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Mega-trends of the Information Society

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A short introduction

- **I'm a research director of the Information Society Institute, University of Tampere**
- **A multidisciplinary activity launched as part of the eTampere initiative**
 - **financial support coming from the city of Tampere**
- **Initiation and promotion of research related to the development of Information Society**
 - **connected to the innovative processes going on at the operational level**
- **Several focus areas currently under development**

What happened ten years ago?

- **Invention of the information society**
 - The NII initiative in the United States
 - From the Delors white paper to the Bangemann Report & Commission Action plan in the EU
 - G7 Conference on global information society in Brussels, recognition of the threat of a digital divide
 - a large number of plans & initiatives launched in different countries and by various international organisations
- **The grand societal project of the 1990's, culmination at the WSIS process**
 - transforming the development of IS into a global phenomenon

How is the situation now?

- **More humble attitudes after the burst of the financial bubble**
 - straightforward technological optimism not any longer a credible attitude
- **But where are we actually standing?**
 - certain applications have been spreading even faster than was predicted during the 1990's [fig](#)
 - commissioner Liikanen was yesterday confident with regard to future possibilities
 - EU not unambiguously [lagging behind the US](#)
 - but is optimism the prevalent attitude among Europeans or observers of its development?
 - a contrasting view presented just a few days ago by [Stephen Roach](#)

About global job competition

- **Everybody is talking nowadays about the China phenomenon**
 - global relocation of different kinds of activities
 - driven by cost pressures and increasing supply of skilled labour force
 - has led towards a new type of jobless growth
- **The real challenges are still ahead**
 - demographic changes will weaken especially Europe's competitive positions
 - the American society better prepared to global competition over talent
- **Does the ICT revolution lead to new growth?**
 - or is it rather causing new job insecurities?

The world economy in trouble

- **We have unprecedented possibilities to produce more affluence to an increasing number of people**
 - the labour resources won't end for some time to come
 - ICT allows us to use it more productively
 - financial markets full of capital searching good investment opportunities
 - the ecological constraints will be real but not insurmountable
- **Demand is the limit**
 - a US centered model cannot keep the whole world economy thriving
 - companies must adjust to tightening price competition, stocks are slumping

The key underlying trends

- **The present worldwide spread of new ICT's has been just a beginning**
 - the key thing is how people start to utilise the new technological possibilities
 - many kinds of dynamic effects can be expected
 - new aspirations, more possibilities to realise them - and more hate if such aren't offered
- **The potential possibilities aren't realised by themselves**
 - we need new pricing models and redistributive policies on a worldwide scale
 - more room for solutions created by the people themselves (prof. Bruck!)

What are Europe's prospects?

- **Europe not among the first winners of global restructuring**
 - lacking competitiveness, slow growth
- **The situation may look better in a longer time perspective**
 - new affluence will be generated primarily in the new growth centres
 - what do people aspire?
 - e.g. a Mercedes, Nokia phone, French fashion & cosmetics, gourmet food & wines, a Swiss skiing vacation
- **How can Europe become a winner?**
 - renewal of institutions, systematic utilisation of e-possibilities, attraction of talent

Has the European model a future?

- **Globalisation seen as a threat against the European 'model'**
 - leading to a dismantling of the welfare state & deregulation of the labour markets
 - protectionist claims, limits to outsourcing & international migration
- **We could see things differently**
 - European societies are affluent & aging fast
 - Europe must be able to invest its pension funds on a profitable manner
 - this will be possible only in a dynamically developing world economy
 - well organised & safe European societies may appear quite attractive in future