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Report

**British German Forum 2018**

**The future of power, influence and networks**

Sunday 8 – Thursday 12 July 2018 | WP1617

With support from:





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## **British German Forum 2018**

### **The future of power, influence and networks**

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**In association with the Foreign and Commonwealth Office and the British Embassy in Berlin and with support from the Sir Heinz Koeppler Trust and Bridge International Dialogue.**

The ongoing Brexit negotiations will have a significant impact on the political, social and economic landscapes of the UK, Germany and Europe at large. The focus on Brexit however, can obscure a set of transformational challenges with equally far reaching consequences for both countries. The nature of power is changing in the information age with state and non-state actors struggling to adapt to the momentum of technological progress. Governance structures; regional, national, and subnational, are being tested. The distance between the citizen and state is manifesting itself in new and unpredictable ways. Serious thought, today, needs to be put into how societies and citizens thrive amidst perpetual waves of technological innovation.

This year's Forum provided a space for participants to address the future of power, influence and networks, and explored three critical issues:

- Where is power and influence shifting in society, governance and business?
- What must societies in the UK and Germany do to keep pace with technological change and disruption?
- How can globalisation be made to work for all? How might industrial strategies in the UK and Germany be able to counter inequality and challenges facing them?

The British German Forum was established by Helmut Kohl and Margaret Thatcher in 1985 and has been an annual event ever since. 2018 marks 33 years since the first Forum took place. The Forum provides a dynamic space in which participants can network and share ideas among their peers and gain insight and inspiration from experienced professionals. Through dialogue, it aims to facilitate both increased shared understanding and the building of strong relationships between influential young Britons and Germans.

The points below summarise the conclusions and recommendations reached by participants during the 2018 Forum.

## **The labour market shifts**

1. The Fourth Industrial Revolution is imminent, and it is critical that the private sector in Germany and the UK are ready for the rise in automation, machine learning and artificial intelligence. There will be productivity gains as a result of the increase in technology in industry, but the question is – who actually benefits? There may be an increased amount of redundancies as robots replace humans on production lines. Consequently, this may leave industrial heartlands at a severe disadvantage. The need for a more comprehensive metric than Gross Domestic Product (GDP) was a theme of discussion at several points.
2. Employers can engage their employees by retraining them to work in other parts of the business. Employees can be incentivised to retrain through government schemes, including the offerings of sabbaticals to explore the different sectors that there are 'new' jobs in. This is a low risk alternative.
3. There also needs to be government subsidies to create ecosystems ensuring new industries are created with the help of public and private partnerships. Through these partnerships the engagement of educational institutions and career guidance is critical, with the career advice to be thought about more innovatively, especially regarding regional development and re-skilling.
4. In this time of volatility, many resources are available for free and the valuation of university study may diminish over time. There should be more apprenticeships available to young people that are finishing school at age 16 and 18. The UK can learn from the German model of young people gaining real life experience early on in their career. As student debt increases in the UK, the ability of graduates to differentiate themselves from their counterparts becomes increasingly more difficult and a gradual transition towards the German model may provide many opportunities to offer tangible work experience, improving their long-term career prospects.
5. The labour market will inevitably shift. During this time, it is crucial that the state supports people in times of rapid industrial change with the introduction of training allowances and pensions so that people can make the unavoidable jump into a new employment environment. The concept of 'flexicurity', enabling social security systems to support people when changing jobs, was discussed here.

## **Government and governance**

6. With the looming separation of the United Kingdom away from the European Union, there are challenges in relation to sustaining a positive trading relationship between Germany and the UK. At present, it may come across that the separation is happening at a slow rate, with talks ongoing between the UK, the EU and other state stakeholders. Citizens are in a precarious position as they are being left in the dark concerning the details of the EU-UK separation in March 2019.
7. When the UK leaves the single market, there will be a considerable democratic distance between leaders of the UK and Germany. The UK will no longer have permanent representatives at the EU in Brussels and relationships may not be as strong as they once were when Germany and the UK worked in close proximity in the EU. As a result of this, there could be an imbalance between innovation and standards. The UK will have to establish its own standards and will not have the shared barometer of the European Union.

