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THE NEXT ERA OF WELL-BEING

Ideals, vision and solutions

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Sitra Memorandum

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Ideals, vision and solutions

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Foreword

In The Next Era memoranda published during 2017, we described the changes our society is facing. The memoranda on work and income, democracy and participation, growth and progress and the planetary boundaries, available at www.nextera.global, discuss the future developments of the Nordic model of well-being from different points of view. The challenges highlighted by these memoranda cause understandable and justifiable concerns about the future in our society. That is why we think that everyone worrying about the changes taking place in our society – from climate change to employment, and from inequality to Finland's domestic and external security – should also feel responsible for building and maintaining hope.

A central observation made in The Next Era project has been the enormous transformation people in Finland and other developed societies are facing. Many industrial-era structures and solution models are losing their effectiveness and the societal problems of the decades to come will not be solved, nor will well-being be enhanced, simply by fine-tuning them. To maintain our belief in the future, we need visions, or future prospects that can generate hope. Amid these enormous changes, keeping things as they are will not suffice as an inspiring vision. A credible vision recognises the kind of need for change, some signs of which we can discern even today. Furthermore, the vision should be attached to strengths and starting points that inspire trust in our ability to do what it takes to make the vision a reality.

We at Sitra hope that increasing numbers of responsible societal actors will share their own visions, their stories of the kind of society they are striving for. To accelerate the progress towards this goal, we are also initiating discussion about our own views on what the next decades could look like for Finland. The memoranda published in co-operation with Demos Helsinki in 2017 have laid the foundation for this The Next Era memorandum, the fifth one, which is a summary of our views on what kind of societal building blocks and everyday solutions could constitute the next era of well-being.

Many progressive initiatives were met with fervent resistance when they were first conceived. Regardless, Finland has time and again found the will and the ability to choose progress as the central goal and theme of social policy. Do we still, after one hundred years of independence, dare to make bold choices and believe in progress? The future will not just happen, but we will all shape it together. What should we do today to ensure that future generations can be proud of our solutions a hundred years from now?

Helsinki, 9 January 2018

Mikko Kosonen
President, Sitra

1. What ideals will the next era of well-being address?

The Nordic model will continue to be based on ideals in the future. This memorandum provides insights into what progressive approaches to social policy will lead to a fair and sustainable future and how the policy will affect people's everyday lives. In addition, it reviews the kinds of practical solutions and institutions we need, to ease the move towards the models of the future.

Previous Next Era memoranda have described the key characteristics of the changes taking place in Western societies; changes that run parallel to each other but are strongly intertwined. These characteristics are as follows: for the large majority of people, paid employment has created stable income; representative democracy has allowed political involvement and supported the increase in well-being; we are used to regarding economic growth as progress, which increases the quality of life and opens up new opportunities; the fossil fuel-based energy system has accelerated economic growth and created wealth.

Up to now, these issues have created continuity and social peace, confirmed people's belief in the future and created mutual trust. But the situation is now changing. Social and economic systems have become more complex; interdependence and uncertainty in the world have increased.

The features of Western societies described above are not perpetual, but are just inherent to the situation during a specific period in history. They

Progress will not be defined merely by economic growth and the prosperity it produces.

characterise the advanced structures that developed to resolve the challenges of the industrial age, and these structures are facing new kinds of pressures from digitisation, globalisation and the crisis of ecological sustainability. During the next few decades, these critical

structures will either be renewed piecemeal or will be completely replaced by new solutions that are better suited to this age and its needs. Forms of paid employment are becoming more diverse and new models of earning are developing as a result. Alongside political parties and representative democracy, new forms of inclusion and decision-making are emerging.

In the future, progress will be defined by issues other than economic growth and the prosperity it produces.

The ideals and values that prevail in a society usually endure much longer than its political systems. It is also clear that change in the world around us affects how we apply those ideals. The ideals of the Nordic countries have been influenced by

- migration from rural areas to the cities, and the change from seasonal agricultural work to regular industrial and office work;
- the enlargement of a social environment that previously consisted of small organisations comprised of several dozen people to a global world of electronic data transmission, major cities and organisations with networks spanning international borders; and
- a change in education that once focused on learning everyday practices into one where a scientific world view is taught in schools.

Development, however, has not stopped. Information has become digitised, which has enabled the democratisation of communication. Trading and production have become global. Societal challenges now apply to the whole human race. People's mobility has increased along with the diversity of human interaction. We do not yet really know how these will transform the way we apply our society's ideals. The evolution of our ideals continues.

Ideals also have to be decided on

We have started to build a vision of the next era of well-being based on the ideals of the Nordic social model. This choice is based on the idea that ideals are issues that can be achieved through decisions: when planning and shaping institutions, their rules and norms, certain ideals can be emphasised more than others. These decisions are mainly political and rely on different views of what constitutes a good society. The ideals of the Nordic model have been shaped over the centuries through encounters and conflicts between different political views, and these views have been further crystallised through the decisions that have shaped our societies' rules and institutions. In the background is the influence of various, mainly European, ideologies and movements, as well as local interests and needs. Today's Nordic societies create specific combinations of ideals and structures that simultaneously emphasise equality, a high degree of individual autonomy, gender equality, a strong commitment to the rule of law and democracy, and fairness.

We strongly believe that Nordic ideals are such that it is possible to build a successful future society around them. This is despite the fact that the Nordic societies specifically succeeded in the 20th-century industrial age, and their social models are optimised for the needs of an economy dominated by industrial production and a clearly demarcated nation state. The success of the Nordic societies has become clearer in the last few

decades as we have increasingly moved towards a more global culture and a more knowledge-intensive, digital economy. Although European societies on a global scale are losing their economic pre-eminence, the Nordic countries are continuously and clearly becoming more significant economic contributors, whether measured by population size or GDP figures. In many

The Nordic countries are continuously becoming more significant economic contributors than their population size or economic figures would suggest.

respects, the Nordic countries appear to be the embodiment of some Utopia in which children are looked after in high-quality day care, the elderly are cared for with public funds, people are educated for free at university and they live good everyday lives in many ways.

It is also important to create visions based on ideals because

we cannot pursue issues that we are unable to dream of. In their time, visions in Finland have enabled the provision of universal education, for example. The ideal of equality and learning had to be accompanied by a clear vision. In today's unstable times, we are missing the views of different parties on what constitutes a good future.

Nordic ideals are largely a version of European value traditions that are intertwined with the notions of freedom and equality. The background to this tradition is the ancient Stoic school of thought and subsequently Christianity, in particular the radical Protestant idea that all people, irrespective of their birth, ethnicity, religion, gender or social status, have the same basic characteristics and are therefore equal. This provided the starting point for the concept of the human individual, separate from the community (and from God), who experienced and wanted things, and also for the theory of a liberal society that emphasized the freedom of the individual. The change caused by the latter idea was revolutionary with respect to the relationship between the citizen and society. People became independent subjects who were no longer in principle subservient, with their fate at the mercy of their rulers' arbitrary decisions.

Instead, people – or citizens – have rights and are, in principle, free from external decrees imposed from above, and from obligations that restrict their choices: we can meet other people and gather together freely, express our opinions freely, own goods and trade in them freely to a large extent, we can travel widely without restrictions, and we are free to believe, or not, in gods or ideologies. Rules restricting these freedoms are only justified when our actions damage or restrict the lives of others.

Equality is also reflected in the position of rulers and policymakers. The principle of legality that is strongly associated with European societies means that decision-making is guided primarily by legal precedents and existing rules, and not by a ruler's own decisions. Decision-makers and the civil service machinery are bound by the same laws as others, and when necessary

they face penalties for misconduct. This creates social stability and predictability. It also limits the opportunities of those in power to benefit themselves and those close to them. At the same time, the experience of institutions as instruments of society and the motivation to uphold and develop them is reinforced: public institutions serve everyone and not just the supporters of those in power, and it does not pay off to plunder the resources these institutions provide, such as services or benefits, even if there is an opportunity to do so.

The principle of legality also gives an impetus to entrepreneurship, or at least removes obstacles from its path. Without the robust application of this principle, those holding power in society would have significant opportunities to demand unfair advantages from companies or to destroy well-functioning markets by favouring the business activities of their own supporters.

Alongside negative freedom – that is, the freedom from something – and the principle of legality, the idea that a person's freedom is expressed through producing things they regard as important – that are good for society and

History is full of examples of how the escalation of perceived unfairness leads to conflict and the destruction of social peace.

that increase overall well-being – is also part of liberal European ideals. In other words, freedom is not the result of turbulence and decay but mainly of human development, new ways of organising co-operation, inventions that improve the quality and richness of life, and entrepreneurship. As human activity strengthens and is

oriented towards solutions for which there is genuine demand, new wealth is created that can be further invested in even more important solutions. Thus, the benefits radiate wider across society and bring an increasing proportion of people to participate in technological and social innovation and to share the wealth they generate, enabling progress to be made.

This, however, is not an adequate mechanism for ensuring that society develops in a fair and equitable way. History is full of examples of how the escalation of perceived unfairness leads to conflict and the destruction of social peace. Therefore, in practice, all developed countries have built safety nets to remove the experience of hopelessness and to increase equality. These safety nets are based on the idea that they help maintain peace in society and strengthen equality in society.

The ideal of equality and fairness is also based on the recognition that there are incidents and risks in life. People are exposed to risks randomly and the intervention of society is required to increase people's ability to move on after difficulties. Although the ideal of a person who copes independently is widespread in society, one condition that underpins this ideal is that everyone must have adequate means and mental resources to cope independently. Success or failure are not just the direct consequence of an individual's own performance. Almost without exception, success is

dependent on other people, the resources provided by society and/or good timing and luck.

The central particularity of the Nordic tradition is an exceptionally strong trust in people's ability to learn and grow. That is why public spending on people's well-being, skill development and equality are regarded as an investment: each citizen is an important resource for society, everyone can develop and has valuable gifts, and birth, gender or family background cannot limit people.

