

2015-2030

Why will TECHNOLOGICAL INNOVATION matter more than before?

Elements of answer from:

- preliminary results from the European Strategy and Policy Analysis System (ESPAS)
- L'Expansion, No 790, December/January 2013, p. 36-37
- EP2025 report, January 2013

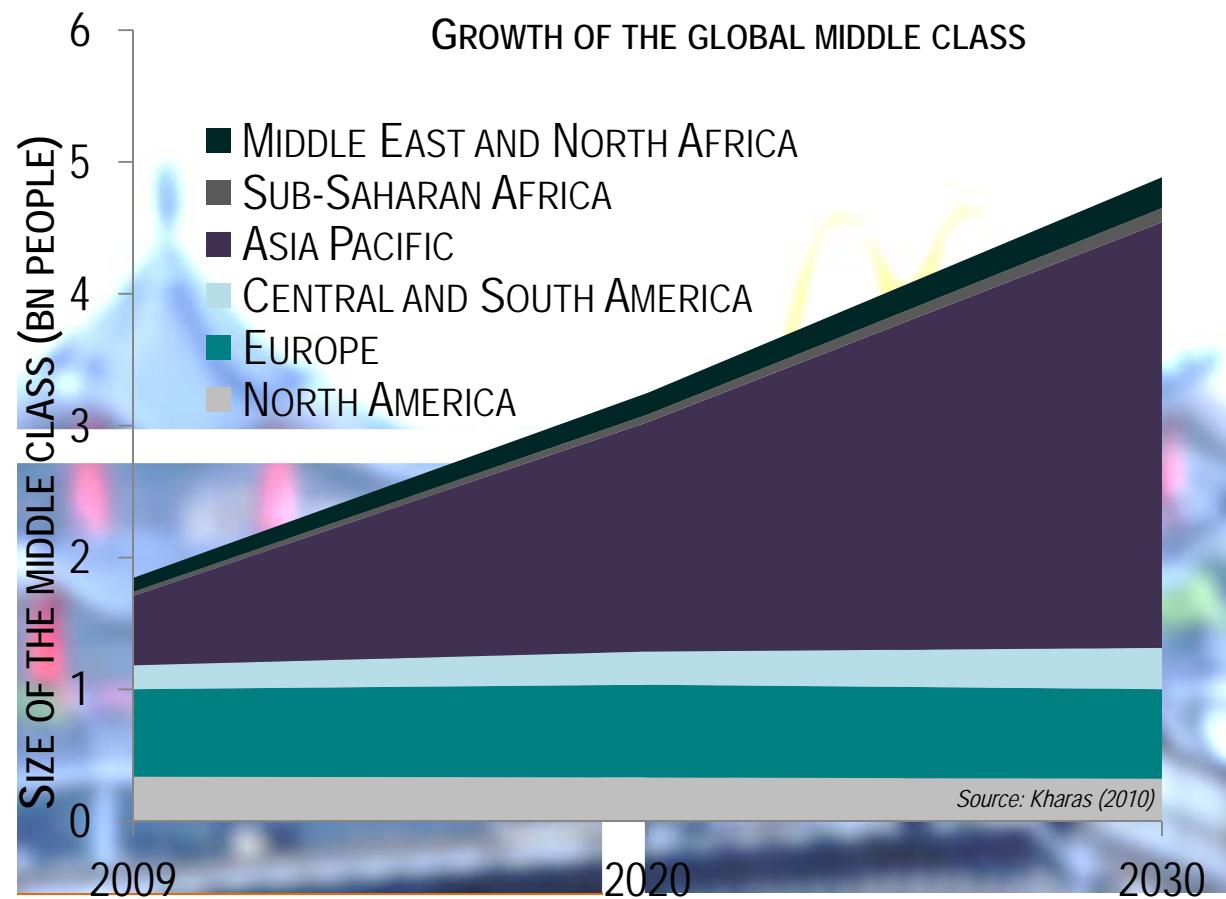
1. To capture clients, investments and Human Resources within the new connected global middle-class

