National Perspectives

Martin Kenney

- About China:
  - 731 million internet users
  - Alibaba $24B rev
- Platformization of retail
- US-Chinese e-commerce sales
  - China retail sales online at around 30%
  - US is slightly below 10%
- China is the largest internet market (smartphone users included)
  - Hermetically sealed from serious US competition
    - Created an ecosystem that has allowed them to experiment
    - To create innovation
- Hasn’t really given US firms real run for the money
  - Exception: Games
  - Payment could be super platform
  - Exception: SE Asia?
    - Chinese firms today only competition with US giants
      - Difficult problems of managing data
- Basically, has everything available in the US market- Chinese platforms are the only potential rivals to US platforms
- Some areas where it has superior products
  - Developing countries
  - Russia, Iran and Syria- not an insignificant economically or technically
  - In changes with the political economy, we can see these markets opening to China

Hanne Shapiro

- Very high turnover of jobs
  - 30% of jobs
- UE was at 4.4%
• Due to things like maternity leave
  o 4th highest labour force participation rate in OECD
• Led to commission - Initiated by MP from opposition
  o Stimulate insight in parliament and educate policymakers on this because MP don’t know enough
  o PM created a disruption council but hasn’t come up with anything yet
• 3-4 seminars per week for unions or companies to capture basics about what is this about
  o though union reps are not worried
  o have a deterministic view of these technologies
  o give union reps a wider role
  o discussion on how technology can come in and how we can implement them
• Report
  o Review of adult continuous education system
  o Fundamental issue
    ▪ 1 out of 3 workers do not think they need training- don’t see it as a competitive system
    ▪ train through technology suppliers
    ▪ lack of demand for the training
    ▪ want to create outreach mechanisms
    ▪ about 45M dollars has been set aside for unskilled workers and skilled workers to follow another career path if their fields are changing regardless of what their firms are saying
• basic skills
  o institutions for basic skills are revamping the whole system
  o collectively have agreed to atone the basic skills training to different sectors to build resource data base
  o more digital basic skills and English as a working language
  o recognition of prior learning is essential
• simplification of training system
  o 600M dollars of unused fund for training for unskilled workers
  o money not an issue
  o what hasn’t been touched upon is looking at training issue
    ▪ If you have been in training for 2-4 years, you may become outdated by new technology
    ▪ Outdated knowledge of instructors
  o learn from disruptions

Petri Rouvinen

• Highest % of well-rounded individuals
• 2nd lowest % of automatable jobs
• Lowest skills mismatch
• 70% of Fins love high taxes
• virtually no inequality
  o no real rise over time
• In 2017, Finland is putting its lost decade behind
  o productivity much lower than in other countries after 2008
no labour productivity growth
- does Nokia have something to do with it
  - largest negative impact has been electronics
why has recovery been so slow
- large and permanent shocks
- cost competitiveness slow to adapt
- lack of flexibility and reforms

- AI report
  - Number one political slogan in Finland
    - PM talks about it all the time- trying to get ahead
  - Let us join hands in taking Finland through the era of AI is slogan
  - Strategy
    - Enhancement of business competitiveness via AI
    - Effective utilization of data in all sectors
    - Problems is that each point has no content and no one is talking about how to finance it
  - 1st fiscal expansion and then consolidation efforts
  - competitiveness pact (=marginal labour reforms & wage moderation)
  - experimenting with universal basic income
    - reducing bureaucracy in delivering services
    - if you start earning money after making nothing, the marginal tax rate is 100%
      so this increases motivation to work
  - Cuts in R&D and education

- Concluding thoughts
  - Global competitive concerns
  - The human augmentation narrative is winning but individuals and businesses too comfortable to act
  - Finland has more people making cars than ever before
    - Country doing well with manufacturing
  - What if we live in a system where people have little interest in helping themselves
    - i.e. entrepreneurial spirit that exists in the US may be lacking in Finland

