
WORKING, EARNING, LEARNING IN THE AGE OF INTELLIGENT TOOLS

The Berkeley WITS Project

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Session F2

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
 - 4th highest labour force participation rate in OECD
- Led to commission - Initiated by MP from opposition
 - Stimulate insight in parliament and educate policymakers on this because MP don't know enough
 - 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
 - though union reps are not worried
 - have a deterministic view of these technologies
 - give union reps a wider role
 - discussion on how technology can come in and how we can implement them
- Report
 - Review of adult continuous education system
 - 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
 - institutions for basic skills are revamping the whole system
 - collectively have agreed to atone the basic skills training to different sectors to build resource data base
 - more digital basic skills and English as a working language
 - recognition of prior learning is essential
- simplification of training system
 - 600M dollars of unused fund for training for unskilled workers
 - money not an issue
 - 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
 - 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
 - no real rise over time
- In 2017, Finland is putting its lost decade behind
 - 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
 - Local core team, outsourcing, crowdsourcing, freelancer
 - And this is in cognitive work
- Questions
 - Are we running out of work?
 - Work hours reduced from 40 to 35 hours
 - 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
- questions
 - we need to deconstruct work and recombine it with new technology
 - organizations as drivers
 - the large role of domain experience for customer value creation
 - NOT augmentation vs. automation
 - Future of work- not just one future
- collective bargaining coverage
 - going down in West Germany, (below 50%)
- three key debates
 - jobs vs incomes, where we see people earn a lot, very few jobs
 - rest of employment is in services and is not very productive
 - this is where the job growth is
 - problem for system that depends on payroll base contributions
 - 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
 - need to reach out to those people

Kenji Kushida

- what does this technological shift look like in Japan
 - research and action agenda; rules and regulations
- Sledhehammer: Japanese companies want to harness silicon valley. But we cant shed people!
 - 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!
 - there are many big Japanese companies that want to retrain but they don't know how
 - SME is big area in Japan and have been using lifelong education to remain competitive
- Demographic
 - Elderly in Japan live and die alone
 - Demographic time bomb
 - 33% of the population above 60 years old
 - 50% of agricultural workers are over 70
 - these people starting to retire
 - how do we retrain people to become more productive?
 - trucking

- more trucks than drivers
 - 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
 - use autonomous buses
- low skilled to high skilled augmentation
 - give training to low skilled workers to make them high skilled
- huge array of possibilities to enhance the people
 - alignment with companies and workers

Saadia Zahidi

- what does the WEF do?
 - brings people together to discuss issues
 - completes research
 - ranking, competitiveness, etc.
- trying to pull together an ecosystem of leaders with one narrative about the future of work
 - discuss the future of education, gender, and work
 - develop insights and analysis to support leaders and inform the public narrative
 - facilitate dialogue
 - enable action on the part of researchers
- benchmarking
 - distance to an ideal, how far are they from there
 - what that looks like in detail
 - comparison between countries
- forecasting
 - understanding what some of the largest companies in the world are thinking in terms of jobs
 - focus on industrial revolution
 - these things are being integrated in business models
 - technology isn't really that new
 - 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!
 - 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