop it for its own sake. For this reason, he was praising the publication of the ethical guidelines of the High Level Expert Group on AI as a step into the right direction. This could eventually lead to establishing an industry standard for the development of AI to guarantee the use of this technology will be beneficial to humankind. By the same token, he also urged governments to become more tech-savvy and directly approach industry leaders around the globe on what needs to be done to promote more AI businesses in the EU.

**Eline Chivot**, a senior policy analyst from the Center for Data Innovation with profound knowledge of the latest AI developments, made very important contributions to the debate by elaborating more on the business side of AI and giving a detailed analysis of the context in which AI technology operates. She started off by drawing attention to the fundamental difference between present day, where a plethora of information is floating around, and the past, where information was scarce.

This has disrupted foreign policy and diplomacy in several ways. New actors, such as giant tech companies, have risen to influence while new issues like cyber security and election meddling are of increasing concern. While secrecy and control are two very important aspects in diplomacy that do



not go along well with open data, there are several areas where innovative technology will benefit the profession.

Since diplomacy is heavily reliant on making well-informed and calculated decisions, the ability of AI to analyse huge amounts of data and make predictions will underpin the work of diplomats. Just as Andrew, she brought up the example of trade negotiations where calculations of the outcome are crucial for success:

"One has to assess the strengths and weaknesses which is something computers are really, really good at."



Eline Chivot, 8 October 2019. Credit | Vocal Europe

Eline also mentioned the so-called micro-negotiators which are bots that negotiate with each other in order to calculate the most successful negotiating strategy. AI could also be of benefit in the form cognitive trade advisors, a tool that would support decision-making in data-heavy trade negotiations. Other potential uses are speech writing, instant translation and the detection of disinformation campaigns such as deep fakes. Overall, she concluded, AI will be of great assistance to diplomats who will have more time to focus on high politics.

In order to reap all the benefits, Eline coincided with the other panellists in that governments need to team up with industry leaders because they have the technical knowledge to support policy decisions. States are required to become more willing to share data and information with each other while all government departments as well as the current generation of diplomats should be educated on AI and become more tech-savvy.

Apart from that, Eline shared her concerns about the EU's strict data protection laws, a topic where she has been raising awareness for quite some time. She explained that the GDPR was drafted when the political discussion pertained to big data and its impacts. Nowadays, we are, nevertheless, much more aware of how important big data is for the development of sophisticated AI to which GDPR often acts as a limitation. For instance, it requires companies to be transparent about how an AI makes decisions. However, since an AI processes so much information, it is not possible for developers to fully comprehend the decision-making process let alone explain it in layman's terms to users.



She further substantiated her argument by referring to a recent study conducted by bitkom where 74% of business leaders say the data protection requirements are standing in the way of developing new technology. In 2018, this number was at 63% while in 2017 it was just at 45%. Unsurprisingly, the volume of investments into young start-ups has declined.

Another factor Eline mentioned is the fragmentation of rules since neither has the GDPR been translated into national legislation across all member states nor has the digital single market been fully accomplished yet. This lack of harmonisation is a huge obstacle for the tech industry which flourish best when network effects enable upscaling. This is particularly noteworthy for the EU because, as it is now, the US and China are far more developed in terms of AI.

In order to catch up, the EU should focus on data, talent, infrastructure and integrative research networks. Eline emphasised the latter as these networks ensure that any innovation happening in a lab finds its market. Next, she advocated for flexible regulation due to the fast pace at which technology develops and changes. To stimulate innovation, her idea is to introduce regulatory sandboxes where companies can safely test their innovations in a secure environment before hitting the market. Facial recognition would be a perfect example for this due to its diverse potential for negative use. Testing it first in a safe environment would allow developing this technology which indubitably has a large potential for positive use as well.

While Eline praised the EU's efforts in recent years especially with respect to the ethical guidelines aimed at becoming an international standard for the development of AI, she reinforced the urgency to develop AI technology on European territory because "you cannot be the referee of a game, if you don't know how to play it."

Ricardo Castenheira, who is currently working as a counsellor for the Permanent Representation of Portugal, contributed to the discussion with his wide range of experience in the public and private sector. He agreed with Andrew's distinction between AI as a policy tool and AI as policy adding that AI is changing the context in which diplomacy is being conducted. Countries which are able to leverage the impact of AI on the economy will have a significant head start. He also mentioned geostrategic implications that are caused by a shift in balance of power between countries and regions. In this light, lethal autonomous weapons system will play a role and influence the context in which diplomacy is being carried out.

While he worried that this might lead to a new arms race, he also sees a lot of potential for unprecedented levels of international cooperation. The scientific community is working together to apply AI as a solution to global challenges such as climate change and the sustainable development goals. Such collaboration will, according to Ricardo, positively impact the relations between countries and bring them closer together.

