INTERNET MY DEAREST, WHAT TYPE OF EUROPEAN INTEGRATION IS THE CLEAREST …

Radka MacGregor Pelikánová

Received: April 11, 2013

Abstract

MACGREGOR PELIKÁNOVÁ RADKA: Internet my dearest, what type of European integration is the clearest … Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis, 2013, LXI, No. 7, pp. 0000–0000

It is a ‘given’ that today’s post-modern global society is heavily dependent on the utilization of information technologies, that the economic and other crises are omnipresent and that EU integration is seriously questioned. This challenging situation has a myriad of long and short term causes and not all of them receive appropriate attention. Similarly, there is no consensus about potential methods, and forms of its solution. Still, in this global complexity remain constants, desirable venues to successfully develop a healthy competitive environment, such as a suitable use of the Internet.

While the EU faces many challenges, there are many ongoing EU projects designed to support integration and enhance competitiveness and the sustainable development of EU businesses vis-á-vis the external global business world. A potential cynosure in this regard is the EU top level domain TLD.eu and its economic, legal, and technical pro-integrating framework. A good virtual integration method can help lead to a way to better integrate even on a more material level.

More than ever before, scientia potentia est.¹ If we understand the historic facts about the global crisis and integration, especially within the EU, as well as about the TLD.eu project, then we may be able to see the current situation from a different perspective and perhaps figure out new ways about how to reconcile prima facie contradictory interests and be able to proceed further with EU integration. So, let the Internet mirror do its task – Internet, Internet on my desk, is the EU integration à la TLD.eu the best?

European Union (EU), EURid, integration, top level domain, TLD.eu

Today’s big challenge for both private and professional business conduct isn’t a lack of information, but rather it’s quantity, disorganization and reduced relevancy.² One can’t “See the forest for the trees”. However, it is clear that over time the idea of a national society with strictly its own politics and economy has declined somewhat, and the idea of a single global society has grown in the context of the exponential spread of information systems and information technologies (IS/IT), including the Internet. Sociologists and other schools quarrel over the study of these trends, particularly on the meaning of society and the delimitation of mutual expectations in this context.³ The common denominator seems to be the omnipresent integration as a joining of separate elements to create a whole unit, with naturally many faces and phases. For six decades, European integration as a complex and inter-disciplinary process of industrial, political, legal, and economic unification, or at least harmonization and standardization, of policies of states, has met close scrutiny. Recent

¹ Knowledge is power In: BACON, F., 1597: Meditationes Sacrae – Religious Meditations, Of Heresies.
events in Europe, especially the financial crisis in the Eurozone, have been studied extensively while comparatively exposing the European and American point of view. The revolving emerging question goes to the core and concerns the chosen integration modus and its application. The common tenor regarding the EU and Eurozone is highly critical, if not condemning, and it may be broached that the integration approach either was wrongly selected or implemented or both, and other options should be offered. One is considering as a role model a rather positively ranked European integration project closely linked to the Internet, i.e. to consider the integration aspects of the TLD.eu project.

The overriding phenomenon of the last six decades, the Internet, is a global system built up by computers and their networks which communicate based upon relevant protocols – Transmission Control Protocol (TCP) and Internet Protocol (IP). Its huge economic and social impact and need for integration features requires selecting, applying and enforcing an optimal economic, as well as legal, regime. This is critical for states as well businesses and in our knowledge-based economy the intellectual property rights should lie at the very heart of strategies for value creation.

The space on the Internet consists of top level domains (TLDs) and their (sub-domains) carrying a code address (IP numeric address) which is, for convenience, converted through the Domain Name System (DNS), i.e. the DNS database placed on special name computer servers, into a verbal (literal) form – domain name. Such a unique and symbolic name performs many more functions than merely serving as an address and undeniably has a strong significance for successful business conduct.

TLD regimes and the DNS setting and application are on the edge of International law and National law as well as between Public law and Private law. They are products neither of the state's will nor of a private organization's will. They manifestly have supported the perception of industrial property as a conglomerate of public and private elements, i.e. as it has been done consistently by certain authors.

