Klaus Schwab
I am very honored and pleased to be here to discuss about a very important cooperation. Since coined this notion of the Fourth Industrial Revolution, I just would like to make some preliminary remarks on the importance of the 4IR.

First, it is a truly a deep transformation of our business models, moving from a vertical to a much more horizontal business structure. It has an impact on the economy. We are moving in the long run from a production and consumption-oriented economy into much more sharing and caring economy. It has an impact from society. We have discussed Society 5.0. And it has an impact on politics because in the end the political battle will not be any more so much between the left and the right but much more between those who push reforms and those who resist reforms.

So, 4IR is characterized mainly by the speed and we will see even an acceleration of the speed. I would argue that some people say 2018 is the year with the fastest change, not comparable with every year before. But I would say it’s the year with the slowest change if you compare it with the coming years.

The 4IR is also characterized by its comprehensiveness because it’s a fusion of digital, physical, and biological identities and developments. We have to be careful that 4IR is not perceived as something which is negative but as an opportunity. And as we heard, it can make substantial contribution to the SDGs, it can make a contribution to ageing society, and it can provide better inclusion because it provides access.

What are the consequences? I just want to mention five. For governments, the future will be characterized by a competition based on innovation. I would say we are moving from the age of capitalism into the age of talentism where our talents are the most important factor for the competitiveness of an industry. Of course, we talk at the moment very much about a possible trade war, but behind I think there’s a war taking place for leadership in new technology in the age of The Fourth Industrial Revolution.

Second important point for governments, we have heard it this morning, of course is the need for comprehensive reforms, particularly also for reforms in the soft infrastructure like education, legislation, flexibilization, and so on.

The third recommendation is the need for strong stakeholder cooperation, public-private cooperation, we need a new national social contact related to The Fourth Industrial Revolution.

Number four, we need for the 4IR international cooperation and that’s where the work of the forum is coming in. Because every country has to understand what’s going on in the field as fast as possible, real-time, to
learn from best practices. But also we have to develop the principles, the frameworks around those new technologies and those technologies have to serve humankind, they have to be human-centered, that's one of the objectives of our center for the 4IR.

And finally, I should add, we have to make sure, in addition to promoting the 4IR we have to make sure that we secure the backbone of The Fourth Industrial Revolution, which is the cyber system. And here we need also global cooperation and the forum in addition to the center for the fourth industrial revolution has created a global center for cyber security.

I welcome prime minister and distinguished cabinet members. I commend Japan on its leadership. It has so many reasons to take leadership in this field, and I invite not only the country to be a strong partner in the system of centers for 4IR but also to showcase its leadership in Davos and I also offer very strong support in view of the G20 presidency next year where the issues related to 4IR are certainly or should play a major role because 4IR is decisive for the future of humanity.

I have now the pleasure to introduce my colleague, Murat Sönmez, who is heading the center for The Fourth Industrial Revolution who will give some more details.

Murat Sönmez
Thank you, Professor Schwab. I would like to bring your attention to the slides. Slide number 10, in the Society 5.0 presentation. As many of you mentioned, Boston has an initiative called Go Boston 2030.

On page number 10, as the international organization for public-private cooperation, the World Economic Forum's focus on The Fourth Industrial Revolution has not been just technology but what impact does it have on citizens and society. In this context, we partnered with the Mayor of Boston and City of Boston and looked at what it would mean for a city like Boston to have autonomous vehicles. On page number 10 you see the targets or the goals of their program, decrease in pollution, freed up space. If you have only autonomous vehicles, there will be less need for parking space, increase in traffic efficiency leading to productivity boost, better affordability of transport, and improved reliability and experience and more efficient public transport spending. The key topic at the bottom of the slide is equitable access to mobility so that it becomes affordable for all the citizens.

The next page shows the community that we have put together including a number of leading Japanese companies, Sompo Japan and the insurance sector, Denso, and Toyota along with other technology companies like nuTonomy, Lyft, ChargePoint, as well as governments from around the world. So it was not just limited to the City of Boston but we had the Ministry of Transport of Singapore, Drive Sweden, United Arab Emirates, because everybody is interested in the impact.

As briefly previously mentioned, the engagement with the society and the citizens was key, so they were an integral part of this process. The outcome
was really unexpected. It was really positive. And when Mayor Walsh, Mayor of Boston, saw the results, he said I am ready to move forward and how do we make it happen? And this is where the regulatory frameworks come in because the Fourth Industrial Revolution requires a new operating system from a regulatory perspective. And as we have discussed already, the existing regulations are not designed to take advantage of that.

On page 12, you will see some of the cutting-edge technology companies and nuTonomy was a key partner in the Boston experience and they are also providing their vehicles in Singapore.

Page 13 shows the vision of Boston as a citywide integrated mobility platform. The key message here is that autonomous taxis and buses will not replace other transport modes, but we will enhance and complement the existing transport model so you can have an integrated transport system, mobility system. And the goal is to enhance the user experience and also make sure that the underlying technology benefits the citizens and the society.

As a result of this project, we decided to create a global network of the center for The Fourth Industrial Revolution. And I'm very pleased to announce that Japan will be the first international center, and we look forward to inaugurating that on July 2nd here. Thank you.