Just as his fellow panellists, he opined that AI technology will benefit diplomacy by letting it become more efficient. While critical analysis will still require human intervention, the gathering and interpreting of large amounts of data is something where technology will be very instrumental.

What needs to be done in the EU in order to fully benefit from AI is a more cohesive internal strategy for this technology. This development is now on-going and will be the prerequisite for the EU's attempt at crafting a more coherent foreign policy. In this context, he praised the ethical guidelines as an essential part toward developing a more common AI approach. For this to succeed, he reckoned that these guidelines have to be translated into national legislation across all member states. Otherwise, there would be a high risk of fragmentation especially since member states are, simultaneously, developing their own national strategy for AI.



For Ricardo, a significant milestone has been the GDPR which developed into a global standard for data protection. The ethical guidelines should follow these footsteps and become the international standard for the AI industry. He is aware that this can only happen if the EU enters the international competition more visibly. At the moment, China and the US are dominating the global market and if they develop AI technology without ethical consideration, then this will have a substantial effect on

European small and medium sized businesses and the way they gain access to the global market. Ricardo is convinced that it is not ethical values and privacy concerns that hold back European development of AI. It is rather the lack of investment that has led to this deficit. In fact, he affirmed that the attachment to values is a strength that will allow the EU to compete globally.

"Despite cultural differences between the US, China and the EU, we can all agree on the basics of ethical AI."



Ricardo Castanheira, 8 October 2019. Credit | Vocal Europe

It is the values that we in the EU cherish that will be a guarantor of the safe development of AI. As an example, he mentioned the chief legal officer at Microsoft who welcomed these guidelines and would like to implement similar rules to regulate the work at the entire company. Thus, since the US has not made advances in this area, it would be the EU that triggers and shapes the implementation of a global set of ethical guidelines for the entire industry.

With respect to the lack of international organisations on the issue of AI, Ricardo explained this as a consequence of the versatility of this technology. AI touches on so many aspects that are central to society that it would be impossible to have one organisation to oversee them all. Instead, it will be part of the discussion in many different multilateral forums that will try to regulate the negative externalities that come from this technology.

**Maaike Verbruggen** is a PhD researcher at the Institute for European Studies at the Free University of Brussels analysing the impact of AI on the military sector. As the only academic on the panel, her experience in the field of military innovation was a huge asset for the discussion because she was able to illustrate the security issues that result from developing this technology.



First, she agreed with the other speakers in that the core tasks of diplomats and policymakers will not be automated any time soon. AI will rather take over parts of the job and allow for greater efficiencies. She emphasised that AI is a general purpose technology. Like the steam engine or electricity, it has no clear boundaries and in order to keep this technology in check, regulation needs to be in place that can cope with the fast pace at which it develops. As an example, she brought up the chemical weapons convention whose broad wording allows the regulation to include any future developments in this area.

Her next central point concerned the question about technical expertise. In the field of nuclear technology, there are lots of physicists who work in the policy sector on nuclear security and safety. The same needs to happen in the field of AI. It is essential that more AI programmers and developers join the policy field to ensure that crucial issues are decided by people who understand the underlying technology.



Maaike Verbruggen, 8 October 2019. Credit | Vocal Europe

Furthermore, Maaike stressed the importance to manage expectations in regard to AI. It is true that this technology has a lot of fascinating features but we should not get overly optimistic about it. It takes time to develop applications in this field and we should keep our expectations based on empirical reality.

She was also very cautious about the term arms race and advised against its use as it might turn into a self-fulfilling prophecy. She explained that there is still a lot of uncertainty about how AI will affect warfare because it is not yet known how hostile AI systems will interact with each other. Moreover, AI will generally make the weapons systems of countries more efficient unlike a nuclear weapon which single-handedly increases the destructive potential of a country's armed forces.

Another important factor is that the development of AI is not a zero-sum game. Countries benefit from the development of this technology in other countries and the work of the scientific community would be seriously damaged if countries, induced by the arms race narrative, become more protective of this technology. Such behaviour would also lead to more research for potentially harmful defence



purposes. The US, for example, specifically uses the term as a tool to get more control over their own tech sector and direct their research into a certain direction.

For the EU, it is imperative to not just follow blindly what the US and China is doing but to evaluate its own interest and strengths and go from there. In this light, Maaike recommended the EU should send clear signals to the industry in terms of which technology it allows so they can adjust accordingly.

She further discussed the idea of a non-proliferation treaty to regulate AI and autonomous weapons in a similar fashion as nuclear weapons. The main risk of such an approach would be that countries would want to develop AI as fast as possible in order to become part of this treaty which would then prohibit further proliferation of this technology to any other aspiring nation.

Instead, the EU should try to play a productive role in encouraging diplomatic engagement which would discuss the development of rules, standards and ethics with respect to autonomous weapons. This would lead to a more cohesive and inclusive process where the EU can make sure that the development of new technology is done in line with its values while also giving countries of the global south a seat at the table.



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