This is also related to Nordic societies' efforts to promote equal social, economic and cultural participation by women. An important instrument for this is equal support for fathers' and mothers' parenting, and equal opportunities in the development of children.

Many of those who regard the Nordic model from outside interpret it as a sign that the Nordic countries, and the safety nets they provide, are paternalistic and have a low level of confidence in people's own abilities. Interpretation within the Nordic countries is most often quite the opposite: people are greatly trusted and it is widely believed that everyone can grow and develop.

There are many situations where our ability to make intelligent choices for our own future and that of society is limited. Successful incentives offered by society, guidance and free or inexpensive services do, however, reduce the distortions that restrict rational behaviour. Public services in the Nordic countries are considered necessary because the people they support are able to realise their potential in the long term.

The Nordic perspective of equality, freedom and dignity, for example, is closely related to the "capabilities approach" developed by Amartya Sen and

Martha Nussbaum. In this approach, the central measure is how well people are able to make use of the means and social resources on offer to implement the critical activities required for a good life. In other words, it is a question of the actual facilities people have to convert the principle of freedom into a comprehensive good life.

Making resources available to all as public services produces a broad consensus that they should be developed, and trust in the institutions providing them is strengthened.

This also provides the basis

for the principle of universalism that is an integral part of the Nordic model, and according to which it is important that society provides the same services and benefits that support well-being to everyone; not only to certain special groups or to the most vulnerable groups. Universalism starts from the assumption that well-being with respect to people's lives is quite a comprehensive issue that cannot be resolved simply by improving material resources. What is critical for reinforcing well-being for different people and at different stages of life is improving different kinds of capabilities. It is not always possible to determine the correct solution from the outside and in advance.

In addition to financial social security, people must be provided with other resources too, such as education, cultural services, sports and physical training opportunities, healthcare and social support in different life situations. Making the same resources available to everyone as public services produces a broad consensus that they should be developed, and trust in the institutions that provide them is strengthened.

The Nordic model assumes a strong degree of individual autonomy. Citizens are seen primarily as individuals, not, for example, as members of a family or some other grouping. The starting point is that people do not need to modify their preferences, opinions, lifestyles or dreams in order to obtain the basic commodities needed for a good life. They do not, for example, have to please family, relatives or their immediate communities in return for a fundamental level of well-being.

Some have seen this as leading to the establishment of the free market economy more purely in the Nordic countries than anywhere else. People make genuinely independent choices in the market that show their own personal preferences, rather than doing as everyone else does among their own relatives, religious congregation or members of some other reference group.

Less societal control requires as a counterbalance that people have a strong motivation to develop their self-control, implement their own ideals and generally evolve as people. They are also expected to take others into consideration. In the Nordic countries, people may not necessarily have as strong an emotional and material family support as in some other cultures.

The Nordic exception?

The specificity of the Nordic model and its related ideals have been presented in many historical, geographical and economic studies. Many researchers have pointed out that the population is small, the area is relatively sparsely populated and society is quite homogeneous. The conditions for the emergence of mutual trust have been good, and mutual competition for resources or privileges has not been a key defining factor of the culture. Instead, the small population base has been guided by collaboration and sophisticated division of labour; everyone's potential has had to be used. In addition, it has been suggested that the cold climate and agricultural conditions that are less favourable than in more temperate zones have encouraged a focus on skills and innovation.

The Nordic model that we have known for the last 50 to 70 years has developed in many ways for a very specific age. The increase in wealth in the second half of the 20th century in Norway, Sweden, Finland and Denmark was rapid. Industrialisation created new kinds of labour markets, which meant a larger group of people could move into real salaried jobs. The need for labour and workplaces that employed a large number of people allowed workers to organise into trade unions and become a real social force. This way the labour market developed harmonised rules, which received the

support of the politically regulated welfare state, such as unemployment benefit and a public health system. A broad-based political consensus developed relatively rapidly behind these basic provisions of the welfare state.

At least when thinking in retrospect, guiding people towards increasing prosperity, well-being and better lifestyle choices under these conditions was relatively straightforward. The move to salaried jobs offered a clear path to a life that guaranteed stability and increasing autonomy. As long as there were many basic needs related to health, housing and education still unsatisfied, it was fairly easy to increase people's well-being by broadening the services provided. Therefore, reinforcing ideals such as hard work, appreciation of education and equality was quite natural: implementation of these ideals had a clear positive impact on people's lives.

In a society where the provision of work is more fragmented and welfare needs more diverse, it is also more difficult to maintain common ideals. For

Could the Nordic countries and the ideas implemented in their societal model act as a role model for the development of any country?

this reason, it is a good idea to ask whether the Nordic countries and the social model and its ideals that they have implemented could act as a role model for the development of any country to become a prosperous and stable society. Or as Francis Fukuyama expressed the issue a few years ago: is it a question of how to "Get to Denmark"? Is it enough to strengthen people's freedoms, to build a functioning system of representative democracy and make

public institutions strong enough? Or are there other routes to prosperity and stability? Is the Nordic model only one solution, which happened to work well in the Nordic countries and in their historical situation?

We believe that the traditional Nordic model is still a good basis as we try to answer to the challenges of the future – we seek to build the new and revised Nordic model boldly, while still basing the reforms strongly on the traditional model's ideals and values.

2. Social policy and people

If we think about a society in transition, how should the ideals described above be reflected in people's lives? How can ideals be applied in a society where technology is advancing rapidly, where people must adapt to the consumption capacity of a single planet, and where extensive and multifaceted international co-operation is a necessity?

In the Nordic countries, we are less governed by the norms of our families or immediate communities than any other society before. At the same time, a great deal of autonomy means we have major obligations to develop as a person. The emphasis on development capabilities also underlines the change in our well-being needs. We live in a society of choices where we are constantly faced with choices that will affect our own well-being or that of others: how we eat, how we travel, how we maintain our mental balance, how we develop our competences and so on.

Situations of continuous choice and the possible unwanted consequences and experiences that follow them, which we may be unable to implement adequately in our lives, also have clear negative impacts on mental well-being and mental health. People have a strong need for coherence (i.e. compatibility and consistency) that is put to the test in these circumstances. This in turn may drive us deeper into short-termism and often also to make selfish choices.

In these circumstances, the need for mental well-being is increasingly emphasised. The ability to confront uncertainty and conflicting needs and to deal with the feelings they cause is a difficult skill and we are far from always being able to cope on our own. Many of us need some external guidance in various life situations, for example advice and practice in reinforcing our self-awareness, peer support or externally established norms and routines. Emotional skills such as coping with strong negative feelings can be practised and also taught even in schools. And in Finland this already happens. In addition to this, however, we need peer advice and adequately resourced and easily available mental health services.

The big and difficult question is what the relationship will be between people's autonomy and freedom, and equality and fairness in the future. Strong social support structures, such as a wide range of social and healthcare services, will continue to be central to the Nordic model. However, alongside these there will be a need for solutions to support mental well-being or to combat the increase in the cycle of exclusion. In many cases, there will be a need for more preventive, personalised, continuous and intensive support than we have been used to in the industrial social model and its structures. This could happen through very active, social peer-to-peer activities or strongly supported work that takes the individual's capabilities into account.

The search for consensus and the long-held assumption in Nordic societies of a homogeneous population will result in problems in the decades ahead unless the growing diversity of people and communities is taken as the starting point for social policy and culture more prominently than has been the case. How will we build a sense of community in our societies in the future, without it leading, for example, to ethnic exclusion?

From the perspective of Nordic societies' self-understanding and how they treat people, the role of the arts, culture and broad general education is extremely important. Increasing knowledge and understanding, as well as recognising the importance of cultural heritage and cultural diversity, can help us handle tough issues too.

The question of self-organisation has also been raised as a new type of social ideal. How can we organise so as to support each other, or to find

How will we build a sense of community in our societies in the future, without it leading, for example, to ethnic exclusion?

solutions to challenges together as citizens, which the state and the public services it provides are not able to solve alone? How can this be implemented in such a way that the most vulnerable are not excluded from these new forms of peer support? How can we prevent the fragmentation of

the society into increasingly smaller and tight-knit tribes, which share no solidarity and no ability to understand differences?

We need ways of building new kinds of trust between people. It requires people who are different to meet one another, and to end up co-operating with each other and thereby deepening their understanding of each other's motives, values and ways of acting. The basis of all of this must also be a strong level of confidence in the state and its legal position as the ultimate defender of freedom and equality.

This trust may be difficult to redeem, unless the state continues to have an active role in promoting equality in society through progressive interventions. In order for trust to be maintained, the underprivileged, the middle classes and the wealthy must continue to regard a universal system that covers all citizens as an ideal. Universalism must still start from multifaceted support for people's capabilities and basic resources (universal basic assets); it cannot therefore be typified as just a minimum level of social security that can drive some people into persistent poverty.

3. Vision of the next era of well-being

The objective of the vision work has been to consider how a new Nordic model, the vision we have called “the next era of well-being”, would look like. This vision rests on the traditional Nordic model and its ideals, but it is also shaped by the ongoing social changes. We will consider our vision from three different levels and descriptions. The first level describes the drivers of change that define and shape our present. On the second level, we consider what the vision means from a social policy perspective. On the third level, we look at the issue from the viewpoint of daily life.

Change determinants and boundary conditions

The next era of well-being will be constructed in a world defined by rapid technological development, the reconstruction of geopolitics and global power relations, and the earth's planetary boundaries. A critical requirement for social policy is that it must create a credible view of people's livelihoods, inclusion and progress. This must be done during a period in which the old assumptions about the relations between work and livelihoods, representative democracy and inclusion, as well as economic growth and progress, are undergoing major change (Figure 1).