A new global consumer class

Income inequalities between countries are decreasing

High growth rates play important role in middle income bulge

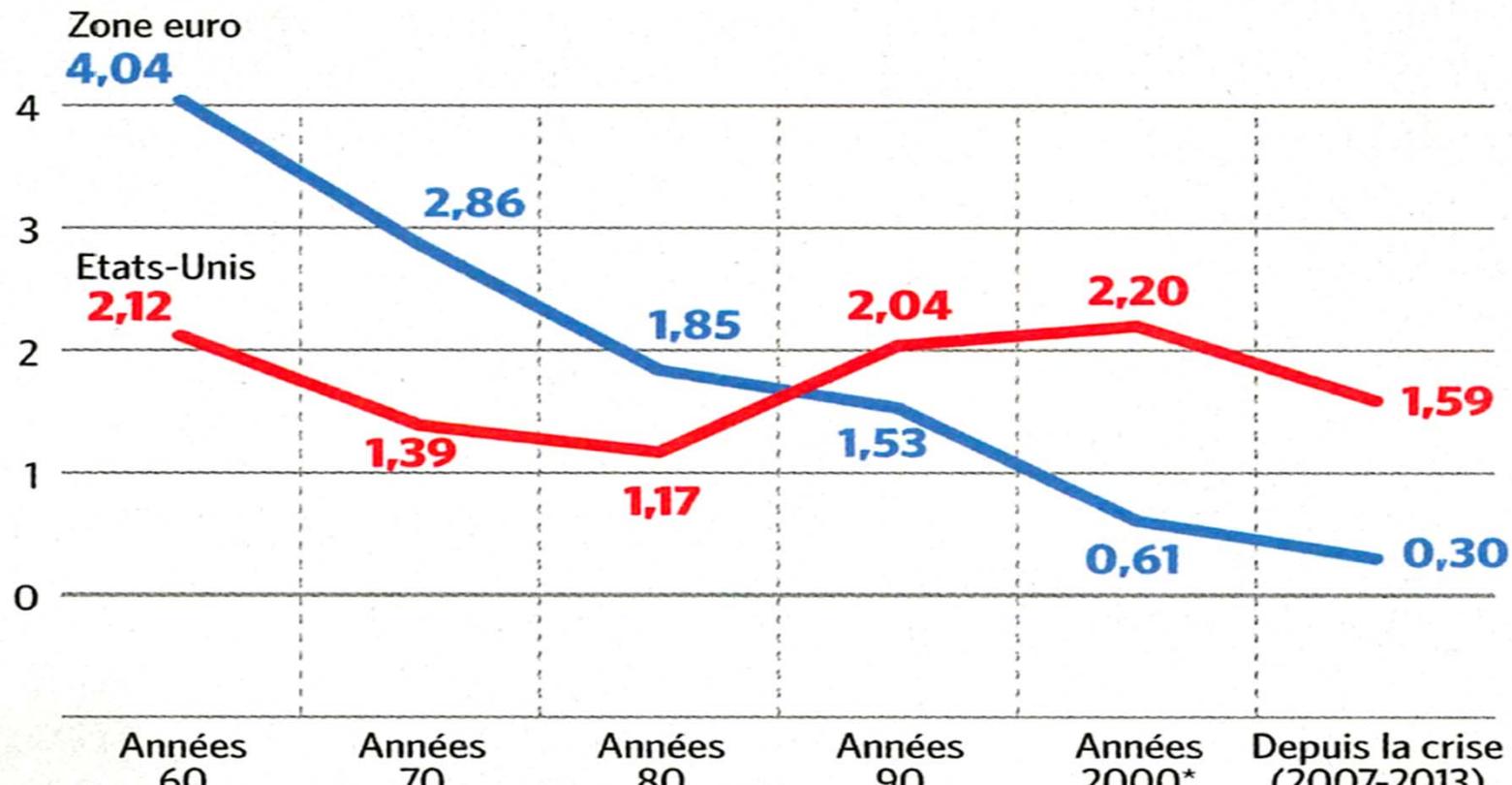
Rise of the global middle class



2. To capture productivity gains to
re-boost growth

Productivity does not increase in the most sophisticated part of the global economy

LA PRODUCTIVITÉ N'AUGMENTE PRESQUE PLUS Hausse de la productivité par tête, durant la décennie, en %



* De 2000 à 2013.