Conventionally, all TLDs can be classified as either generic, gTLDs, or national, ccTLDs. Since 2005, the EU has offered a third alternative – TLD.eu. Also, since 2012 there have been globally launched new gTLDs. Each TLD has it’s own regime, governance, administration and way of operation, including a set of rules and policies, technical and financial requirements. Each TLD generates different opportunities and challenges and in the competitive environment tries to allure entrepreneurs, enterprises as well as other individuals and make them establish their virtual presence under the auspices of the concerned TLDs. Since TLD.eu is not neglected and often selected, the vox populi, maybe even vox dei, manifestly approves the integration model and type introduced by the EU and EURid. Could this positive experience be transported as well to a higher, more general and more political level? Does the European integration enjoy such a strong endorsement as well? If not, why and how can the European integration use the TLD.eu experience, implement, perhaps improve on it to become a positively perceived environment for private as well as business purposes as TLD.eu?

Who should take the lead – politicians, economists, lawyers, or technicians? Should it be done from above or beneath? Actions in this matter are necessary, because the avoidance of discussion and lack of initiative to offer solution ultimately mean endorsing existing problematic structures and frameworks.

RESOURCES, MATERIALS, AND METHODS

A large number of resources and materials give data on integration itself as well as integration models and types applied for the EU and TLD.eu. A much smaller number of them engage in a comparative analysis and open dialogue while only a few process the information while using appropriate investigating techniques, working with empirical and measurable evidence, conducting reasoning based on well established principles,
correcting previous knowledge, and pro-actively offering well explained solutions.

Since the European integration represents a concept predominantly understood as a procedure for unification on an economic level, including the field of information technology, the TLD.eu integration project can be perceived as a prime component. Unlike other subjects and subject matters, the employment of conventional methodology is here challenging and the so called “mathematization” hardly to be performed in a rigid manner.

Certainly, European integration is to be systematically observed and evaluated. Nevertheless, it’s measurement and testing are faced with a dearth of clear and well accepted measurement units. Yet European integration needs to be tested and appraised, even if this is rather more subjective than objective, a stark dichotomy of views exists, and relevant hypotheses have to undergo modification and updates.

More precisely, European integration should be perceived as a complex intangible phenomenon entailing an abundance of complicated processes in various fields. The economic area is at the center and the Internet issues, including domains and domain names are its critical points. The integration requirements contributed to the fact that European law, as the EU law (or law of the EU) and the law of EURATOM, and European institutions have been heavily endorsing the Europeanization of the domain portfolio of Entrepreneurs from the EU. The Europeanization should advocate towards the decision of Europeans and European enterprises to be for the EU infrastructure, e.g. TLD.eu.

The methodological approach to the domain name spectrum and its integration aspects and to TLD.eu is much easier than the study of the multifaceted overlapping European integration. The TLDs world, including TLD.eu and its regime, is well described internationally as well as nationally, and thus there is an abundance of monographs and professional articles explaining the economic, legal, and technical aspects of domain names, including the integration features, published abroad as well as in the Czech Republic. These resources and materials provide research reports, suggest hypothesis, offer comparative, deductive as well as inductive analysis, arguments and the resulting conclusions. Their observation and description of the pertinent logical interference necessarily involves the use of deductive reasoning, occasionally even the employment of the abductive reasoning, leading to conclusions about the regime and fundamental models, including integrating patterns.

The review of such information about TLD.eu is highly instructive and has the potential to become a legitimate starting point for a methodological and self-reflecting study of sundry and often neither well founded nor reconciled comments and evaluations about European integration per se.

RESULTS AND DISCUSSION

The aborted EU Constitution, the crisis of 2008 and the problems in the Eurozone led to a new depth of talks about European integration. The correctly suggested theory of interaction of law and politics based on rational motivation and choice remains more a theory. The penetration of European institutions by player allegedly slows down or even reverses the process of European integration, and the Euro skeptic views are increasing in volume. The outlook of domain names looks brighter. Currently, it consists of 22 gTLDs, 250 ccTLDs and 30 international ccTLDs (IDN country code) bringing the total number of TLDs to about 300. Many TLDs vigorously compete over and for business and the number of registered (sub)domains and domain names is one of the key criteria to evaluate the success of the particular TLD. And the TLD.eu grows and has more and more domains.

As conventionally neither international treaties nor national statutes regulated the admin and
distribution of domains and domain names, and states exercised little or no influence.\textsuperscript{21} Various instruments began to be formed by the coordinator ICANN, a private corporation entrusted by the U.S. government to do so, along with private Registry and Registrars.

