



e-G8 FORUM

e-G8 Forum Summary

Paris, May 24-25 2011

Plenary Session I: The Internet & Economic Growth

Information technology and the digital ecosystem have been powerful accelerators of economic growth and employment. How to ensure that this can continue?

Key Findings

- The Internet is a critical economic growth-accelerator; it promotes entrepreneurship and creates opportunities for end-users to improve their standard of living.
- The government's role is to provide citizens with Internet access, not necessarily to regulate content. As with all new technologies, regulation should be thoughtful and minimal so as not to hinder economic growth.
- Internet job creation is happening at the level of small businesses and self-employed entrepreneurs rather than large corporations.
- The private sector's technological solutions to problems on the Internet will be quicker than governmental or regulatory solutions.

Synopsis

The Internet is a critical growth accelerator for the economy and is itself growing at breakneck speed; or, as one expert phrased it, "The accelerator is accelerating." By encouraging entrepreneurship, the Internet creates value, jobs, and unique opportunities for today's global citizens to establish new ventures at minimum costs, thereby improving their standard of living.

Internet job creation is occurring at the level of small businesses and individuals rather than large corporations. Approximately 560,000 people have registered their own business as a result of the Internet economy. Moreover, 1.3 million people around the globe make their primary or secondary income on eBay—one of the Internet's most prominent players. In this regard, world leaders should agree on the importance of embracing entrepreneurship on the Internet. In order to encourage continued economic growth, governments should analyze factors—such as laws and/or regulatory measures—that might be limiting entrepreneurs in their respective countries from starting businesses on the Internet.



While no one disagrees that it's possible to build large, profitable, sustainable businesses thanks to the Internet, the more disputable issues concern matters of privacy, regulation, and access. Proponents of government regulation suggest that proper regulation protects end-user privacy, national monetary policies, and ensures the Internet's credibility.

Major players in the Internet's private sector suggest that the Internet is a new and resilient space, warning that governments should tread lightly when attempting to regulate this lucrative sector. The danger is that overregulation could hinder the Internet's growth and corresponding economic stimulation. Before turning toward regulatory solutions, global leaders should ask if there is a technological solution to address the problems occurring in the Internet ecosystem today. The private sector's technological solutions to problems on the Internet will be quicker than governmental or regulatory solutions. Instead of opting for greater regulatory measures, global leaders should instead harness the entrepreneurial spirit of the Internet and trust in its continued acceleration.

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Session Panelists

Christine Lagarde, Minister for Economy, Finance and Industry, France

John Donahoe, President and CEO, eBay

Jean-Bernard Lévy, Chief Executive Officer, Vivendi

Hiroshi Mikitani, Chairman & CEO, Rakuten

Sunil Mittal, Chairman & Managing Director, Bharti Airtel Ltd.

Eric Schmidt, Executive Chairman, Google Inc.

Moderated by

Ben Verwaayen, CEO, Alcatel-Lucent

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