

Future society, citizens and values in the Age of the Fourth Industrial Revolution

- Background Notes -

We live times when the changes in the society have a dynamic that compels us to deal with challenges, on the one hand so we adapt, and on the other so we benefit from the positive effects. Therefore, alongside the competition exerted by the globalization, in all its complexity, the contemporary human must keep up with the development of new technologies and innovations that have already entered our society and generate significant changes in our lives.

The transformations should not be perceived reluctantly, but as a potential that enables growth and development, as a driver of innovation, economic growth and, generator of top-quality new jobs. However, the challenges that may arise should not be neglected. It is necessary to ensure a fair distribution of the benefits that the new labour forms imply at the level of the entire society throughout appropriate policies in all areas.

The two defining components of the European project, the economic pillar and social pillar must be balanced, complement one another, so that we have the capacity to generate prosperity and social justice. With the introduction of the single market and the Euro currency, the imbalance between these two policies has increased gradually, and the economic policy has gradually become the

focal point of the EU policies. The phenomenon has increased after the crisis in 2008, to which it was answered mostly with economic measures. Today, the European institutions would like to relaunch the Social Europe. The citizens of the Member States legitimately expect that the European Integration Project should improve their living and working conditions. However, the revenue inequality in EU reduces the capacity of the poorest states to invest in the education and skills of their own population segments. To (re)gain the confidence of the citizens in the European project, it is essential that the EU returns to an upward social convergence path, and truly brings the citizen in the centre of concerns. The Structural Funds and the Cohesion Policy remain the essential tools for promoting this bottom-up convergence. Although the history and traditions differ, all EU Member States share the idea that there is a need for '*a more social Europe*' as the economic growth does not automatically generate the improvement of social condition.

The current social model must be adapted to meet clearly the expectations of the citizens, in order to make economies more resilient to crisis and current trends.

Key elements to be taken into account, in adapting the employment policies and social policies to the new socio-economic reality are:



the genre dimension; work-life balance, social protection; decent and safe working conditions (including the health and safety at work); as well as the working time; education and skills; lifelong learning; career development; active aging; support during transition periods from one job to another. All of these must be managed through appropriate economic and social policies.

Issues of the labour market from the standpoint of European legislation and policies

The new industrial revolution (the fourth, invoked in all economic fora) has led to both an increase in demand of highly qualified workers and qualified workers according to the new market requirements, and a decrease in the employment opportunities for the workers who do not have this kind of qualifications. Therefore, the European Commission has proposed to adopt appropriate policies and European legislation to fit. More precisely, the European policies should identify the sectors, jobs and workplaces most affected by recent technological developments and operate the necessary amendments at social level. The regulations on the labour market and social protection systems must be aimed at maintaining the well-being of citizens and promoting quality well-paid jobs for all.

In this context, the Commission shows a particular interest also in 'Artificial Intelligence' (AI) and considers that it has entered in all sectors and it will transform society as a whole, therefore it is required a solid European framework covering socio-economic, legal and

ethical issues. But at the same time, the Commission advocates for a coordinated approach of the European Union and its Member States, in order to take full advantage of the opportunities offered by the new technologies in the Digital Age.

In order to be able to cope with the rapid technological development, the Digital Single Market and its regulatory framework will have to be completed, and it will be necessary to adopt measures relating to industrial, technological and research competences, and cybersecurity, connectivity consolidation, 5G mobile network extension, and optical fiber and satellite technologies competences. All must be integrated into new products and services, adequate production processes and technologies, including through training and retraining of labour force.

From this perspective, the specific initiatives of the Commission include Skills Agenda for Europe, the package on Modernising Education and Investing in Europe's Youth, 2020 Digital Agenda, the legislation on Artificial Intelligence for Europe, establishing a European Labour Authority. In addition, the European agenda for the collaborative economy aims at increasing the degree of innovation, competition and economic growth, while ensuring fair labour conditions and proper social protection.

New labour market – New social public themes

The European legislation should aim at sustaining stable and adaptable jobs, full access to necessary information, protection in

event of dismissal, ensuring a greater predictability in respect of contracts and employment relationships.

However, it is recognized that the new employment models allow greater flexibility in organizing the work, establishing the work schedule, length and the actual place where the lucrative activities are carried out. The quality of jobs is one of the great challenges of the future digital society. Ensuring decent working conditions for people found in atypical employment relationships, and an appropriate social protection for these new-type workers is a *sine qua non* condition. As regards atypical employment contracts, that are more widespread as technology advances, in some Member States actions are taken in order to lay down more stringent conditions for their use or to enable greater freedom for collective negotiations in order to establish their framework. There have been introduced also some innovations in the new employment forms, including for workers on platforms and self-employed workers, taking measures in the field of working time organization.

The main challenges faced by the decision-makers, both at European and national level, are to ensure appropriate regulations according to the new trends on the labour market, which is dynamic and innovative, as well as providing an adequate level of social protection for all workers, but without leaving on a back seat the productivity which is the basis for living and improvement of the working conditions. Therefore, stability,

coherent policies, focused efforts at all levels are needed, taking into account the very high potential of the EU, its economies' openness and competitiveness, which continues to attract investors and partners from all over the world.

