The Digital Sovereignty Brief #1 — Switched off, bought out, walled in

A US order switches off Anthropic's models worldwide; the Dutch block a foreign takeover of their ID system; Britain reviews its NHS–Palantir deal; the EU and UK reach for sovereignty.

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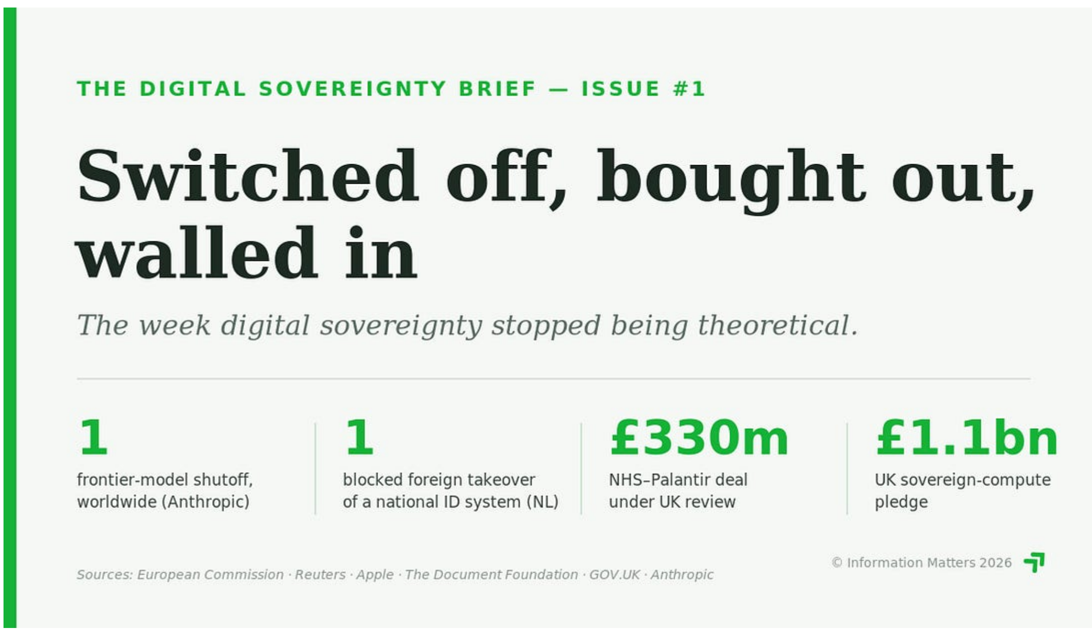

This week's signal — a kill-switch, proven. On 12 June a US export-control directive forced Anthropic to disable its Fable 5 and Mythos 5 models for *every customer worldwide*, citing national security; the company is complying but disputes the basis. Its other models stayed up — and within days the European Commission was citing the episode as proof the EU needs technological autonomy.

> This is the cleanest demonstration yet of what we mean by cut-off risk: a foreign government reaching through a vendor to switch a tool off in London as easily as in Lisbon. UK organisations were hit by the same global shutoff, with no equivalent UK response. And note what would *not* have saved you — switching to another Anthropic model was useless, because both went at once. Only a different provider, or weights you run yourself, keeps the lights on.
> Anthropic statement · The Register · Fortune

The week in six lines:

- **A kill-switch, proven.** A US export order made Anthropic disable two frontier models worldwide overnight — "could we be cut off?" is now an operational question for UK users, not a thought experiment.
- **A takeover, blocked.** The Netherlands vetoed a US firm's purchase of the company that runs its national ID system — its first such block since 2020.
- **A contract, under review.** Britain reopened its £330m NHS–Palantir deal and is weighing a break clause — the same ownership question, at home.
- **A plan, unveiled.** The EU put law and money behind tech sovereignty; Britain answered with a £1.1bn sovereign-compute bet days later.

- **A wall, both sides.** EU users lost Anthropic's models to Washington and Apple's Siri AI to Brussels in the same fortnight.
- **The thread:** ownership, jurisdiction and the power to switch you off now decide whether a digital strategy is sovereign — which is exactly what we score.

The through-line: this was the week digital sovereignty stopped being a conference word — one government switched a model off, another blocked a takeover, Britain asked who runs the NHS's data, and Europe finally put a plan on the table.