From integration’s viewpoint, TLDs operate on various models sharing common features and similar structures so to comply with the fundamental policies implemented by contractual instruments transposing certain clauses, e.g. a standardized Uniform Dispute Resolution Policy (UDRP) and reference to 4 listed ADR providers, including the WIPO Arbitration and Mediation Center. The backbone contractual instruments share these clauses, i.e. they exist in Registry Agreements, Registrar Agreements and Registration Agreements. Along with these “standard” clauses, the Registry for each TLD and its own Registrars develops its own policies and rules and includes them in Registrar Agreements and Registration Agreements.

Typically, a TLD has a designated Registry operator, often just called Registry. ICANN and each Registry enters into a Registry Agreement regarding a particular TLD and charging the Registry with the duty to exercise a public service for the Internet community. Each Registry can partially delegate its functions based on its own boilded form Registrar Agreement to be concluded with (by ICANN accredited) Registrars. Each of these Registrars develops its own strategies, including the determination of prices and other charges.\textsuperscript{22} Based on Registration Agreements, Registrars deal with Registrants, holders and other end-users.

The project of a TLD for the EU officially started in 2000 with the ICANN decision to grant the numeric code alfa-2 “eu” and the Regulation (EC) No. 733/2002 of the European Parliament and of the Council on the implementation of the .eu Top Level Domain (Regulation 733/2002). Considering the initiative eEurope approved by the Lisbon strategy\textsuperscript{23} and the Council resolution 2000/C 293/02 on the organization and management of the Internet,\textsuperscript{24} the Commission selected the European Registry for the Internet Domain „EURid“ to be the Registry for TLD.eu. The Commission Regulation (EC) No. 874/2004 laid down public policy rules concerning the implementation and functions of TLD.eu and the principles governing registration (Regulation 874/2004).\textsuperscript{25}

Based on these two highly important regulations for TLD.eu, Regulation 733/2002 and Regulation 874/2004, the European Commission entered, with EURid, in an agreement on TLD.eu and TLD.eu was launched. The traditional triangular contractual framework was extended and ICANN, Registry (EURid), and Registrars were joined by EU institutions. Hence, the normally Private law decentralized structure for a TLD is significantly yet reasonably modified for TLD.eu. The sources for the pertinent legal regime are rules issued by the EU, especially both Regulations, also by ICANN and EURid, particularly Domain Name Registration General Conditions (General Conditions) and Registration Rules. According to Regulation 874/2004\textsuperscript{26} and General conditions, disputes are decided by the provider named for TLD.eu – the Arbitration Court attached to the Economic Chamber of the Czech Republic and the Agricultural Chamber of the Czech Republic (Czech Arbitration Court). Alternative Dispute Resolution Rules (ADR Rules) and Supplemental ADR Rules of the Czech Arbitration Court\textsuperscript{27} govern dispute proceedings. A complementary soft-law regulation is represented by the EURid code of conduct from 2007.

According to EURid’s Quarterly Progress Report of 3/2012, TLD.eu keeps growing over 7% reaching 3.7 million domain names. Particularly noteworthy is the fact that the popularity of TLD.eu extends even to states not showing pro-EU enthusiasm, and actually battling with European integration in the financial and monetary field, like Greece and Spain.\textsuperscript{28} The management of TLD.eu closely follows the function and performance of other TLDs, especially the very pro-active and innovative TLD.tk and new gTLDs, and accordingly implement improvements to their own processes and policies, while maintaining a down-to-earth approach and focus on Europe’s small to medium-sized enterprises (SMEs). A financial analysis of TLD.eu sounds prima facie positive. Reportedly, TLD.eu