Skills and education in the Age of New Digital Revolution

The best investment for the future of Europe are vocational education and training. Not only for strengthening European identity and common values, but also for developing new skills and abilities which will be needed in the next period.

Since 2017, under the Rome Declaration, the European Union and its Member States have reaffirmed the commitment to provide young people with the 'best education and training'. Subsequently, at the 2017 Summit in Gothenburg, the European Parliament, the Council and the Commission announced a European Pillar of Social Rights – this enshrines the right to education, training and lifelong learning that should be high quality and inclusive. Recently, the Commission has proposed the revision of the European Framework of Reference in respect of key-skills for lifelong learning – which sets out the capabilities people need (including digital competence).

The social dimension mainstreaming in all European policies and the social priorities' implementation in all areas are carried out at EU level by the European Semester for coordination of economic policies, deepening of the Economic and Monetary Union, Investment Plan for Europe and its flagship

initiatives for achieving the Single Market, from the Digital Single Market to the Energy Union. By mainstreaming the European Pillar of Social Rights in the European Semester, the Member States' attention and efforts are concentrated on the most urgent social issues, such as the lack of skills, the poor performance of the policies active on labour market or of the education systems, but also the social exclusion of more vulnerable segments of society.

In order to adapt to the new labour market dominated by digital transformation, the continuation of the lifelong learning process and the accommodation to new are needed, being aware of the irreversible job loss situation, which are replaced by others, or the emergence of new ones, which have not existed until now.

The professional retraining and upskilling should be accompanied by the modernisation of policies on labour market and social policies, so as to cope better with the transitions that are more and more frequent.

The fact that the population as a whole has weak general technical knowledge is one of the obstacles in the way of the quick advancement of the digital society. Digital literacy is one of the most important drivers for the development of the digital sector, therefore the Commission has adopted a Digital Education Action Plan to support technology-use and digital competence development in education.

At European level, actions are taken to adapt the learning programs and systems, particularly through: lifelong learning; national-level implementation of policies that would aim to incentivise talents to stay in Europe; implementation of those policies at national and European Union level, which should make it possible to attract over-qualified migrants; supporting the master and doctoral programs in the AI field.

The European institutions have initiated a set of measures addressing the wider challenges faced by education: increase the general level of skills, the more efficient use of existing skills, and prediction of required skills, qualification implementation and guarantee.

Human rights and ethical issues in the Age of Digital Revolution

An adequate ethical and regulatory framework is essential for citizens to have confidence in new technologies.

The European Pillar of Social Rights is based on the existing ideas of equal treatment respect, non-discrimination and equal opportunities, social rights. Equally, it should anticipate the establishment of new rights, where needed, taking into consideration the new technological and socio-economic developments. Furthermore, in view of the massive technological development and reduction of jobs, both at European and national level, the legislators will need to design a social protection system under other terms than so far.

The European approaches should be based on the respect of individual's

fundamental rights, ethical principles and values, in order to assess forward the effects artificial intelligence might have on human beings.

Starting from the idea that the artificial intelligence is not a threat, reflection themes are required in connection with the definition of its freedoms provided that it manages databases with information regarding the identity of persons (from generalities, relating to individuals' characteristics to calls, options, and amounts in bank accounts). At the same time, it is necessary, for the future, an objective assessment of artificial intelligence, to the extent that it will affect increasingly more jobs. Profit-wise, the entrepreneurs might appreciate that the artificial intelligence offers them the maximum compared with the human labour force (i.e., affordable maintenance, uninterrupted working program, without holidays and insurance payment, etc.).

Investments in development of new skills, education and training

The EU institutions have noticed that the level of investment in the Digital Society is low and fragmented in comparison to other areas of the world. In order to remedy this shortcoming, at European level, an ambitious objective has been suggested that aims at increasing investment and achieving a total value of at least 20 billion Euros between 2018-2020 and increasing investments, gradually, up to 20 billion Euros per year during the next decade. The Commission has

increased investments in artificial intelligence under Horizon 2020 Program to 1.5 billion Euros for 2018-2020 period. For the next Multiannual Financial Framework, the Commission has proposed to devote to this field at least 1 billion Euros per year under Europe Horizon and Digital Europe programs.

Guidelines for Debate / Questions:

- *The need for an appropriate legal framework to define the relationships between the various participants (public services, citizens, workers, etc.) on the new labour market, based on artificial intelligence.*
- *The need for a genuine political and financial commitment at all levels.*
- *What concrete measures should be taken at European/national level to ensure a fair distribution of the benefits that the new labour forms imply at the level of the entire society?*
- *Which would be the most effective means of ensuring that the dynamic and innovative labour markets, crucial for the EU competitiveness, are regulated in a manner that ensures an adequate and proportional level of protection for all workers, as well as a high productivity, which will contribute to the improvement of living and working conditions throughout the EU?*
- *Examples of best practices (Which are the current challenges in terms of...?) in developing future's competences for supporting the employment and adaptation to the rapid technological changes.*