

# TOP 10 TAKEAWAYS FROM DAVOS DIALOGUE

BY KATHY BLOOMGARDEN

The World Economic Forum is not only a time to gather and discuss the most pressing issues of our time, but it is also an opportunity to look forward and anticipate the most pressing trends that will define the year ahead. And while the mood this year was more subdued than previous years with many top political figures not in attendance, the week at Davos still brought to light discussions on the critical issues that are defining our society, driving our economy, and shaping global policy.

BELOW ARE SOME REFLECTIONS ON THE KEY TOPICS THAT DOMINATED THE WEF AGENDA.

- 1 China's global role in shaping the future**  
When it comes to the race to lead in emerging areas like AI, gene therapy and other advanced technologies, China is a central part of the conversation.
- 2 5G as a gamechanger**  
5G will be central to the success of the 4th Industrial Revolution – who wins and who loses.
- 3 Slowbalization / islandization**  
Now people are accepting the reality of “slowbalization”.
- 4 Connected cities**  
At WEF, a coalition of G20 cities was launched to ensure global smart city efforts are built upon a common set of human-centered principles and shared policy frameworks.
- 5 Data privacy**  
Companies need to become better at self-regulation, and work alongside the government to ensure transparency.
- 6 Climate change**  
Global risks are intensifying, but the collective will to tackle them appears to be lacking.
- 7 Change in role of corporations**  
Companies don't just create value through products. In today's digital era, firms create value through the set of relationships they orchestrate.
- 8 The future of work**  
There is an urgent need for reskilling programs to protect and prepare workers as automation and AI infiltrates companies' workplaces.
- 9 Think differently about healthcare**  
“Genetics may load the gun (on our exposure to the disease) but lifestyle pulls the trigger.”  
We need societal collaboration and a new attitude toward aging.
- 10 Gender equality and leadership**  
What was perhaps most surprising from the Reykjavik Index were the findings on how low the scores were among women about their own potential as leaders.



## 1 CHINA'S GLOBAL ROLE IN SHAPING THE FUTURE

China has been a topic at nearly every recent WEF, and this year was no different. With political challenges confronting administrations in Europe and the United States, numerous discussions around financial uncertainty, criticism around perceived lack of empathy among political elites, and trade wars on the horizon, China appears on a path to continue to build a strong global role as the West turns inward, despite China's reported economic slowdown.

When it comes to the race to lead in emerging areas like AI, gene therapy and other advanced technologies, China is a central part of the conversation – whether in the determination to lead in these new technological areas, or concerns by other nations about the country's potential technological breakthroughs and the implications in the socio-political arena.

## 2 5G AS A GAMECHANGER

The key platform at Davos was again the Fourth Industrial Revolution, and many discussions underlined that 5G will be central to the success of this Revolution – who wins and who loses. As one panelist said, 5G is the kind of technology that comes along only every 20-30 years. It promises faster speeds and more reliable connections on smartphones and other devices – it will enable real time access and use of data, at every moment. It will become an enabling technology for the life-changes promised by connected cities, e-commerce, autonomous cars, more sustainable use of resources.

## 3 SLOWBALIZATION/ISLANDIZATION

In line with the Economist cover story, people increasingly are accepting the reality of “slowbalization” or what others have called “islandization.” In the context of this, there were musings about the longer-term implications of a more isolated America (and Britain), which leaves the playing field open for new global leadership. There was pervasive sentiment that government leaders are desperately improvising—often with bleak results—to meet the political crises of the moment, leading to more populism, more internal focus and a movement further and further from global connection.

# 4



## CONNECTED CITIES

Smart cities were front and center on the agenda at Davos – so much that a new global initiative focused on accelerating the responsible and sustainable development of smart cities was launched during the Forum. The new initiative involves a coalition of G20 cities to help ensure that global smart city efforts are built upon a common set of human-centered principles and shared policy frameworks.

Over the next year, cities will be launching a series of pilot programs around areas such as autonomous vehicles, blockchain, data-sharing for agriculture, AI guidelines and much more as a way to understand how new technologies can not only make cities smarter and more connected, but also how they can improve the lives of citizens.

## CLIMATE CHANGE

According to the WEF’s annual risk report launched ahead of the meeting, “Global risks are intensifying, but the collective will to tackle them appears to be lacking. Instead, divisions are hardening.” Discussions at Davos urged countries and organizations to come together around finding collective solution to the most urgent climate challenges. On plastics, companies are racing to change their business models and panels explored the search for innovative solutions to design, reuse, and redesign plastics in a circular economy.

Many start-ups are developing creative and cutting edge ideas and companies need to partner closely with this ecosystem. For example, The VTT Technical Research Centre in Finland has created a cellulose wrapper that looks like transparent plastic but can be made from wood, rice straw or sugar cane tops. A polyethylene nano-engineered by scientists at the University of Pittsburgh can mimic properties of other materials including aluminum, making it much simpler to recycle. However in order to be successful, there will need to be better infrastructure for collection and more engagement from the population.