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\item \textsuperscript{21} As a matter of fact, traditionally the only state directly involved in these types of issues, the USA, has been criticized for the interference and was requested to withdraw. Even the recent involvement of the EU has a rather moderate extent.
\item \textsuperscript{22} ICANN, gTLD Applicant Guidebook – Preamble, version 2012-01-11, 11th January 2012. Available at http://newgtlds.icann.org/en/applicants/agb.
\item \textsuperscript{23} The initiative eEurope approved by the European council in Lisbon on 23\textsuperscript{rd} and 24\textsuperscript{th} 2000.
\item \textsuperscript{24} “…to set up a European network bringing together the scientific, technical and legal skills that currently exist in the Member States with regard to domain name, address and Internet protocol management.”
\item \textsuperscript{25} MacGregor Pelikánová, R., 2011. Právní a ekonomický úspěch domény nejvyšší úrovně .eu – pravda či mýtus roku 2011? Právo, ekonomika, management, 2, 4.2–10. ISSN 1804-3550.
\item \textsuperscript{26} Article 22 Alternative dispute resolution (ADR) procedure. 1. An ADR procedure may be initiated by any party where: (a) the registration is speculative or abusive within the meaning of Article 21; or (b) a decision taken by the Registry conflicts with this Regulation or with Regulation (EC) No 733/2002. 2. Participation in the ADR procedure shall be compulsory for the holder of a domain name and the Registry.
\item \textsuperscript{27} http://eu.adr.eu/adr/adr_rules/index.php
\item \textsuperscript{28} http://www.eurid.eu/files/quarterly_2012_Q3.pdf.
\end{itemize}
is an instrument of European identity which does not destroy national registrations, i.e. the increase of domain name registrations within TLD.eu does not cause a decrease of registrations within ccTLD in the member states (TLD.de, TLD.uk, TLD.nl, etc.). Czechs prefer the national TLD.cz and have over one million domains registered within TLD.cz. They also use extensively as well the TLD.eu, over 150 thousand domain names within TLD.eu are registered for Czechs.

One third of the holders of domain names from TLD.eu are involved in business, and it is probably instructive to study how they perceive the EU and the EU's economic viability and how important (and worthy) it is for them to promote their European identification. Pursuant to survey data offered by EURid, 45% of respondents consider a domain within TLD.eu as a good investment and 82% of respondents consider a domain within TLD.eu as an added value for a SME. Slightly less laudatory are respondents who perceive a domain within TLD.eu as an instrument of European identity which does not destroy national registrations.43 According to the survey results, 71% of European citizens believe that TLD.eu is an instrument of European identity which does not destroy national registrations, i.e. the increase of domain name registrations within TLD.eu does not cause a decrease of registrations within ccTLD in the member states (TLD.de, TLD.uk, TLD.nl, etc.). Czechs prefer the national TLD.cz and have over one million domains registered within TLD.cz. They also use extensively as well the TLD.eu, over 150 thousand domain names within TLD.eu are registered for Czechs.

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This sounds much more favorable than a report of the large European integration project of which TLD.eu is a complementary part. The diversity of views on European integration are increasingly pronounced, most EU member states and their citizens are against further transfers of competences and sovereignty and any agreement has become more difficult. It seems that Brussels, or maybe Berlin-Paris, should seriously consider leaner and more democratic patterns, especially if their appraisal and evaluation significantly exceeds the bad notes given by the general public to the self-indulging EU and Eurozone integration model.

CONCLUSIONS

In today's rapidly changing, tension-filled world, we are faced with increasing numbers of various concepts of knowledge, methods, etc., hampering efforts of communications, unifications and/or integration.44 While there are many issues, challenges, there exists a healthy potential for selecting and employing corrected models.

Virtualization and dematerialization of both private and business life, including the conduct of business, are noticeable features of the 21st century. The biggest and fastest growing market in the world is e-commerce. Sixty years of integration makes Europe particularly aware of this trend with the understanding of intellectual property rights, including denomination rights, as an important instrument for integration, (de)regulation and support of all four cornerstone freedoms – movement of people, goods, services, and capital. Thus, the EU offers and endorses the TLD.eu operated by EURid and accredited Registrars, without allowing EU politicians and lawyers to smother it by their sometimes ham-handed well, and less well, meant initiatives and (de)regulation policies and rules. Despite the lack of professional interest, or maybe due to the lack, TLD.eu has been developing successfully in recent years and it will be

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32 EURid UNESCO World Report on Internationalised Domain Names deployment 2012 available at http://www.eurid.eu/files/EURid_IDN_Report_2012.pdf - There is a strong correlation between domain name growth and economic growth. During 2011, the Eurozone crisis is likely to have affected general growth of .eu domains. Greece, for example, saw the share of IDNs as a percentage of the .eu domains by country decline from 9.7% in 2010 to 7.6% in 2011. Against this hypothesis, in the same period, Greece’s general.eu registrations remained steady at 1% of the register and grew by 10.5%. There is a correlation between local infrastructure and local content. Greece and Bulgaria, two of the EU Member States with the greatest affinity between local language and IDNs, are significantly below the EU average in many Digital …
33 MEDRANO, J. D., 2012: The Limits of European Integration. European Integration. 34, 2: 191–204. ISSN 0703-6337.
36 MacGREGOR PELIKANOVA, R., 2010: Intellectual property rights and their enforcement in the Czech Republic. Journal on Legal and Economic Issues of Central Europe, 1, 1: 15. ISSN 2043-085X.
extremely interesting to observe what the future will bring.