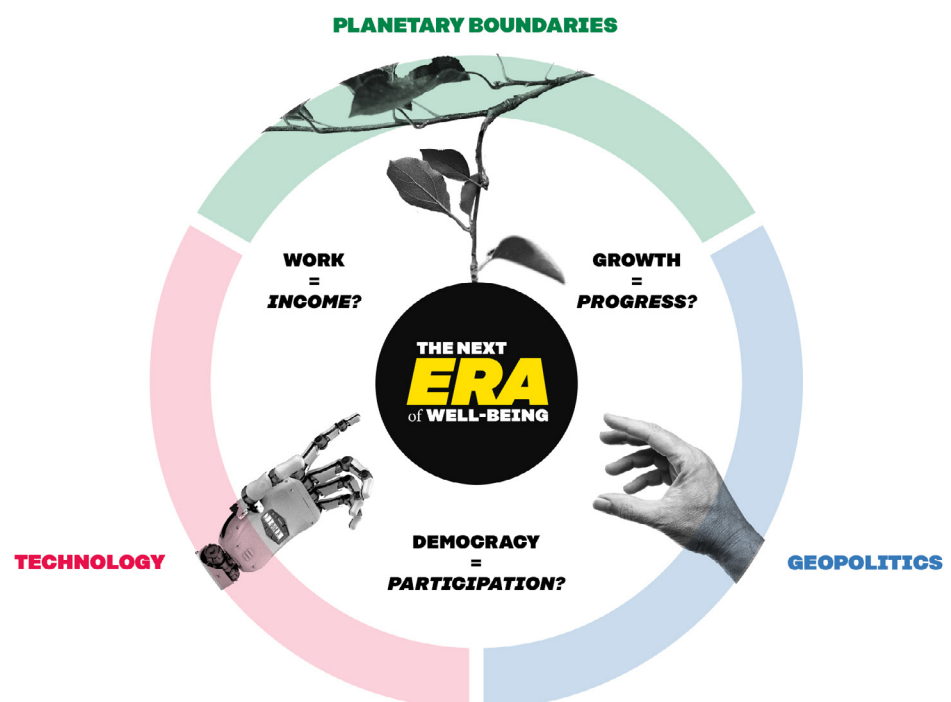


Figure 1. The key challenges to the next era of well-being.

The next era of well-being and social policy

Sitra's vision for the next era of well-being aims to provide the building blocks for a progressive social policy (Figure 2). Central to the next era of well-being are ideals that combine influences, from both European and Nordic value traditions, which are widely valued by Finns. Many issues, which for us Finns have become self-evident, such as freedom, human dignity, the principle of the rule of law and establishing gender equality, are distant dreams in most parts of the world. In recent years, we have even had to witness European states taking steps backwards regarding these values that we hold as key ideals of a liberal democracy. This is why it is progressive now to go back to basics and establish society's core ideals prominently at the heart of political and social development.

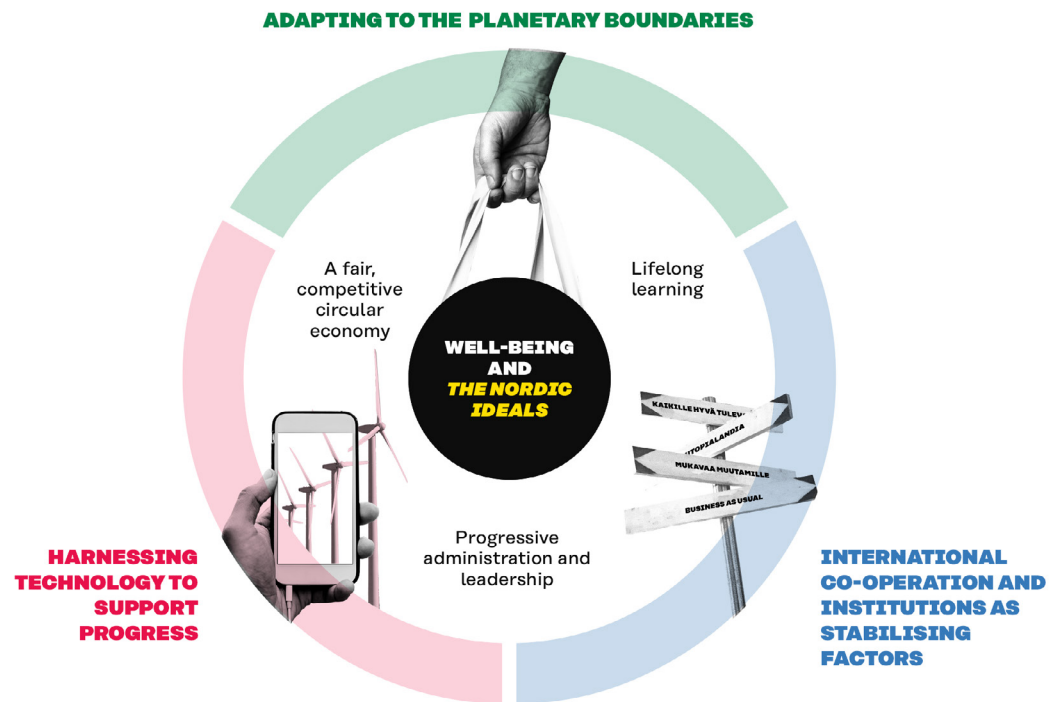


Figure 2. The building blocks of a progressive social policy.

The next era of well-being and people's daily life

Progressive social policy choices should be reflected in the daily lives of people so that operating within the planetary boundaries will secure a good living environment for our children and grandchildren. If the international operating environment is peaceful, that will also be reflected in the stability and predictability of people's daily lives, as well as in the opportunities for some people to operate internationally. Exploiting technology to support progress also creates well-being at the individual level.

In the next era of well-being, new jobs and working lives will be possible and people will be able to rely on a basic income which will support them regardless of their life situation. Everyone should have the opportunity to learn and grow as a person throughout their lives. A functioning democracy, being seen and heard, dialogue and working together, strengthens inclusion in the surrounding society (Figure 3).

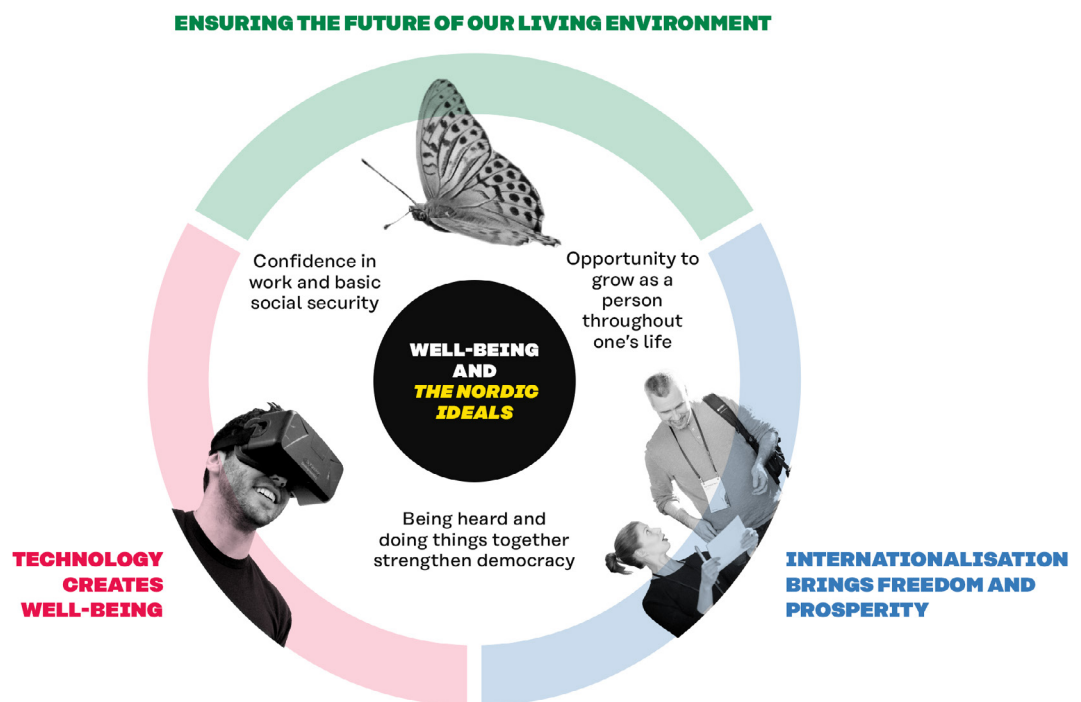


Figure 3. The next era of well-being as an everyday experience.

4. Vision at the levels of social policy and everyday life

Operating within the planetary boundaries so that future generations will also have a good living environment

Adapting to the planetary boundaries is a universal social policy challenge and our duty to future generations. A progressive social policy recognises the necessity and urgency of returning within a safe operating space on Earth. The task is impossible to define as the responsibility of just one administrative sector or policy area, instead it must be an objective that spans all sectors and all social policy activities. Through the Climate Change Act, Finland has committed to reducing its greenhouse gas emissions by 80% by 2050, in practice making Finland climate neutral. In order to achieve the objectives, we need to renew our society's infrastructure, and the way we produce and consume goods. The circular economy is a critical means of implementing change that will affect the entire economic system.

THE VISION AT THE SOCIAL POLICY LEVEL:

THE WORLD IN THE FUTURE WILL FUNCTION WITH A CIRCULAR ECONOMY

The circular economy refers to the need to change the entire economic system so that we can produce and consume within the planetary boundaries, no matter where production and consumption occurs in the world. In practice, this means that non-renewable natural resources are kept within the economic cycle for longer by further processing them and reshaping them and that renewable natural resources are only used to the level of their renewal capacity. In addition to this, all production and consumption processes must be linked to the sustainable carbon cycle so that carbon dioxide emissions are kept within the limits required to mitigate climate change. The circular economy is therefore concerned with an entirely new economic system.

Finland has excellent prospects to become one of the world's forerunners in adopting the circular economy and the solutions that support it. This requires strong commitment and investments to move towards a circular economy, for instance in energy policy, taxation and legislation, both in Finland and the EU.

Urban building solutions and urban planning, as well as improving transport systems and energy production, are absolutely critical issues because migration to urban areas is happening extensively all over the world. Large cities can act positively by changing their infrastructures to become low-carbon and resource-intelligent, and by switching to clean energy for local transport. Changing to zero-emissions energy generation can be achieved particularly through solar and wind power, energy saving and the use of carbon capture and storage technologies, and possibly also through the development of nuclear energy. This requires new ways of using economic stimuli and the development and wide-ranging adoption of ambitious low-emission technologies. Many major cities have already committed to percentage targets for low-carbon objectives.