8. The commodity that is data can be an opportunity in relation to governments, as it will give an increased transparency to what is exactly happening. Data allows for a more accurate and straightforward way to convey information through reports, enhancing accountability, with better forecasting, implementing more predictable review periods for roadmaps, all of which results into more information for decision making. A potential outcome of this would be a stronger economy with a more responsive regulatory framework.
9. A suggestion was put forward to make wider use of informative tools like the Manifesto Project. The gamification of citizen engagement in the policy process was discussed.

### **Emergence of digital and social media**

10. Since the magnification of 'fake news' and recent scandals revolving around the sourcing and analysis of personal data, it is harder for citizens to determine what is real and fake news. The targeting and delivery of these mediums has been intricate in recent elections and referendums. The declining trust in established media organisations asks the question whether people should pay for their content when there is 'free' media online – sometimes not from a verified source. In this time of clickbait, citizens are enamoured by fantastic headlines and as a result are miseducated on certain issues. The curiosity of citizens is the product in this case.
11. The main challenge was cited as how to regulate social media. There needs to be increased dialogue around the policies that governments introduce regarding social media. With 2.23 billion Facebook users around the world, it may be a challenge to police an online population of nearly a quarter of the world population. Another suggestion raised within the dialogue was the collaboration between social media organisations and governments to verify the placing of political propaganda; one bold suggestion was an online, blockchain enabled, crowdsourced court process.
12. The social media age has made policy makers and politicians more open to citizens and offers an instant way to connect with those that have been elected. However, it is difficult for elected officials to connect with people who are spreading hatred online. There needs to be a social media code of conduct and a greater alliance between governments and social media platforms to aid democracy in both Germany and the UK.
13. There are positives to social media, for example the #metoo movement that came to prominence this year. Campaigns such as these increase awareness and education for issues that are magnified and media sources latch onto this. Power resides within the citizen; grassroots instances like these have engaged citizens to meet and engage on particular areas of interest and as a result put pressure on government to solve issues.
14. Of course, there could be an improvement in the way that those in power can connect with citizens. For example, in Germany, there is increased interaction between politicians and young people; Angela Merkel took to YouTube last year to answer the questions and address the concerns of German youth.
15. Social media can be a productive tool, if used correctly. Many issues have been brought to light such as the refugee crisis and successful movements have been created. Legislation such as GDPR have been a step in the right direction to protect citizens and their information.

## The global context for Britain and Germany: How should we respond?

16. Are there shared values between Germany and the UK? The sheer amount of uncertainty at present is not helping in answering this question. There are formats for exchange and areas in which to do so (human rights, civil society, defence, funding for cultural exchange). The importance of town twinning, and the augmentation of parliamentary, government department and academic exchange could usefully grow in time given the current political climate. Cost neutral initiatives will have their place, but those with mutual financial investment will engender a deeper sense of shared ownership and endeavour.
17. It will become increasingly vital for the UK and Germany to continue to share experience of policy success and failures, in order to learn useful lessons. There are useful governance lessons learned to be exchanged on UK devolution and the Länder system in Germany. That domestic prosperity is ensured by global prosperity is a value that is seen as eroding, so these productive bi- and multi-lateral links are important.
18. Education was a significant strand of conversation throughout, not least on the impact of digital technology and social media. Including a basic understanding of algorithms and coding in the curriculum would go some way towards future-proofing the tech aspects of education. This will require continual review and adaptation. Another look at consistency of approach across European borders, including what role EU agencies should play (President Macron's proposal for an agency for disruptive technology came up here), was suggested. In addition to technological innovation, the need for better civic education came up in several guises and also how domestic political culture feeds into national approaches to EU affairs. The teaching of International Relations in school was suggested.
19. Finally, foreign and security policy was an area cited as demonstrating shared values, for example the joint commitment by the UK and Germany to the Joint Comprehensive Plan of Action and the robust response to the Salisbury chemical incident. The UK becoming an affiliate member of Permanent Structured Cooperation (PESCO) was suggested, and also embarking on other joint defence initiatives with Germany and other close partners in the EU27.

## Conclusion

In this challenging global environment with Brexit, data privacy, fake news and changing labour markets, it is important that the bilateral relationship between the United Kingdom and Germany is strengthened. The group were optimistic that even with the threat from outside Europe, the two countries can work together on their shared interests and find joint solutions together.

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