# 5

## DATA PRIVACY

Data has become the new currency. While the promise of bitcoin was less evident and practical uses for blockchain still uncertain, what people were engaged in were discussions around personal data and the right to privacy. In order to successfully use and leverage personal data, companies first need to recognize that individuals own their personal data, and expect it to be used with caution and care. Companies need to become better at self-regulation, and work alongside the government to ensure transparency is at the heart of data use.



## CHANGE IN ROLE OF CORPORATIONS

Business has to move into the role of being a force driving culture change, and adopt a new framework that recognizes the responsibility to communities. Companies don't just create value through products. In today's digital era, firms create value through the set of relationships they orchestrate with others. The value, in other words, is in networks not assets. Satya Nadella, CEO of Microsoft expressed his views on the evolving role of the CEO, one that must be multi-stakeholder in perspective – employees, customers, governments and many others. Nadella said in a discussion with Klaus Schwab, "100 years from now, we won't be talking about regional differences, but rather the global cooperation that is required to solve our pressing challenges."

## THE FUTURE OF WORK

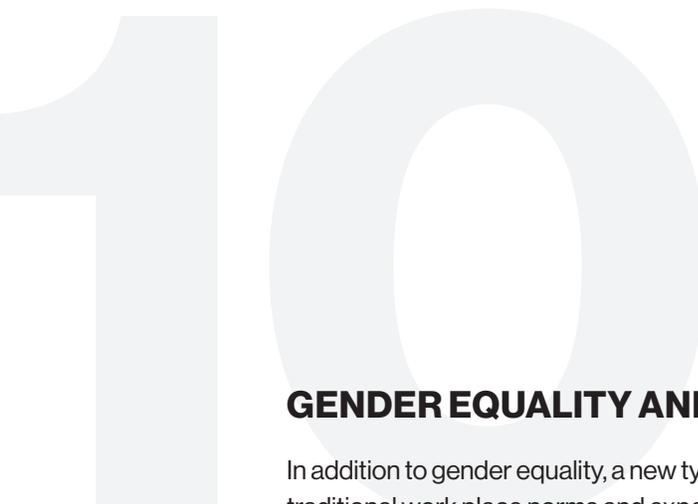
At Davos this year there was a general agreement that the technological changes we are experiencing will be more profound and faster than the technology disruptions of the past. The WEF recently put out a report "Towards a Reskilling Revolution", calling for the urgent need for reskilling programs to protect and prepare workers as automation and AI infiltrates companies' workplaces. The report found that 1.4 million jobs in the U.S. alone are vulnerable to disruption from technology and other factors by 2026. People shared the view that everyone has a digital transformation ongoing now and reskilling is not just a buzzword but a necessity. Predications that AI will alter 90% of jobs, and eliminate or completely transform approximately 50% of jobs were common points of discussion. More people this year discussed the benefits of man+machine as a framework for responsible AI as machines could replace drudgery and upscale skills.

As Tiger Tyagarajan , President and CEO of Genpact noted, "We need to encourage our current workforces to be eager students, learning how to work with AI and other emerging technologies..... thanks to new skillsets, that is when positive change accelerates." While it's likely new jobs will be created in this new future, the human skills of complex problem solving, emotional societal responses, and team collaboration are not easily replaced by machines. Instead, we have a chance to combine the best of AI and human empathy as an engine for future growth and prosperity.



## THINK DIFFERENTLY ABOUT HEALTHCARE

Healthcare is one of the largest global issues of our time- from how we will pay for it to how we will innovate to make people healthier and live better lives. New technologies, better data and AI are essential to helping us understand what treatments would best work in specific subsets of patient populations. But innovative breakthroughs are expensive and we need to determine pricing based not on the input, but on the successful output. With an aging population, another challenge of the healthcare sector focused on how we are going to manage the mental health problem which is gripping our society and the looming huge burden of Alzheimer's disease. As one panelist commented, "genetics may load the gun (on our exposure to the disease) but lifestyle pulls the trigger." We need societal collaboration and a new attitude toward aging. Improving healthcare requires a new lens to explore measuring outcomes, and improving patient access.



## GENDER EQUALITY AND LEADERSHIP

In addition to gender equality, a new type of leadership is needed as traditional work place norms and expectations were questioned by #MeToo and related movements in 2018. While these movements have sparked a more open dialogue, there is still a long way to go. The Reykjavik Index for Leadership, which measures the extent to which women and men are viewed equally in terms of suitability for positions of leadership across all sectors of the economy in the G7 nations was discussed at Davos. What was perhaps most surprising from the findings was how low the scores were among women about their own potential as leaders. It is clear that attitudes need to change both among women as well as men.