On a global scale, full use should be made now of the tools already incorporated in trade agreements that promote fairness in world trade, the rights of workers and operating within the planetary boundaries through thorough consideration of the principles of the circular economy. In addition, trade agreements must be developed to take into account the entire production process. One must carefully consider the quality of the processes in which globally traded products are generated in different parts of the world. The strengthening of global civil society should also be supported. A global price must be put on greenhouse gas emissions, for example in the form of a tax or emissions trading.

THE VISION AT THE EVERYDAY LEVEL:

ENSURING A CLEAN LIVING ENVIRONMENT FOR FUTURE GENERATIONS

From the perspective of the Finnish lifestyle, what the climate and nature will look like in the future is important. Forests, water areas, summer cottages and the four seasons are closely linked to our story of Finnish life. Snow-free winters or new weather phenomena, grey with increased rainfall, in different parts of Finland, or possible changes in the rhythm of the seasons could change our experiences significantly. Conflicts resulting from climate change and the effects of the resulting international migration will also be felt in Finland, even if they are happening far away.

Our lifestyle is also very much a moral question: what are our obligations to future generations? By fighting climate change, we also fighting extreme weather events, unmanaged international migration, the spreading of disease through warmer air and the general difficulties affecting living conditions, such as the potential long-term decline of the global economy. For example, food production problems caused by global climate change can have a significant impact on people's quality of life and even on their survival. In addition to the weather and general living conditions, maintaining a good living environment is also about security. The unreasonably difficult living conditions of people far away from us in the south or the making of the areas they live in uninhabitable can cause wars, conflicts and large-scale migration of people from one place to another. All these would inevitably have a dramatic impact on Finland too, and on our daily lives.

Mainstreaming carbon-neutral and resource-intelligent solutions offers an opportunity for the renewal of society and production structures. Core examples of moving from industrial-scale mass solutions to smart, more personalised and more flexible solutions are the development of smart cities, the concept of the sharing economy and distributed energy production. Better health, food-taste adventures, less stressful everyday travel, the ability to save money or even earn some by generating energy, as well as economic profitability from recycling materials, are factors that can be relied on when promoting sustainable lifestyles.

International institutions and co-operation that influence and enable people's activities

For a small country like Finland, a stable global operating environment is in many ways an essential for a good life. We have amassed our wealth through globalisation and it is not possible for us to keep it by being closed to global markets. International stability and better predictability lay the foundation for all other activities within society. That is why more investment must be made in the functional capability of international institutions and why internationalisation should be seen as an opportunity. Finland should be ambitiously involved in global policy.

THE VISION AT THE SOCIAL POLICY LEVEL:

INTERNATIONAL CO-OPERATION AND INSTITUTIONS AS STABILISERS

Functioning international institutions that are capable of reform are in Finland's interests. We must continue to deliver on their behalf. In international co-operation, power politics and bilateralism have recently been emphasised at the expense of multilateralism. From the Finnish perspective this trend is worrying, since multilateral co-operation processes give us, as a small country, greater opportunities to participate in shaping the direction of international policy. A central issue is also the way in which one partakes in international co-operation. In international co-operation, it is not possible to declare oneself a responsible pathfinder in speeches while at the same time acting to blindly defend short-termism and national interests.

In the long term, what is needed is the development of an ambitious global policy that is implemented by international institutions. There is also a need for the kind of international co-operation which takes into account the increased strength and expertise of civil society. The advantages and

disadvantages brought about by globalisation, the protection of the health and safety of workers and consumers, sharing natural resources, and the purity of air, water and arable land are examples of topics that affect all the world's population. The global challenges and conflicts associated with them must be resolved.

Problems caused by inequality must be addressed so that a sense of fairness prevails in societies. As long as drought, extreme poverty, violence, hunger, disease and a lack of opportunities persist in developing countries, many people will want to leave in search of something better. True global co-operation is the only way that Western societies can relieve the internal tensions related to immigration in the long term. International institutions are key to the stability of the operating environment and provide a forum for multilateral discussions. We must also take seriously ideas about equalisation of global resources as a continuum of national resource equalisation. Global inequality could be reduced, for example by seriously developing an ambitious global tax system.

THE VISION AT THE EVERYDAY LEVEL:

INTERNATIONALISATION BRINGS STABILITY AND PROSPERITY

The stability of the global operating environment and a good atmosphere for international co-operation are seen in the daily lives of people not just in large-scale terms such as peace, political stability and predictability, but also as personal opportunities. To adapt to the planetary boundaries, it may be necessary to limit travel in the future, but flexible, multi-location jobs could enable longer, continuous stays abroad for more and more people. However, this requires that international co-operation and free movement of people are valued in the future too.

Opportunities for study, work and inclusion in international networks, enabled by the internet, the accelerating use of machine translation and various new presence technologies may be unlimited. People can participate in international activities from their living-room sofa. This opens up major opportunities. What will the world be like when the number of internet users has doubled from the current 3.2 billion? Mankind's abilities and the possibilities to do things together will increase with the growing number of internet users. This increased opportunity for co-operation is critical; in an ideal scenario, billions of people could collaborate with each other. In such a case, the skills of Finns who already use the internet a lot would be greater than at present.

People and humanity must develop to reach a new level, so that we can resolve the problems that the industrial age and the associated rapid accumulation of wealth along with its consequences has caused. Of course, we do not know whether closer engagement between people will ever be reflected in sufficient political agreement to resolve climate change, poverty or similar global challenges. Nevertheless, it is easy to imagine how a huge number of much faster, different small- and medium-sized solutions related to technology, administration or people's lifestyle choices could be disseminated as the internet develops. And we have still yet to start testing what artificial intelligence and the resulting efficient and precise interpretation from one language to another could accomplish.

Technology as a supporter of progress and an enabler of well-being

Human development has gone hand in hand with technological development. Technology is based on productivity development, which has given us the prosperity we have achieved over the last hundred years. Technology also provides the kind of well-being that cannot be directly measured by gross domestic product.

We live in a time of rapid technological development that affects all areas of life. In recent years, social policy has highlighted concerns about the negative effects of technological development, such as the job revolution, social media and algorithms. Technological development and environmental problems are also strongly linked, for example, in the production of materials and energy consumption. The central challenge of the next few decades will be to understand the effects of technological developments on society and on opportunities. It should be possible to prevent the adverse effects of development, while also creating opportunities for the full utilisation of technology. The task is not easy, and it requires, for example, an ability at the level of public administration and public policy to combine multidisciplinary knowledge and competence and ambitious target setting for legislation.

THE VISION AT THE SOCIAL POLICY LEVEL:

TECHNOLOGY AS A SUPPORTER OF PROGRESS

The exploitation of technological development requires an in-depth knowledge of technology in politics and administration. At the same time, it must be understood that the application of technology in society requires extensive human and social sciences competence. A multidisciplinary approach is therefore required.

We can influence the direction of technological development and harness the well-being it creates. It is possible to mitigate the negative effects of technology without unduly limiting our opportunities. However, it is important to ensure that the government is also able to utilise the latest technology in the provision of public services. At its best, technology can produce abundance within the limits of the planet's capacity.

THE VISION AT THE EVERYDAY LEVEL:

TECHNOLOGY CREATES WELL-BEING IN DAILY LIFE

In recent decades, technological development has been linked to many significant promises concerning the quality of human life. It is possible that the results of technological development will become part of people's everyday lives faster and more directly than ever before, partly bypassing traditional healthcare, education, decision-making and commodity production structures.

In recent decades, the rapid developments in information technology are making many opportunities in the areas of health and learning available to people almost completely independent of time and place. It is possible to rethink how we run large and centrally planned, top-down institutions such as hospitals and schools. Distributed alternatives, shaped to people's needs, could be used. For some people, the level of activity and solutions implemented among their peers could be increased. At the same time, the traditional professional input could be freed up for work where it is specifically human skills that are the best and the most needed. Information technology also creates the preconditions for distributed energy and food production, which can create a new kind of self-sufficiency and sense of local belonging.

The rapid development of artificial intelligence is linked to promises of better co-operation between people, greater mutual understanding and better solutions for individual needs. Artificial intelligence can help people to understand other people's messages and reduce misunderstandings. If we succeed in this, decision-making and co-operation between people that do not already know each other may become considerably smoother. Artificial intelligence also helps understand people's behaviour and the huge mass of digital data on the functioning of society.

Medical progress helps improve the quality of life for people. Remedies for many common diseases are being developed. Almost unlimited access to information has already created a lot of new opportunities. In the future, we may be able to achieve a similarly high level of development when it comes to energy production, for example. Overabundance is a possible alternative, if the price of solar power continues to reduce drastically.

A fair and competitive economy, lifelong learning, confidence in work and basic security

Many crucial social policy questions are compressed into the economy. How does one resolve the problems of competitiveness and also act fairly both globally and locally? And how about transforming economic behaviour towards an ecologically sustainable circular economy?

If we want to preserve our standard of living and possibly improve it, we must continue to punch above our weight in areas of excellence. Finland should invest more in competitiveness based on superior quality and added value, rather than price competitiveness. Finland's internationally competitive businesses must be reinforced and diversified.

Incentives have a major significance in slightly less productive work. To a great extent, social protection benefits determine the extent to which we encourage people to take jobs that offer a partial income or to take part-time jobs. From the perspective of the national economy every paid working hour is of importance. We also need a vision of how lifelong learning could be incorporated into Finnish society as tightly as comprehensive school. Every human being should have the opportunity to learn, grow and develop throughout their lives. We must be able to trust in basic social security.

THE VISION AT THE SOCIAL POLICY LEVEL:

A FAIR AND COMPETITIVE ECONOMY AND LIFELONG LEARNING

Over the last few decades, hundreds of millions of people have been lifted out of absolute poverty to at least somewhat better living conditions. Looked at globally though, the world is still a place of economic inequalities. Average earnings in Finland put Finns among the best earners in the world. However, when looking at the kinds of jobs that are done, not all work in Finland can be considered as being among the most productive.

