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We are living in the situation of “unprecedented unpredictability” (OECD Strategic Group)

Digitalization; threats and opportunities from national economy perspective

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Venice, May 24, 2018

Growth policy options in two examples

1. AI platform and ecosystem
2. Industrial smart materials platform and ecosystem

Resilient policy strategies
Recommendations for concrete policies
Value generation loops

Owners of Alphabet

ADVERTISERS

Google Deep Mind data

developer COMPANY

behavior USER

What can policy makers do?

Owners of Alphabet

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1. Fast applications

2. Multisidedness

3. Soft innovation
Second example: Smart materials

From pipe to digital documentation
Prosumers produce value added

Digital value added services
What can policy makers do?

1. Standardization
2. Processing infrastructure
3. Government as a pilot
3. Policy options

**II VISION DRIVEN STRATEGY:**
Government facilitated but cross sectoral stakeholder driven vision, that is defining refocusing of existing policies.

**III KNOWLEDGE DRIVEN STRATEGY:**
Generic Platform Competence center
Fast nanodegrees,
Focused research grants

**IV ACTIVE CONTRIBUTION STRATEGY:**
Selection of sectors (security, health), Gov as a share holder of JVs initiated by companies, Platform business toolboxes.

**V PUBLIC SECTOR AS A PIONEER:**
Systematic development of PPP JVs for platform ecosystems, government exit with ROI, blockchain technology pilot, government purchasing rules redefined so that government will support platform pilots.

**VI INFRASTRUCTURE STRATEGY:**
Regulation free experiments
Standards and certificates,
Technology infrastructure (meta-platforms, data standards, safe cloud capacity, preparedness for a potential failure of internet capabilities)

**VII SUPPORT TO CORPORATE DRIVEN ACTIVITIES:**
Funding for projects,
Government as a customer for pilots,
Small assignments for start-ups,
Test environments

**VIII ACTIVE IMPACT ON THE GLOBAL ENVIRONMENT:**
International community building,
Government investment in the network
Active lobby globally

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**Uncertainty dominates development**

<table>
<thead>
<tr>
<th>Enablers</th>
<th>Game of Giants</th>
<th>Competing Networks</th>
<th>Technology Struggle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Players</td>
<td>No regulation, free trade, technology standards</td>
<td>Bloks, protectionism, mtbs, security concerns, distributed technology (blockchain), metaplatforms</td>
<td>No investments, terrorism, cyber wars, cyber security investments, global financial system collapse</td>
</tr>
<tr>
<td>Such as Google (Android), Amazon, IBM, Alibaba</td>
<td>Dedicated networks, local operators, small and medium sized companies</td>
<td>Terrorists, national infrastructure builders (state), banks, operators, technology developers</td>
<td></td>
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<tr>
<td>Typical for dynamics</td>
<td>Centralized coordination</td>
<td>Decentralized networks that are linked together</td>
<td>Isolation, regional development, asymmetric</td>
</tr>
<tr>
<td>Structure</td>
<td></td>
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<tr>
<td>Who will win?</td>
<td>Those that are strong already</td>
<td>Fast scaling innovative ecosystems that are able to benefit mulitlided data sharing</td>
<td>Those that are trusted and are able to absorb newest technologies</td>
</tr>
</tbody>
</table>
3. Resilient policy options

II VISION DRIVEN STRATEGY: Government facilitated but cross sectoral stakeholder driven vision. That is defining refocusing of existing policies.

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VIII ACTIVE IMPACT ON THE GLOBAL ENVIRONMENT: International community building, Government investment in the network Active lobby globally.

Recommendations

Exploit existing global networks
- fast applications
- imitate novel models
- benefit of soft innovations

Support domestic ecosystems
- standardization
- infrastructure investments
- government as a pilot

Build resilient strategies
- enhance competence building
- Invest in ecosystems for ROI
THANK YOU

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