Unexx research

The Digital Sovereignty Paradox: Why Europe is Paying to Fall Behind ?

In the boardrooms of Paris, Berlin, and across Western Europe, a familiar story unfolds. Digital transformation is the top priority. Yet, a deep-seated paradox is undermining our long-term competitiveness, creating a silent drain on our economy and weakening our strategic autonomy.

The paradox is this: **For decades, most European companies have defaulted to a "buy, not build" strategy for their software needs, all while complaining about the exorbitant costs and dependencies that result.**

This isn't just a business decision; it's a systemic issue that is hollowing out our digital ecosystem and widening the gap with the US and China. Let's break down this vicious cycle.

The "Buy vs. Build" Conundrum

On the surface, the "buy" strategy seems logical. Why reinvent the wheel when you can purchase a sophisticated, off-the-shelf solution from a global leader? It promises faster deployment, predictable maintenance, and access to world-class features.

However, this path of least resistance comes with a heavy price:

1. **The Digital Levy:** When a French or German company pays millions in annual license fees to a non-European software provider, that money is a direct transfer of wealth out of our economy. It’s a form of digital tax, or "levy," paid for the privilege of using tools that have become as critical as electricity. This levy starves local innovation and prevents the reinvestment of capital into our own ecosystem.
2. **Vendor Lock-in and Loss of Control:** The convenience of buying turns into a trap. Companies become so deeply integrated with a vendor's ecosystem that switching becomes prohibitively expensive and complex. They lose control over their own technological roadmap, becoming dependent on the vendor's priorities, pricing, and geopolitical stability.

The Root Cause: A Workforce Mismatch

So, why do we continue down this path? A critical reason lies in our workforce structure. Over the years, we have cultivated a workforce of excellent **digital integrators**, not **digital creators**.

Our companies and consulting firms are filled with talented business analysts, project managers, and functional consultants who are experts at selecting, implementing, and managing third-party software. They are not, however, staffed with the high-level software architects and principal engineers needed to **build** strategic, core business platforms from the ground up.

This creates a self-perpetuating cycle: because the "builder" talent isn't readily available, companies are forced to buy. And because companies are always buying, the demand for high-level "builder" profiles remains low.

The University-to-Industry Pipeline is Breaking Down

This corporate behavior has a direct impact on our educational ecosystem. Universities and engineering schools respond to market demand. When the most visible and numerous jobs are for integrating and managing American software (like Salesforce, AWS, or Microsoft Dynamics), the curriculum naturally orients towards producing these profiles.

We are failing to cultivate a critical archetype: **the strategic engineer**. This is not just a coder, but a technical leader with a high-level view of business, product, and architecture—someone who can design the next-generation systems, not just operate the current ones. The result is a brain drain where our best engineering minds often move to the US or Asia to find opportunities to truly build and innovate at scale.

The Geopolitical Consequence: A Weaker Europe

This isn't just an economic issue; it is a matter of **digital sovereignty**. While the US fosters tech giants through a vibrant venture capital and "build" culture, and China accelerates its digital dominance through massive state-backed initiatives, Europe is becoming a continent of digital consumers.

We are increasingly dependent on foreign powers for the foundational infrastructure of our modern economy. This dependency poses a significant risk in an era of global instability and trade disputes.

Breaking the Cycle: A Call for a "Build" Renaissance

Reversing this trend is a monumental task, but it is not impossible. It requires a conscious and coordinated effort from all sides:

- **Companies must change their mindset.** Technology cannot be seen as a simple cost center to be outsourced. It must be embraced as a core driver of value creation. This means making strategic bets on building in-house capabilities for mission-critical systems, even if it starts small. It requires rebalancing teams to include more "builders" alongside "integrators."
- **Universities and educational institutions must evolve.** They need to champion programs that blend deep technical skills with strategic business and product thinking, creating the "digital architects" of the future.
- **Governments have a role to play.** Through public procurement, grants (like those from Bpifrance), and strategic industrial policy, they can incentivize "build" strategies and support the emergence of European software champions who can compete globally.

The choice is clear. We can continue to be passive consumers, paying a perpetual levy that weakens our economy and our autonomy. Or we can reclaim our heritage of engineering and innovation, invest in our talent, and start building the digital future we want to own. The cost of inaction is far greater than the challenge of changing course.