We have reached our position largely as a result of globalisation. Our model has built a stable society, higher education levels than in emerging economies and deep and complex integration into global markets and value chains. We have an advantage, but now many other countries are rapidly eroding that head start. For example, the education level has risen rapidly in developing countries. At the same time, automation and artificial intelligence are replacing some jobs and are helping more and more jobs move to where they are most efficiently carried out.

The economic crisis that started in 2008 showed that the Finnish business structure was too one-sided. For instance, Sweden weathered the crisis considerably better because of its multifaceted industrial structure. Diversification of the industrial structure should focus on improving the

ability to withstand economic shocks. This is best done by promoting the creation of new business ecosystems. Finland's strength in business and innovation policy has been a result of co-operation between the private and public sectors, demonstrated by the strength in areas such as the creation of electronics clusters. Since then, we have not been able to diversify our industrial structures quickly enough and create significant new growth sectors. Added value is generated in global markets by the combined effect of organisations providing complementary services and products. The private, public and third sectors can co-operate in developing business ecosystems. Long-term investment in the development of business ecosystems will also require strategic choices. This active industrial and innovation policy can be called a strategic growth policy.

There is justified concern about our competitiveness and earnings because globally there is an increasingly skilful labour force available, who, because of the huge economic inequalities that prevail in the world, are ready to do the work available in Finland at salary levels that are significantly lower than the norm, and technology is making this increasingly easier. Because we cannot prevent this global development, we must simultaneously try to bring as much of the most wealth-creating work to Finland as possible while developing ways to share prosperity in Finland in order to safeguard the integrity of society.

Finland's excellent success in the previous phase of globalisation was largely based on the fact that the whole population had the opportunity to study. It will continue to be important that everyone has unrestricted access to high-level studies in the future too. In addition, considering the age structure of the population, we should seriously consider how to attract skilled people to Finland from elsewhere too.

The right – even obligation – to learn throughout our lives should be comparable to the reform of comprehensive schools. Our average lifetimes have been extended by decades in a very short space of time. At the same time, technological change has been intense. We are in a situation where the need to learn completely new skills during our careers has increased rapidly.

In the general part of the new curriculum for basic education, which took effect in Finland in the autumn of 2016, the objectives were set out as follows:

Basic education is to support the student's growth as a person, which is described as an aspiration to truth, being good, beauty, justice and peace. With human growth, the conflicts between the goals and the prevailing reality are inevitable. Being educated includes the ability to address those conflicts ethically and with compassion, coupled with the courage to stand up for what is good. Basic education is built on respect for life and human rights. It guides people to defend them and respect human dignity. Basic education promotes well-being, democracy and being active in a civil society.

A lot of work is needed to achieve these objectives. The text could be extended to cover adults as well as children in basic education, so that everyone could adapt to the new working life and address mankind's difficult problems at a time when more and more people are living for almost 100 years. The question arises as to how best to construct in society the types of behaviour that would enable sustainable learning, growth and development throughout people's lives. Currently, it is those who already have good levels of well-being and are highly educated that make the most of lifelong learning opportunities. Therefore, we should also think about how to support lifelong learning and how to encourage it to spread more widely to include everybody.

In Finland, the OECD's international student assessments – the PISA results – are actively followed. However, there is also good reason to be interested in the results of the OECD's PIAAC Survey of Adult Skills, which analyses those aged 16 to 65. Finland was extremely successful in a study measuring the basic skills of adults in 33 countries and came second after Sweden. However, it is worth noting that the difference in competences between young people (aged 16 to 24) and older people (aged 55 to 65) was one of the largest in the study (in young people's favour). At the same time, the age structure is dramatically changing. The proportion of Finns aged under 25 is only 27%. In other words, we need continuous learning for all age groups in order for society and individuals to be successful and for people to discover their own potential. The number one country for education in the future will not be defined on the basis of the PISA results; the pioneer will be the country which gets its entire population onto the lifelong learning path.

THE VISION AT THE EVERYDAY LEVEL:

**THE NEW WORKING LIFE CREATES NEW OPPORTUNITIES,
BREEDS CONFIDENCE IN BASIC SOCIAL SECURITY AND
EVERYONE HAS THE OPPORTUNITY TO DEVELOP AS A PERSON
THROUGHOUT THEIR LIVES**

In the future, value creation and people's livelihoods will be based less on the production and consumption of goods and more on services, that is, more directly based on people's activities and their interactions. Of course, there will still be professions based on physical work, but digitisation will redefine the descriptions of these jobs too. However, digitisation will also open up new opportunities for many to produce value and earn a living.

Two things will be particularly important for ensuring people have meaningful lives. First, the changes in work are opportunities that, at best, will mean more versatile, creative and more relevant work. Second, it is possible to maintain our basic social security and develop it so that everyone can feel confident in it and that it responds to people's everyday challenges.

In the best-case scenario, the changes and opportunities in the employment field will mean our being able to use technology to assign routine jobs to machines, robots, artificial intelligence and other digital assistants while using our own competence where it is best suited. Human

creativity, interactive capabilities, resourcefulness and the ability to easily work with others will increase in value. The technological revolution does not therefore mean that people will not be needed, but that people will be needed in different ways than before.

As regards livelihoods, the new age will probably require just as much open-minded thinking as the building of the institutions of the industrial age demanded. The new age will thus also require a new income distribution policy. If digitisation and robotics begin to accumulate wealth dramatically for only a few, taxation will have to be targeted in new ways and other methods will need to be found to redistribute wealth and equalise incomes. In the 19th and early 20th century, wealth redistribution efforts were largely based on land reforms, as salaried employment increased and wages rose. The best means of redistributing wealth in the 21st century have yet to be found. It is clear, however, that with changes in sources of income we need new approaches to income equality. People have to feel that the fruits of economic productivity are distributed fairly. Also the possible diversification in the ways to obtain income should not create too much stress. The future basic social security should mitigate the uncertainties of the new ways of working, provide a guaranteed income in all situations and also make it easier to adopt new diverse working methods.

To date, social security has been seen as a way to offer protection during difficult phases of life and of ensuring subsistence to those who have encountered more difficulties than others. But, alternatively, social security can also be seen as a way of expanding people's freedoms. With this mindset, social security can build confidence in the ability of each of us to find ways of being useful to others. Basic social security can free a significant number of disadvantaged people from the psychological and economic stress they encounter when trying to arrange their income through the current social security system. It would also leave them with capacity to develop other areas and improve their ability to cope. At best, it may result in a large number of people having the courage to develop something new.

Society's education system should enable lifelong learning. Curiosity and a desire to develop themselves throughout their lives will become even more important as people live for longer and technology changes rapidly in society.

It is important to target learning in a versatile manner at issues which create the conditions for good lives for people. At the same time, there will be an element of continuity to everyone's lives, people will experience expanding their own abilities and new ways of working, and will accomplish significant things with others. The things to be learned may be very different at each stage of life.

Learning does not just take place through formal study, in schools, educational institutions and on courses. Developing as a person needs stimuli in many areas, such as sport, learning self-expression and working together with others. Engaging in culture, the arts, sport or craftwork enables people to challenge themselves, to face and deal with the unknown, and to see things in a new light.

The broad concept of well-being is linked to growing and developing as a person. Well-being problems can cause premature retirement and

exclusion. Daily life in today's society can be more strenuous, precarious and more and more difficult to control. In a complex world, we have to make choices all the time that have a variety of impacts on our well-being. As they accumulate, poor decisions can lead to deprivation and even exclusion.

People feel well when they can manage their everyday life and when life feels meaningful. Well-being is not only about feeling well physically, for example getting rid of back pain or keeping the flu at bay. Investing in comprehensive well-being, people's physical and mental well-being, should be an objective for all policy areas. When we fully appreciate the factors that affect our well-being, we can make better decisions to improve it both as individuals and on a broader societal level. A well-rounded general education, smartly directed early support and a broad understanding of the various factors that affect well-being will help people to see the effects of their choices in the longer term.

Progressive government and management, as well as working together and being heard, strengthen democracy

In the future, it is the task of public administration to look ahead with ambition and pave the way to progress. Finland has good preconditions for this. We have highly educated officials, who, if necessary, are able to solve society's most pressing problems together with individuals and businesses. In the future, we will better understand that democracy, inclusion and people's ability to be heard are the crown jewels of our society, which we must foster in every way. Democracy is not self-evident. Now that it is challenged in many ways, we must act determinedly to develop it.

The increased complexity and uncertainty of the economy and society require organisations to improve their decision-making capabilities. We need decentralised decision-making and increased autonomy for employees. In particular, change towards ever more self-organised units is already visible in the private sector, where the leadership role is very different to that of the traditional hierarchical model. It is expected that entrepreneurial activity will increase within organisations in the public sector too. More generally, entrepreneurship is likely to increase. The platform economy, for example, can create new opportunities for more independent work. Self-management skills will be important. In self-organised communities, there will still be managers, but their role will be, first and foremost, to maintain the attractiveness of the community and to provide leadership to community members according to demand. One of the key challenges for managers over the next few decades is managing the transition to this new kind of organisation.

THE VISION AT THE SOCIAL POLICY LEVEL:

GOVERNMENT AS AN AMBITIOUS ACCELERATOR OF PROGRESS

It is harmful to belittle the opportunities and capabilities of public administration to act effectively in favour of the nation. Public administration can be innovative and ambitious and it must also be required to produce the corresponding results.

Public administration is central to resolving society's most pressing problems. Adjusting our activities within the planetary boundaries, harnessing technology to boost progress and maintaining competitive competence are examples of social policy challenges facing public administration that will require a progressive approach from the administration and its management. The civil service should be seen as a key solver of these challenges, and their access to and wish for the latest technology and ideas should be supported and boosted. Public administration must also be better at co-operating with citizens, organisations and companies to solve these difficult problems.