Ownership & control

The Netherlands blocked a takeover to keep control of its ID system. The Dutch government stopped the US firm Kyndryl from buying Solvinity — the company that quietly runs DigiD, the national digital identity millions use for tax, healthcare and pensions. It was the first time the Dutch Investment Screening Bureau has blocked a US deal since it was created in 2020, and ministers acted on its advice over a "threat to the public interest."

Why it matters: notice what they protected — not the data, but control of the operator. "Ultimate control, not head-office location" just stopped being an analyst's phrase and became a government's. The obvious question for Britain: which of our own DigiD-equivalents would survive the same screen? Minister's letter to parliament · Silicon Republic · NL Times

Britain is asking the same question about the NHS and Palantir. The government has opened a full review of the NHS's £330m data-platform contract with the US firm Palantir, with pressure to trigger a break clause when the initial term ends in early 2027. Technology Secretary Liz Kendall says the review will decide whether to extend — for up to seven years — or walk away, amid persistent concerns about data privacy and trust.

Why it matters: this is the Dutch block's domestic mirror. The operating layer for England's patient data sits with a US analytics firm whose chief executive is an outspoken political actor, and the only real test of sovereignty is whether that break clause is leverage or decoration. A contract you cannot credibly leave is not a contract — it is a dependency with an invoice. Reuters

Data & infrastructure

Sovereignty starts with the file format. The Document Foundation, which makes LibreOffice, published a blistering open letter calling the newly launched "sovereign" Euro-Office suite "a de facto ally of Microsoft in its content lock-in strategy" — because it defaults to Microsoft's OOXML format rather than the open ISO standard, ODF. A follow-up argued that genuine independence needs ODF as the *native* format, not merely "supported."

Why it matters: this is sovereignty theatre at the most boring, most important layer there is. Owning the brand on the splash screen is not owning the stack, and the gap between "reads Microsoft's format" and "speaks the open one natively" is exactly where lock-in hides — the same lesson as our Microsoft 365 work. A European flag on the login page changes nothing if Redmond still defines the document. TDF open letter · TDF follow-up · The Register

ASML backs Europe's plan — but tells Brussels not to drive. Responding to the EU's new sovereignty package, ASML chief executive Christophe Fouquet welcomed it as "an important step forward" and praised its focus on demand — while warning that Commission "steering and monitoring" of strategic projects risks "over-complication and bureaucracy," and that they must rely on private-sector expertise.

Why it matters: from the one European company the rest of the world genuinely cannot do without, this is the "capability, not central direction" case — sovereign compute cannot be decreed into existence from a ministry. Keep it in mind reading Britain's £1.1bn bet below: state money without industry pull is exposure dressed up as sovereignty. Fouquet statement, via Techzine

Reports & analysis

"Still abiding by Silicon Valley's rulebook." Max von Thun of the Open Markets Institute, writing in the Guardian, welcomes Europe "starting to break up with US big tech" but argues its new plans lack the vision to escape a US-shaped framework — and warns that softening enforcement of the DMA and DSA under American pressure undermines the very sovereignty Brussels claims to want.

Why it matters: the sceptic's read, and a useful one — it stops us cheerleading a package just because it uses the right word. The harder question applies to Britain too: a plan that stays inside the incumbents' rulebook isn't sovereignty, it's managed dependence with better branding. Guardian

A European wake-up call, written as a novel. A group of European AI researchers, think-tankers and investors — including co-authors of the Dutch National AI Plan and the International AI Safety Report — published *Europe 2031*, a narrative scenario (in the style of last year's *AI 2027*) imagining the continent losing the ability to chart its own AI path by 2031. It is deliberately fiction, not forecast.

Why it matters: it is the most readable European-sovereignty argument we've seen in a while, and striking for who isn't in it — the UK barely features. That absence is itself the comment: where is the equivalent British scenario, and would it read any better? Treat it as a provocation to think with, not evidence to cite. europe2031.ai

Sovereignty isn't only data — it's people. MacroPolo's Global AI Talent Tracker, updated with 2025 conference data on 4,622 elite researchers, finds that 38% of the world's top AI researchers did their undergraduate degrees in China, that 72% of them now work in the United States, and that US institutions employ 59% of the global elite — "built almost entirely on foreign-born talent." Britain retains about two-thirds of its own and runs a small net inflow, off a small base.