TLD.eu provides a number of indications that the decentralization and actions from the low level, i.e. from the forum closer to individuals and entities, are, at least, for technically partially pre-set projects, such as those from the IS/IT world, integration, completion and entrepreneurial friendly. Truly, TLD.eu is a domain worth considering by entrepreneurs from the EU along with the traditional first business domain option and that it is not a target of irate statements, such as are directed by many EU members states regarding EU general policies or Eurozone politics in particular, and even unto the so far employed integration model.

The search, analysis, and evaluation of integration concepts and integration models and types themselves and their implementation within the EU per se, as well as within a special EU project, TLD.eu, don’t imply or proffer a clear and final one-size-fits-all recommendation. Yet they offer a great resource to generate lines of thoughts about appropriate attitudes, approaches, and strategies in one part (EU) and one field (DNS) of the globalized world. The awareness of integration modus and manners is a must for successful business conduct in the EU and a European enterprise seeking a strategic advantage should not fail to enhance its knowledge in this respect and reduce the quality and quantity of unknowns.

So, European integration, who are you and quod vadis? What does the Internet and our general knowledge, our intuition and scientific data, the general public and top academics and leading professionals tell us? At least certain aspects and features are worthy to be included in the re-modeling attempts with respect to the lately less famous European integration.

SUMMARY

The current manner and type of European integration is under the critics microscope and arguments based upon the Eurozone crisis, lack of economic growth, political difficulties, etc. suggest that serious changes should be introduced. Instead of repeating gloomy data, sour comments, and shoving guilt onto someone else, this presentation reviews a good, if not excellent, small European project with solid ratings by insiders as well as outsiders, and suggests it for further consideration. The prosperous TLD.eu takes advantage of the global engine, the Internet, and the flourishing DNS and combines the best from the ICANN Private law contractual system and from the EU law and institutions. The resulting system is highly competitive, technically correct and individual as well as businesses friendly. A comparative review of data from various sources inevitably leads one to think that the autocratic and rigid European integration from above is less welcome in 2013 and that the general preference is more for a leaner and more technical model mixing Public law and Private law features. Ostentatious but fairly empty Lisbon political proclamations about a more democratic and competitive EU closer to citizens bring unimpressive results. A low profile model employed by TLD.eu, which relies on delegation and contractual instruments operated by private players and which respects economic, legal and technical aspects needs is much more fruitful. The EU integration á la TLD.eu is maybe not the best, but it is definitely more alluring and friendly from the perspective of Europeans.

For each tree is known by its fruit. The most important feature of legal and integration model in the age of globalization remains what it is for, rather than how it presents itself, i.e. the law and integration are to be for people. Manifesta non egent probatione, integration á la TLD.eu should without any further ado deserve more appreciation and consideration, particularly from Brussels, Paris, and Berlin.

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38 Luke 6:44.
40 Obvious does not need a proof – Legal principle of Roman law.
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Address
JUDr. Radka MacGregor Pelikánová, Ph.D., LL.M., MBA, Faculty of Economics and Management, Department of Law, Czech University of Life Sciences, Kamýcká 129, 165 21 Praha 6 – Suchdol, Czech Republic, e-mail: pelikanovar@pef.czu.cz
The principal factors driving European integration were the desire for internal stability, the need to project a significant voice on an international stage, and the external security concern of Communism perched on Europe's eastern doorstep. It was important for Europe as a whole that it developed multi-lateral security through cooperation and joint ventures, in order to avoid the type of "security competition" that led to the problems and divisions in the build up to World War Two (Art 2007, p6). It could easily be argued that Monnet was himself a federalist, advocating strong powers for European. As Art 2007, p6 argues, Europe as a whole that it developed multi-lateral security through cooperation and joint ventures, in order to avoid the type of "security competition" that lead to the problems and divisions in the build up to World War Two (Art 2007, p6).

Monnet was himself a federalist, advocating strong powers for European. The greatest obstacle toward further European integration is the dominant position of Germany within the Union, and it remains to be seen whether a unified German state is compatible with a united Europe. Continued European integration would demand an agreement on how to transfer national sovereignty to some as yet undefined and untested set of European political institutions that would not only guarantee individual rights but, more importantly from the point of view of national elites, preserve the relative influence of individual EU member states even after they gave up their sovereignty.