The strengthening of the viability of democracy in the next few years will be very important. The functioning of institutions, trust between people, social and gender equality, employment and the economic situation are all things that affect how well democracy works.

That is why, from the point of view of the future, it is important that we also find ways to share wealth and create the experience of fairness during the times when structures are changing. Trust and social adhesion must be robust in the age of the internet too. We need a counterbalance to the new digital environment that provides people with the skills and opportunities to meet different people, to understand each other's way of thinking and to build confidence in those who are unfamiliar to us. Constructive social debate is a prerequisite for a functioning democracy. Nearly all forms of activity that require co-operation – in local communities, in the workplace, in politics, science and the arts – require trust between people. Building trust requires not only the functioning of democratic institutions but also doing things together with different people. In order to function, societies also need a social infrastructure, just as they need roads, bridges or a digital infrastructure.

For example, education and housing and social policy are the tools upon which social infrastructure is built. In the future, trust and cohesion could also be produced by meeting people in specifically created forums. They could be used, for example, to facilitate civil dialogue.

THE VISION AT THE EVERYDAY LEVEL:

**BEING HEARD AND DOING THINGS TOGETHER
STRENGTHEN DEMOCRACY**

To function, democracy needs new operating methods, so people experience in their everyday life their involvement in the society around them. People want to be seen and heard.

There will be many people in Finland in the 2020s for whom it will be perfectly natural to participate in civic activities, voluntary work, civic participation via the internet and other joint development work with other people. On the other hand, there may also be some people for whom even voting is light years away from their everyday lives.

Many people may have often encountered the feeling of not having their own needs and experience taken seriously in society. In such cases, strengthening inclusion needs tools that are not necessarily directly linked to democratic participation but are instead linked perhaps to social safety networks or the practices of power structures. Democracy is reinforced through broad support for people's functional capacity.

One new route towards being heard and experiencing political inclusion is to give people the right to the data produced by their activities. The value of personal data is constantly increasing, economically, socially and practically. People must be able to influence where their data is used and what kind of electronic footprints their activities leave.

Political parties should be looking for new ways to interact better, with people outside their own member base as well, and having the courage to look for new ways to renew their operations so that political involvement is be seen as attractive and possible for everyone.

Political power should be redivided using different methods of direct participation. Like developing deliberative democracy, in which the legitimacy of policy decisions is conferred through discussions with citizens, who, regardless of their status, can bring forward their own perspectives, listen to other people's arguments and discuss them equally. This kind of thinking democracy is more than just talk; it aims to arrive at a joint final result and to influence public decision-making. The formats may include, for example, civic panels and forums. One step further than this is joint development, co-operation between various parties to develop products, solutions, processes or procedures. Alongside these, the traditional cornerstones of democracy must also be reinforced, for example taking part in voting.

At best, a strengthening of democracy, not just at the structural but also at the day-to-day level, could lead to a functioning dialogue between people and groups of people. This could bridge the gap between active participants and those confined to the margins. Through interactive dialogue, people could calmly listen to each other and learn from people who have had different experiences. This requires that decision-makers, and also citizens, have an understanding and appreciation of the new types of democratic procedures.

5. The starting points for solutions

Our vision, described above, outlines the essential building blocks for the next era of well-being. Now we are moving towards the solutions that we can use to build bridges between the present and that next era.

The scale of the current upheaval in societies has been compared to that during the industrial revolution around the turn of the 18th and 19th centuries. The first industrial revolution brought prosperity and well-being for large numbers of people, but the benefits spread from the few to the many only when solutions that are now well established, but at the time were progressive, were created. Social security schemes, representative democracy with parties representing class interests and urban planning, for example, were all born in the aftermath of the industrial revolution. The current upheaval will probably require solutions on the same scale as the first industrial revolution.

We do not yet know what kind of significant solutions and institutions will arise in the future. Progress with the social reforms required for sustainable well-being seems to be painfully slow. We can still take steps towards the world described in the vision by upgrading existing institutions and by making use of their resources in new ways. Our aim is to open up the reader's imagination to visualise what the institutions around us will be like in a world where the next era has begun.

"The old world is dying; the new one has not yet been born."

For decades, we have built a single kind of society, which is, however, now facing a major change. Over the years, our approach has created institutions that maintain a stable society and social systems that guide our actions and that, without our noticing it, often influence the kinds of choices we make and the things we consider possible. These institutions may be formal organisations, such as Parliament or the healthcare system. They may be various formal or informal sets of rules, such as family, democracy, going Christmas shopping or to sauna on Saturdays, that govern people's behaviour in society. The institutions prevailing at different times, both formal organisations and informal, established practices, guide how we interpret the surrounding reality, how we act within it, what we consider possible and how we look for new solutions. Institutions are thus significant enablers or inhibitors of change.

Institutions adapt and change slowly. When people's actions become institutionalised, these actions also become adhesive and conservative limiting the choice of many optional actions. This partly explains why many practices that are obsolete or recognised as being harmful persist for a long

time, although more information about better alternatives and new solutions comes all the time.

During the industrial age, we locked ourselves into many paths of dependence that are difficult to leave. We built our economic system and, through it, many other social institutions that maintain cheap non-renewable

When people's actions become institutionalised, these actions also become adhesive and conservative limiting the choice of many optional actions.

energy and the continuously increasing consumption of material goods. Paid work has formed our identity, our membership of society and the solid foundation for our livelihoods. We have been able to build a welfare state with its services by taxing paid work. Allocating tax revenues has been a concrete political means for

steering society in the direction desired at a given time. People's representation in the political system is built around industrial-age groups, from workers and the educated middle classes to farmers.

All the above-mentioned institutions still have a strong formal role in our society, but at the same time they have lost their vitality and are subject to a lot of pressure to change. However, we have not yet invented the types of solutions that could replace the ageing institutions or decided how they could be renewed smoothly. Indeed, change is always linked to the existing power structures too, to who uses the institutions' powers and who does not. We are in a contradictory situation that the Italian philosopher Antonio Gramsci described as a "solstice" and an "interregnum". Gramsci describes the interregnum thus: "The old world is dying, the new one has not yet been born."

Getting more from resources with digitisation

Even though the institutions that are losing their power, efficiency and problem-solving abilities change slowly, we do not yet know exactly what the new age's institutions will be. Maybe some of today's institutions will be radically transformed and facilitate the journey into the future. The challenge is to find solutions which can extract new value from old strengths and at the same time create space for the construction of new strengths in different parts of society.

The opportunity for the current major digital revolution lies in its promise of more efficient use of resources. People, towns and cities, and companies have a lot of dispersed and underused resources. They may be tangible assets, such as objects or property, or intangible assets, such as networks, skills or data held on registers and databases. Digitisation enables both the more efficient use of existing material resources or data, as well as decentralised and networked activities, and this will enable more and more

people to utilise and develop their capabilities. By making better use of hidden resources, existing institutions may generate more economic value, human well-being and inclusion, and thus facilitate the transition towards the future society described in the vision.

The background to this digital “resource efficiency” is influenced by a number of things. Digitisation-based technology has advanced very quickly. Computers are increasingly efficient, smaller and, most importantly, cheaper and available to more and more people. The Internet of Things means that more and more devices and physical objects are being connected to networks. This has resulted in explosive growth in the amount of data and information produced. By analysing data, new and more detailed

By making better use of hidden resources, existing institutions may generate more economic value, human well-being and inclusion.

information about the rate of use of different resources can be obtained and the use of these resources can be co-ordinated to be as continuously efficient as possible. This can be enabled by various sharing economy applications, for example. The accommodation broker platform Airbnb’s idea is based exactly on that: housing is no longer empty

during an owner’s holiday, but instead someone can use it as their holiday home and at the same time the owner receives some additional income. In the same way, car-share services reduce the number of cars left parked empty, and those that need a car can access one easily without needing to buy their own.

The more efficient use of material resources is a crucial factor in enabling us to adjust our activities to the planetary boundaries. At the same time, digitisation also enables the more efficient use of people’s resources, know-how and ideas to resolve the major challenges of our time. Social media and cloud computing are tools that enable large groups of people to work towards goals together. The development of services in collaboration with those that use them has increased in both the public and private sectors. By opening up public data, people and businesses can more easily develop various useful applications based on it independently.

The researchers Yochai Benkler and Helen Nissenbaum see the potential of digitisation, particularly with the internet, for making collective activities even more significant. According to them, the internet has enabled a whole new social system that motivates and co-ordinates collective action without money or the control of authority. They call this commons-based peer production. The issue is a socio-economic production system in which the internet helps large groups of people to generate information or cultural products together without the markets or administrative hierarchies co-ordinating their activities. People used to the operating logic of the internet are also challenging other institutions to change. When the

intermediary structure brought about by bureaucracy or the markets is no longer essential as an enabler of joint action by people, the relevance of formal institutions diminishes and the power of individuals and associations increases. In order to remain relevant, institutions are under pressure to become more porous, to share their powers and involve people in their activities in a new way.

International institutions will be open to civil society

Digitisation will provide institutions with many more opportunities to utilise underused material and human resources and produce more from less. Digitisation and the opportunities it provides is not, however, the only issue that will define the future vitality and need for institutions. They must also be open to strengthening international co-operation, together with the global civil society.

Many people have long been living an international life. Some people study and work abroad, and almost all of us consume a wide variety of international branded products. We also use global communications services in order to contact friends and family who may live nearby or far away. We also have the opportunity to learn and solve problems together across national borders using digital tools. And we are only just getting up to speed: of the 7.6 billion people in the world, less than half have access to the internet. Opportunities for people to do things together globally will

Opportunities for people to do things together globally will improve dramatically once everyone in the world has access to the internet.

improve dramatically once everyone in the world has access to the internet. We have thus come a long way from the time when the building of international relations was only in the hands of heads of state or diplomats and international trade professionals.

Despite the international character of some people's daily lives and their abilities to function in a global and digital environment, international co-operation is often still seen primarily as an area for formal governmental bodies or companies. However, international institutions have not been able to live up to expectations when it comes to things such as creating global democracy or resolving challenges that affect all of us, like global climate change.