Helmut Krcmar

- digital work –anytime and anyplace; new tools and processes
- how likely is it that you would want to derive a future where you can work anytime, anywhere?
  - many looking forward to that
- percentage of day spent in projects
  - Germany is at 60% US Is 59%
- Work- life balance
  - Like other countries
- Some of issues aren’t new because robots are coming
  - Have existed for a long time
- Deconstructing work: Focus on core competencies
  - Increase in hyper specialization of value creation activities
    - Increasing integration of freelancers
    - Increasing use of crowdsourcing
• How does work look like
  o Local core team, outsourcing, crowdsourcing, freelancer
  o And this is in cognitive work

• Questions
  o Are we running out of work?
    ▪ Work hours reduced from 40 to 35 hours
  o What are the requirements of AI and robots and what competencies do we need to have
    ▪ Data skills, personal skill, functional expertise
    ▪ Company’s need data scientists
      • But there aren’t many—get companies to put in the resources
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• questions
  o we need to deconstruct work and recombine it with new technology
  o organizations as drivers
    ▪ the large role of domain experience for customer value creation
    ▪ NOT augmentation vs. automation
  o Future of work- not just one future

• collective bargaining coverage
  o going down in West Germany, (below 50%)

• three key debates
  o jobs vs incomes, where we see people earn a lot, very few jobs
  o rest of employment is in services and is not very productive
    ▪ this is where the job growth is
  o problem for system that depends on payroll base contributions
  o Skills: de-qualification vs augmentation
    ▪ the number of disability seekers due to mental health issues has doubled
    ▪ temporal and special boundaries of work are blurring
      • some people who are enthusiasts of digital technology but some aren’t
        o need to reach out to those people

Kenji Kushida

• what does this technological shift look like in Japan
  o research and action agenda; rules and regulations

• Sledhehammer: Japanese companies want to harness silicon valley. But we cant shed people!
  o Why cant you shed people? How do you take care of people who aren’t as competitive. They don’t know what to retrain them IN!
  o there are many big Japanese companies that want to retrain but they don’t know how
  o SME is big area in Japan and have been using lifelong education to remain competitive

• Demographic
  o Elderly in Japan live and die alone
  o Demographic time bomb
  o 33% of the population above 60 years old
  o 50% of agricultural workers are over 70
  o these people starting to retire
  o how do we retrain people to become more productive?
  o trucking
• more trucks than drivers
  o anything that is AI or that is augmenting people gets automatic funding
  • big companies want to do this
  • so now is the time to do all sorts of things
    • pilot projects – move people around
    • regional bus lines
      o use autonomous buses
  • low skilled to high skilled augmentation
    o give training to low skilled workers to make them high skilled
• huge array of possibilities to enhance the people
  o alignment with companies and workers

Saadia Zahidi

• what does the WEF do?
  o brings people together to discuss issues
  o completes research
    • ranking, competitiveness, etc.
• trying to pull together an ecosystem of leaders with one narrative about the future of work
  o discuss the future of education, gender, and work
  o develop insights and analysis to support leaders and inform the public narrative
  o facilitate dialogue
  o enable action on the part of researchers
• benchmarking
  o distance to an ideal, how far are they from there
  o what that looks like in detail
  o comparison between countries
• forecasting
  o understanding what some of the largest companies in the world are thinking in terms of jobs
  o focus on industrial revolution
  o these things are being integrated in business models
    • technology isn’t really that new
  o skills impact
    • 35% of core skills will change between 2015 and 2020
    • biggest for finance and lowest for entertainment
    • change in top skills
      • complex problem solving, creativity, emotional intelligence, human flexibility
      • increase in premium for human skills
    • gender related impact
      • growth in fields that don’t tend to bring in a lot of women
• Giving people the tools to imagine the future that they want – not pre-determined!
  o Framework for imagining the future ** see slide. More on this coming out around Davos. Polarized society is now... empowered workers vs agile adapters? Can we have both?
Instead of seeing talent as competitive, let’s see it as collaborative!

- scenarios
  - tools that governments need to create the future that they want
- galvanizing business commitments
  - instead of seeing talent as a competitive space, see as a collaborative space
- Four industries: consumer/retail, IT, financial services, transportation
- how private-public partnerships can work
  - get governments commit to certain sectors
  - and then getting business leaders to sign on
- put together a package to help develop these tools