

Change is not luxury but mandatory. The alternative is significant loss leading to oblivion. That is the inevitable conclusion one can draw from the new Living Planet Report released by the WWF today, that calmly but clearly explains how our current way of doing business has led to the destruction of 52% of the world's wildlife in just 40 years. We have beaten evolution at its own game, and we will all collectively pay the price for it.

Much the same can be said of the innovation mindset in Europe over the last 30 years, and the impact is clear – not only is our old and current way of doing business not improving our innovation capacity or competitiveness, we are in fact doing much worse than we were before - we are trailing the major industrial economies in innovation and in recent years have actually slipped further down the ladder, the combined innovation performance of the EU27 continues to lag the traditional leaders, the US and Japan, but now, also lags South Korea, a country that was not even on the global innovation leadership horizon a decade ago. Meanwhile, emerging innovation leaders like China and India are steadily marching up the bridge, looking to bypass us soon.

The failure to innovate better and faster, particularly in the digital space, is our principal undoing and the central threat to Europe's Digital future, prosperity and role in the world.

Reversing these trends means things must change in Europe, significantly and soon.

It is time to Disrupt Europe. Digitally first, starting with Digital Innovation and Entrepreneurship.

The root cause of our Innovation distress

Societally, Europeans have grown increasingly risk-averse in the last 30 years. Innovation and entrepreneurship, Digital or otherwise, principally requires a mindset with two main elements: fear of failure is no reason for not trying, and a simple idea can be developed into a successful project. Yet by tradition, young people in Europe are encouraged to eschew risks and follow safe paths to jobs and security. Such cultural and societal bias has led a generation of highly educated but risk-averse youth to shelve their creativity and entrepreneurial ideas in pursuit of secure and "respectable" careers, which themselves are becoming increasingly rare.

Structurally, Europe has also been slow to encourage and reward risk-taking: Young people who have an innovative idea typically cannot get the necessary access to finance, customers, markets, resources or the skills and infrastructure to develop their idea, and are held back by the lack of a supportive unified regulatory environment across Europe. Just try to register a StartUp and its business bank account in a member state different to your 'home' member state and you will understand in a snap what the 'single market' actually means on the ground.

Not surprisingly then, Europe is losing the Digital Innovation and Entrepreneurship race against its global competitors.

In spite of more than 20 years of research and innovation funding and much talk about the vibrant startup 'scene' in Europe, when it comes to global top ten lists, Europe usually merits just around two major Digital StartUp hubs (London, Berlin), and to a lesser extent Stockholm, with its two innovative Digital StartUps currently valued at more than a billion dollars (Spotify and Zalando) and to a lesser extent, Delivery Hero. In contrast, China, a much later entrant into the Digital StartUp scene in general, and with much less history of innovation funding and international market access in particular, already boasts comparable figures (Beijing and Shanghai, Sogou, Jingdong and VANCL).

Disrupt Europe. Digital First.

There is increasing awareness and common understanding of the severity of the situation across broad segments of society, government and industry in Europe. What is much less clear however is agreement on the direction to chart and the decisions to take. The case is made by some that incremental change or in real terms, tinkering with current systems will somehow unleash Europe's locked potential. This is canard and one that deeply disservices

Europe. No, we don't need more re-configurations of existing non-functional systems and ways of doing business, we need disruptive change and one that puts Digital First and at the heart of the European endeavour.

Who should drive this change and who benefits? The answer must be citizens in both cases, with government playing an important supporting role. Innovation ecosystems across the world consist first and foremost of people, citizen innovators, and a significant percentage of them are young. Just close your eyes for a minute and think of the major innovations you use in your daily life, from communication means to productivity tools to health management, travel and the sharing economy. It will be immediately clear that a large majority of the innovations are both Digital and the outcome of StartUps, many of whom did not exist even a decade ago. Further, a significant number of these StartUps were created by young innovators.

This is precisely what we need in Europe today, an attitude for Digital First in our innovation and business narrative and an attitude and environment for risk-taking, where failure is embraced and success celebrated. Last week, Neelie Kroes said at the Young Innovators Unconvention organised by us:

"It's about the things that matter to every European, the boost that matters to every business, the ingredients essential to innovation. Not just big global giants – but millions of tiny startups, any of who could become the Next Big Thing. Digital is everywhere. And it matters. But here's what I know Europe needs most of all. The right mindset. People prepared to take a risk. People prepared to do things differently. People prepared to be "Unconventional". People like you."

Let's start with a Vision for Disrupt Europe

The European Young Innovators Forum vision is a Europe that supports StartUps and Entrepreneurs, and particularly Digital StartUps through the full stage of the innovation lifecycle, from ideas to market take-up, powered by the talents, energy, enthusiasm, and innovations of young Europeans and supported by the necessary regulatory frameworks, access to finance and markets and environment for innovation ecosystems.

Europe for StartUps 2020 overarching goals should aim to create and sustain a vibrant Digital StartUp economy in Europe that generates:

10000 new StartUps a year

2000 new seed stage funded StartUps a year,

1000 growth stage funded StartUps a year

4 StartUps a year in Global top ten lists

3 StartUp every two years on average with Billion Dollar exits

250,000 new StartUp jobs per year

2.5% of the job market covered by StartUp jobs

9.5% of total European GDP from StartUp activity (including exits)

with at least 70% of each these metrics in the Digital space.

The engagement, employment, volume, momentum and economic weight generated by the appropriate implementation of this vision will serve to firmly place Europe in the global digital economy, boost our prosperity and strengthen our weight and role in a globalised world.

From Ideas to Actions and Roadmap to Disrupt Europe

Changing the mindset for innovation and entrepreneurship in Europe is absolutely key to achieving this vision. This change starts with young people who are the most likely innovators, entrepreneurs and disruptors of today and tomorrow. They need to be empowered to transform the future by turning their talents, energy, enthusiasm, and innovative early-stage ideas into successful projects, businesses, products and services that will stimulate the economy and generate new employment.

The first step is to encourage young people to overcome their traditional risk-aversion and move out of their comfort zone to embrace the opportunities and challenges of innovation

and entrepreneurship, including failure. This can be achieved by sustained ongoing promotion of an entrepreneurial, risk-taking culture, raising awareness so they consider alternatives to traditional careers; increasing access for young innovators to **skills training**, mentors, **finances** and other resources; showcasing successful entrepreneurial **role models** and innovation ecosystems; encouraging their creativity with initiatives such as pan-European **competitions** for early-stage ideas, festivals and road-shows and providing **networked facilities** to help them develop their early-stage ideas into projects.

Equally and in parallel, European governments, businesses, societies and individuals need to support and reward risk-taking. They can do so by creating and sustaining an **ecosystem for entrepreneurs** that helps young people acquire the right mentors and access to finance, customers and markets for their ideas and businesses.

The European Parliament and Commission in particular, need to create and adopt an unified regulatory framework tailored to the needs and conditions of StartUps, that supports the creation of new StartUps from early-stage ideas and their growth, market penetration and scaling-up, with specific policy instruments that provide them concrete resources.

A Europe that puts Digital First, will be a Europe that fundamentally Changes the Game when it comes to innovation and leadership, boosting prosperity and strengthening its relevance to be a Europe that works for its citizens and one that they can believe in. This is the Europe we at the European Young Innovators Forum are striving to build.

Let's join forces, let's Disrupt Europe.

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