After the global economic crisis in the first decade of this century, many countries have turned inwards to protect their home markets with protectionist measures. International decision-making is seen as slow and inefficient, and formal government relations are increasing opposed to international co-operation and openness. At the same time, in their daily

lives people to continue to work, enjoy their leisure and consume across national borders and are not willing to give up these opportunities that globalisation has brought them. International co-operation is no longer just the privilege of the elite in the same way it was in the early days of the UN during the 1940s, but the official decisions are still made in international institutions by a very restricted group of people. At the same time, democracy activists around the world envisage, develop and test ways in which communications and network technologies could be used to enable a democracy that involves direct participation in a genuinely global and civil society. There are numerous platforms that enable group decision-making. For example, the DemocracyOS operating system enables discussions and votes between large groups of people. The Sovereign system, on the other hand, is a decentralised democratic governance model based on blockchain technology. Professor Timo Honkela has envisaged artificial intelligence that could interpret not just languages for us, but also meanings, and this would facilitate dialogue between people considerably.

Constantly evolving technologies are bringing new opportunities to build more efficient and effective international institutions all the time, by opening them up to civil society: involving people in making decisions and using their skills in collaboration with others to solve problems that affect us all. It is also important to remember that solving the challenges of democracy and inclusion cannot be done by technology alone, but requires an appreciation of democratic culture and understanding of the mechanisms that support it.

We must invest in the future

People are more and more aware of the fact that we must urgently take radical action to put an end to over-consumption of resources and reduce carbon dioxide emissions so that the planet will remain viable for future generations. The existentialist threat from climate change is causing many people anxiety and can affect people's everyday, but major, decisions, such as whether to have children or not. Surveys suggest that a large number of people are ready to take significant action to mitigate climate change at both the personal and societal level.

We are widely aware that the earth's resources are limited and that the current rate of consumption of natural resources cannot continue. This

Many feel that as individuals they do not have the adequate means to slow climate change.

awareness also extends to the economy. The circular economy is seen as an important means of saving money or creating new businesses. An important part of technology funding is directed at the development of clean technologies.

Although there is already a big change in thinking and, increasingly, in action too, at the same time many feel that they as individuals do not have the adequate means to slow climate change and that co-operation between countries to achieve this objective is progressing painfully slowly. Existing institutions have not succeeded in their task of resolving these issues that affect the fate of mankind, although the majority of people expect rapid action. Although it has not yet been possible to take the radical action that is required, there are institutions that have been able to refocus themselves in the right direction. However, even these have usually not completely abandoned the goals and operating methods of the industrial age. Measures to combat climate change have often been successful in cases where action

Finland has already received a lot of well-deserved attention in the world for its trial of basic income, to see what the future of social security could look like.

related to the climate has also met other objectives. For example, China still produces the most carbon dioxide in the world, but at the same time it is a significant developer and user of green technologies. The motive for emissions mitigation is primarily the serious pollution problems in large cities that threaten the popularity of the Communist

Party that rules China. Solving global problems does not therefore have to be removed from people's immediate concerns about well-being; in fact it works both ways. In the same manner, certain intelligent city solutions make cities both more efficient and more attractive and also save public funds and help solve global environmental problems.

The ability of institutions and organisations to invest in a new world will be decisive for their existence in the future. Those who are able to renew and boldly experiment with new operating methods can play a key role in building bridges towards a new age. A stable and prosperous country like Finland could be at the forefront of developing the structures and institutions of the future. Finland has already received a lot of well-deserved attention in the world for its serious trial of basic income, to see what the future of social security could look like. The basic-income model that is being trialled now may not, of course, necessarily be the appropriate social security model for the new circumstances we may end up with in the future. What is essential is that new things are tried out, and at the same time we expand people's ability to think about the characteristics and effects of different and new ways of operating. This opens the way for new developments and the creation of new institutions.

It is important to understand that no single new solution, or even the wider application of a principle, such as the simplification of regulations, will decisively refocus our society. Complex solutions are required and the right combinations of them, because there are generally no simple solutions on offer for difficult and complex problems that can completely remove the complexity.

In addition to social security, the industrial-age institutions that have been significant for people's well-being include representative democracy, labour market organisations and basic education. These are all institutions whose representative functions give them a lot of power and resources in society and so have a great opportunity to renew themselves to play a significant part in safeguarding people's well-being in the future as well. What will labour market organisations be like in a world where permanent paid employment is no longer the norm? What kind of political system will let citizens participate in the decision-making process more directly and more independently, in addition to representative participation? What would an economic system and its institutions that functioned within the planetary boundaries look like? What will educational institutions be like in an age where there is an emphasis on the need for lifelong learning and maintaining the motivation to learn, and where learning is no longer just a question of accessing information?

6. Finally – a list of solutions

This memorandum describes how the next era of well-being could look. We have merged future and forecast information, research and current challenges to society and on the basis of these we have formed our own interpretation of how the challenges of our time could be resolved in the best possible way in the Nordic countries and Finland.

Our vision of the next era of well-being is not definitive or the single truth; rather we want to invite both those in Finland and around the world to take part in the discussion on how the following hundred years could look. Because we want to involve others in this discussion, it is important that we have also thought about the ideals, visions and solutions that our Finnish, future-oriented organisation believes in. We hope that the confusion and hopelessness of the 2010s can be left behind and that ahead of us lies a period where more and more people and organisations put forward their own view of what a good future will look like.

We have compiled a list of different solutions below. They are taken from previous Next Era memoranda as well as other texts published on the Next Era web pages: www.nextera.global. There, the solutions are covered more broadly.

Examples of solutions that ease the journey towards the future

ADAPTING TO THE PLANETARY BOUNDARIES AND ENSURING THE FUTURE OF THE LIVING ENVIRONMENT

The circular economy – An economic model in which materials are used sparingly and products remain in circulation and retain their value for as long as possible. The aim is to turn waste and side streams into products with a higher refinement value. Manufacturing of products from virgin raw materials is replaced by maintenance, reuse and recycling. Smart solutions and digitisation are at the core of the circular economy, because they enable the use of products as services rather than as bought goods.

Monitoring of the overall environmental impact and biocapacity, combined with a strict carbon budget – A move towards examining the overall impact of human activities on the environment rather than the impact of individual actions. This should be combined with biocapacity monitoring that tracks how large a carbon footprint the earth can stand. This would give an overall vision of the effectiveness of measures, and thus direct the strict carbon budget. The reduction of current emissions to zero must happen before the middle of the century and after that emissions should become negative.

Smart and low-emission cities – Cities consume more than 70% of the world's energy and also produce the same proportion of greenhouse gas emissions. In large cities, it is possible to involve huge numbers of people in new low-emission operating models. Investing in renewable energy, smart green solutions and low-emission transport and infrastructure could deliver significant emission reductions and resource-efficient operating methods that have an impact on the planet's capacity.

Adopting existing solutions – Expanding existing emission reduction solutions and efficient deployment of them could reduce global emissions by as much as a quarter by 2030.

Innovative public procurement – Countries and municipalities spend billions a year on public procurement. Promoting the adoption of new, low-carbon solutions through public procurement could not only reduce emissions, but also support the operating conditions and development of industries that produce clean solutions.

Sustainable land use as the foundation of the carbon cycle and intelligent use of resources – Sustainable operating methods must be applied to land use and food production in order to guarantee safe and healthy food production with minimal environmental impact. Circular economy principles should be adopted, food production must increase the use of renewable energy, meat production should be reduced and cultivation of sustainably produced vegetables should be increased. Increasing soil carbon stocks will reduce carbon dioxide in the atmosphere. Good forest management can increase carbon capture, and carbon pools can be increased with long-lasting wood products.

Zero-emissions power generation – Energy production has a central role in resolving the climate crisis. The change required by the energy system is exceptional both in terms of time required and scale. Achieving it should involve at least the following steps. The ambition of the Paris Climate Agreement and the target level should be increased. Public support and incentives should be directed to the appropriate targets, and aid must be disconnected from harmful forms of energy production that currently enjoy many privileges. Polluters should pay for their damaging external impacts. Significant investments should be made in transforming the energy system. At the household level, innovative service models could support the transition to clean energy use. Institutional investors such as investment and pension funds, and sovereign funds could also be important in turning the market towards carbon-neutral energy production.

Citizens to solve the sustainability crisis – Responsible and good choices on the part of individual households and consumer citizens should support and encourage moves in the right direction through carefully considered incentives. More sustainable lifestyles should be a prominent part of the learning content in schools. Governments, local authorities and businesses

could co-operate with citizens to create the prerequisites for more sustainable ways of life, for example through digital platforms where people can participate in the development of sustainable solutions for their daily lives. Communications, campaigns and legislation are also important in promoting sustainable lifestyles.

CONFIDENCE IN WORK AND BASIC SOCIAL SECURITY

Global wealth equality – New ways of globally redistributing wealth are needed in the medium term. At present, the enlarged global markets and new technology combinations are creating wealth for the most successful companies at an unprecedented pace and are concentrating it in the hands of a smaller group of people. In order to maintain and strengthen people's experience of fairness, we need ways to channel wealth for the benefit of the entire human race. In the future, we need some form of transnational income and wealth distribution systems. For example, the US think tank, Institute for the Future, has developed the idea of Universal Basic Assets, which would be guaranteed for everyone. The same kind of idea is presented in the Next Era article "Basic income and the new universalism".¹

Social security that increases human freedom – Social security has traditionally been considered as a way of providing protection to those at difficult stages in life and of ensuring a livelihood for those who have been hit by more problems than others. An alternative way of thinking about social security is to consider it as a way of increasing people's freedoms. This would allow social security to build confidence in people's capabilities and their will to find ways to benefit others. For example, the idea behind providing a basic income of a certain sum of money for every citizen unconditionally is radical. However, a basic income could free a significant number of disadvantaged people from psychological and economic stress and free up capacity to strengthen their ability to cope.