Why it matters: every compute announcement assumes the people to use the compute. If America's AI advantage is in large part visa policy, then chips without researchers is a half-built sovereignty — a gap the UK's £1.1bn buys nothing toward. MacroPolo AI Talent Tracker

Regulation & policy

Britain bets £1.1bn on sovereign compute. At London Tech Week, the government unveiled a sovereign-compute strategy backed by a £1.1bn AI-hardware plan: £750m for a new national AI supercomputer (including £400m for next-generation AI chips — £150m of it an advance commitment to buy from UK startups), a £120m AI-hardware innovation programme, £45m for skills, and up to £150m via the British Business Bank into a new UK hardware fund — on top of April's £500m Sovereign AI Fund. The framing: "start here, scale here, stay here… making sure we are sovereign."

Why it matters: this is Britain's answer to the same week's EU package, and the right instinct. But money announced is not control secured. The harder questions sit downstream of the cheque: who operates the supercomputer, on whose silicon, under whose jurisdiction — and what happens when a model running on it is switched off from Washington, which this very week was not hypothetical. GOV.UK · Computer Weekly

The EU put law and money behind the word. The European Commission unveiled its European Technological Sovereignty Package — a Chips Act 2.0, a Cloud and AI Development Act, and an EU Open

Source Strategy — citing the bloc's dependence on non-EU suppliers for more than 80% of its key digital products. It introduces tiered "sovereignty" assurance levels for cloud and AI, where the top level requires data to be processed and stored in the EU.

Why it matters: set aside whether it works — the structure is the story. Brussels is now institutionalising a level-by-level classification of how sovereign a service is, close to the instrument we built for the Sovereignty Exposure Profile. When a major government starts scoring jurisdiction the way an analyst would, the question for Britain is whether it has any comparable yardstick at all. EC press release IP/26/1187 · EC policy page · FT — paywalled

(This week's biggest regulation story — the US shutoff of Anthropic's models — leads the issue, above.)

Walled in from the other side, too: no Siri AI in the EU. The same fortnight, Apple said it will not ship Siri AI — its new Apple-Intelligence assistant — to EU users on iPhone or iPad this year, blaming the Digital Markets Act after regulators rejected its proposals for giving rival assistants equivalent access. The UK, outside the DMA, will get it.

Why it matters: put this next to the Anthropic shutoff and you see the EU citizen walled in from both directions in one fortnight — denied US models by Washington and a US assistant by Brussels' own rules. Sovereignty has a price, and here it is paid in features. For Britain it is post-Brexit divergence working in its favour for once — though "we get the gadget the EU won't allow" is not, by itself, a strategy. Apple Newsroom

Brussels ordered Meta to reopen WhatsApp to rival AI. Using emergency antitrust powers rather than the DMA, the Commission told Meta to restore free access to the WhatsApp Business API for rival AI assistants within five working days, on pain of fines up to a tenth of global turnover.

Why it matters: a quieter story, same theme — who controls the rails through which AI reaches you. With millions of UK businesses living inside WhatsApp, who gets to build on it is not an abstract European concern. EC press release IP/26/1276

Also this week.

- The Pentagon put Alibaba, Baidu and BYD back on its "Chinese military companies" list, weeks after a Trump–Xi thaw — decoupling grinds on. (FT, paywalled)
- Trump floated the US government taking equity stakes in OpenAI and others, a "public wealth fund" for AI — the American answer to the same ownership question. TechCrunch
- Huawei said it can raise compute by stacking and clustering chips, working around its lack of EUV lithography — export-control walls are porous over time. Silicon Republic

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From Information Matters this week. Our latest research — six guides to who really controls the technology UK organisations run on:

- **Who controls the technology behind a UK law firm?** — a plain-English Sovereignty Exposure Profile for a mid-size UK firm, mapping where its most confidential asset, client work, actually lives and who could lawfully reach it.
- **Who controls the technology behind a UK financial-services firm?** — the same Exposure Profile applied to a UK challenger bank, building society, insurer or asset manager.
- **The whole office is rented. Who's the landlord?** — a look inside fourteen productivity and collaboration products, on the uncomfortable fact that the entire UK working day runs on software rented from two American companies.

- **Payroll knows everything about your people. So who runs it?** — who owns, hosts and could access the payroll systems holding UK employees' salaries, bank details and National Insurance numbers.
- **The taxman sent your books to the cloud. Where did they land?** — tracing where UK accounting software (Sage, Xero, QuickBooks and the rest) actually stores your books, and on whose cloud.
- **Who really holds your customer list?** — who owns and hosts the CRM systems holding UK businesses' customer data, and what that control really means.