A new kind of taxation – The other aspect to transfer payments is that there would be a new way of collecting tax that safeguards tax revenue in the new logic of value creation. With digitisation, increasingly precise data is recorded about almost all activities. Our activities are therefore more and more accurately recorded and measured. In principle, this opens up a new opportunity for taxing work, for example, and for collecting fees for the use of various assets such as roads. Thanks to digitisation, all exchanges in society can be made transparent and taxed fairly in real time. Incentivising taxation creates interesting opportunities. For example, a new kind of energy taxation could foster the smart use of energy in buildings. There are considerable opportunities in this kind of steering taxation, as there is more data available to make it possible and also a lot of resistance against absolute bans. The intense discussions of the last few years about expanding international co-operation in the field of taxation could result in actions to reinforce the tax base in the global digital economy.

¹ www.sitra.fi/en/articles/basic-income-new-universalism/.

LIFELONG LEARNING AND THE ABILITY TO GROW AS A PERSON THROUGHOUT LIFE

Schools of progress and lifelong learning – Schools could be institutions at the forefront of change. The Finnish comprehensive school is currently one of the most radical institutions in our society that, fortunately, we have learned to be proud of. Finnish schools are places for learning together where the starting point is each person's strengths, skills and resources. Schools can also support the even dissemination of new technological opportunities. This will be needed, as the rapid development of new technologies may lead to huge differences in people's abilities, for example between different generations. Therefore, investments in lifelong learning are important. Schools should also not just be places for schoolchildren; members of communities surrounding schools can also gain access to test and take advantage of the latest innovations and to learn. It is important that schools are understood in the future as local dynamos of social progress, and that this is taken into consideration in their resourcing and governance.

Lifelong sustainable learning – Education is a cornerstone of a functioning democracy. As populations in Western countries continue to live longer, we need to think about how learning could be incorporated into the whole of people's lives. It is no longer enough that education is offered only at the start of life. Partial solutions could be, for example, a citizen's student account for those over the age of 25, short learning modules relating to a change of sector and technology assisted e-learning. It is also about finding incentives, so that additional training is not just accessed by those who already have a good level of competence.

A FAIR AND COMPETITIVE CIRCULAR ECONOMY

Ecosystem policy – The regenerative capacity of the economy and structural diversity should be developed, as should measurements directed at examining the resilience of the economy rather than simply its quantitative growth. Resilience of an economy means a diverse and continuously renewing industrial structure and the participative role of people in it. The focus should be transferred from the traditional strengthening of price competitiveness to development of the business ecosystem.

The sharing economy – The basic idea of the sharing economy is to enable sharing of typically underused assets – vehicles, housing, leisure equipment or even design objects and skills – between people. This increases the efficiency of the entire society both by using unexploited resources and speeding up the exchange. Local and sharing economies offer alternative sources of income, especially when the economy that relies on companies is in deep recession. The local and sharing economy can improve livelihoods and help maximise resources and skills more broadly than at present.

Open data – One of the most important consequences of the digitisation of society is the enormous amount of information that is created by the activities of people and the operation of society. If this data were available openly for use, it might be possible to use it to solve many difficult problems. The potential value of data increases once the data generated by private organisations can be combined to create big data.

BEING HEARD AND ACTING TOGETHER STRENGTHENS DEMOCRACY

New societies' internal wealth distribution – Democratic societies must be able to distribute the wealth they generate so that everyone has the experience of being in the same boat. Inequality produces a democratic deficit. Tackling the issue is difficult but essential for democracy to work in the future. If the economy grows without creating jobs, Western countries will have to rethink how to organise their societies. This will require bold and innovative ways of thinking about people's livelihoods. For example, basic income could play a role in the future as the new version of Nordic universalism. What is essential is to provide some form of common base on which everyone can build a better livelihood for themselves.

Strengthening confidence – In order to function, societies need trust and a social infrastructure, just as they need roads, bridges or a digital infrastructure. For example, education, housing and social policy are some of the tools which will be used to build trust and social infrastructure in the 21st century too. In people's everyday life, social media, even among groups in residential areas, makes it possible to create a new community spirit. In the future, a sense of community and the trust it requires could be also be strengthened in civic forums specifically created for this purpose. For their part, institutions have to be able to deliver what they promise. At the same time people must better understand the many tasks undertaken by society's institutions and their services. For example, a comprehensive school isn't just a place to learn, but also generates social cohesion.

Dialogue and a more constructive social discussion – If the policy issues, and particularly topics that strongly divide society, were routinely discussed in facilitated civil dialogue, citizens' political participation would significantly increase. If decision-makers undertook to participate in deliberative processes or dialogues, it would expand their understanding of people's concerns and, at the same time, improve people's understanding of politics. Political parties could also use civic dialogue to develop their own policy programmes. In the future, politics must move from listening to holding genuine discussions with citizens.

Interactive political parties – Political parties have to find new operating methods if they wish to retain their legitimacy to act at the heart of democracy. People should be able to influence the functioning of political

parties and their policies more directly. The activities of political parties need to be more transparent. It should be easier to get involved in political parties' activities, such as developing programmes. There could also be more managers in political parties. Each of them could respond to issues on a specific theme. Parties should exist for citizens and their participation, not vice versa.

Long-term policy tools – The rights of future generations should be better taken into account in democratic decision-making. Finland has excellent future-oriented, long-term policy tools such as the Parliamentary Committee for the Future, reports on long-term future prospects and the National Foresight Network. The work done in this framework should be better used to support decision-making.

Better local democracy and local considerations – There are many things that, when organised at the local level, give faster results than when dealt with at the national level. Connections between administrative and practical grass-roots implementers at the local level are often more natural than at national level. It is easier to build participation routes locally. People have to genuinely feel that they can influence issues related to their own lives. With rapid urbanisation, regulatory powers, for example, could be transferred from the national level to major cities in the future. At best, cities' different solutions also offer an opportunity to compare different models and accelerate the development of new approaches globally. Cities can learn about effective solutions to difficult problems from each other easier than countries can.

PROGRESSIVE GOVERNMENT AND MANAGEMENT

Reforming people-centred government – The machinery of government must be more flexible and act intelligently to respond rapidly to the challenges of a changing operating environment. Development projects should canvass opinions from a broad range of people. Government should lead strategically and on the basis of information. Co-operation must be possible across administrative boundaries, together with interest groups and citizens. This requires new types of capabilities for interaction, debate and development of services together with people; transcending the traditional silos. People will judge the public administration more and more by the quality of the services delivered and by the quality of their contact with them. In people's daily lives, dealing with government is a practical expression of the results of politics.

Common learning processes for decision-making – In a world filled with information, it is increasingly difficult to find straight answers. We can no longer think that wisdom resides exclusively in the minds of decision-makers. It is also unrealistic to imagine that decision-makers automatically read the most recent studies. In the future, decision-makers, information providers and solution providers should gather together to learn from each other. It is

not about learning for learning's sake, but rather an essential requirement of good decision-making. The entire concept of decision-making is on its way to being modernised. Instead of making one-off decisions on the correct state of affairs, we should rather be committed to taking a joint journey of learning and development.

Co-generation – The role of public services is to enable activities or action, such as learning, improving one's health and personal thriving. How successfully this happens depends largely on the motivation and competence of the users of public services. This provides huge opportunities to redesign services and increase the effectiveness of health and social services and education. There is particularly strong potential for this in Finland, as the population here is well educated and capable of being active users who participate in the development of services. This can be used to strengthen both the productivity and effectiveness of services.

Citizen-centred experiments – Voluntary experiments between citizens can also be expanded or disseminated and incorporated into public social policy. With regard to the basic-income experiment in Finland, the basic-income hack organised for basic-income activists was a good example of citizens' initiatives and co-ordination with the aims of the Government Programme. The basic-income hack developed different approaches to basic income – for example, how it could best be communicated or how housing costs could be included in the basic-income model.

Proactive regulation – It is difficult to create new markets without regulation that create room for new operators and confidence to invest. This kind of regulation allows many difficult changes to occur in a controlled and fair manner. For example, there are many areas of transport in Finland that could benefit from smart guidance through appropriate anticipatory regulation. Companies in industries with adequate competition have to pay better wages to get good employees. Instead of supporting low-paid jobs we could increase healthy competition, which often increases wage levels in a sector. For example, it is possible that the Transport Code initiative will accelerate the introduction of new technologies and business concepts in Finland. In the best-case scenario, it could lead to the creation of markets that meet people's needs, such as new kinds of sharing economy transport solutions.

Smarter measurement – The per capita GDP indicator is narrow and does not include any measurements of the state of progress in society – for example, society's level of well-being, the kind of ecological footprint society is leaving and how fair and competitive the economy is. Therefore, we need smarter and broader measurement instruments that can be used as tools for international competition, that help states' strategic management and that can measure progress and well-being more broadly than GDP can.

INTERNATIONAL CO-OPERATION AND INSTITUTIONS FOR CREATING STABILITY

Global decision-making – There are several serious global problems which cannot be solved within the borders of nation states. The benefits and adverse effects of globalisation, the sharing of natural resources and clean air, water and agricultural land are examples of subjects that concern everyone on the planet. The global challenges related to them must be dealt with. However, people should also feel locally that they can genuinely have an effect on their living environment. This is why the development of local democracy and inclusion is increasingly important. Many researchers and non-governmental organisations are searching for solutions to improve global decision-making. Much attention should be paid to these proposals. In addition, politicians should also openly offer their own views on solutions to global challenges and in social discussions.

TECHNOLOGY IN SUPPORT OF PROGRESS

Technology as the solution to problems – From the point of view of democracy, technology is associated with a huge number of unresolved questions. Technology experts and decision-makers should band together to creatively solve problems such as hate speech, web content produced by (ro)bots, which is disturbing by design, or disinformation and its use as a means of influence. Opening up algorithms, making the content produced by bots available and understanding user profiling as a tool for influencing policy are examples of topics where thorough work is required immediately. In the past, email was in danger of becoming useless as a result of spamming, but technology companies were able to solve this problem. With regard to the internet, it should be possible to find the same kinds of solutions to its current problems.

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