Source : Natixis

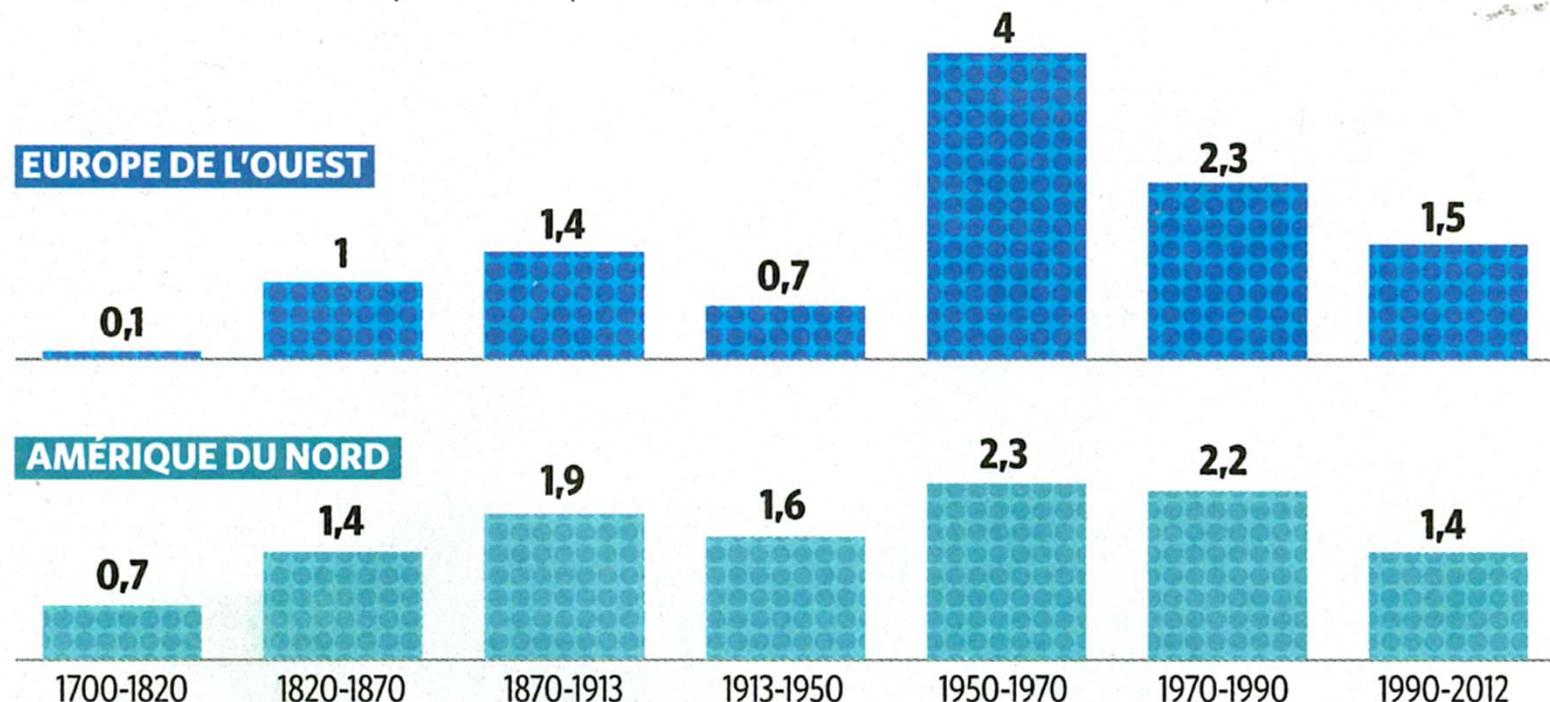
High growth in the West is not granted

1

LA CROISSANCE DISPARAÎT PEU À PEU

LES TRENTE GLORIEUSES NE SONT QU'UN « ACCIDENT » DE L'HISTOIRE

Taux de croissance de la production par habitant, en %



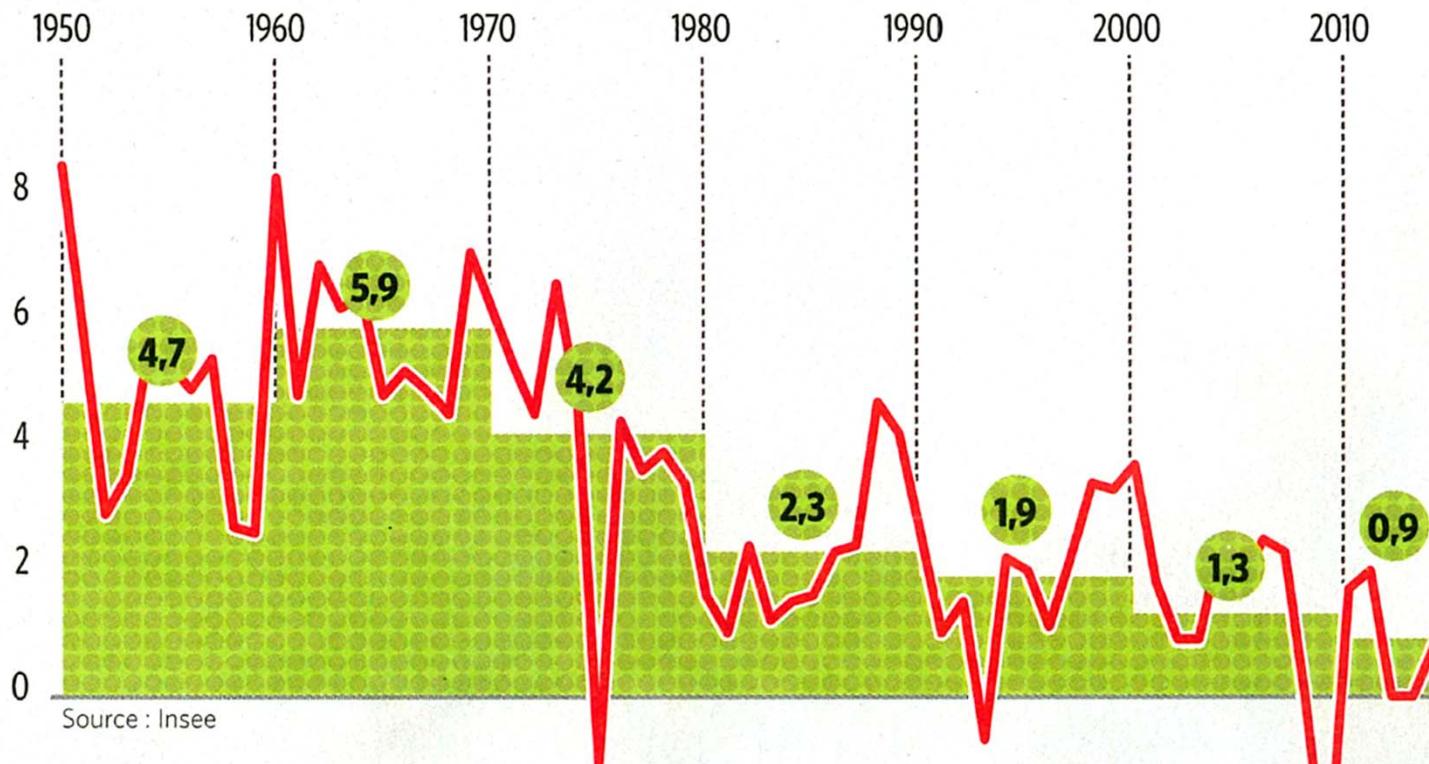
Source : Thomas Piketty

France: annual growth rate divided by five since the big catch-up (reconstruction, urbanisation, re-industrialisation)

EN FRANCE, LA CROISSANCE ANNUELLE A ÉTÉ DIVISÉE PAR CINQ EN CINQUANTE ANS

Taux de croissance annuel du PIB, en % —

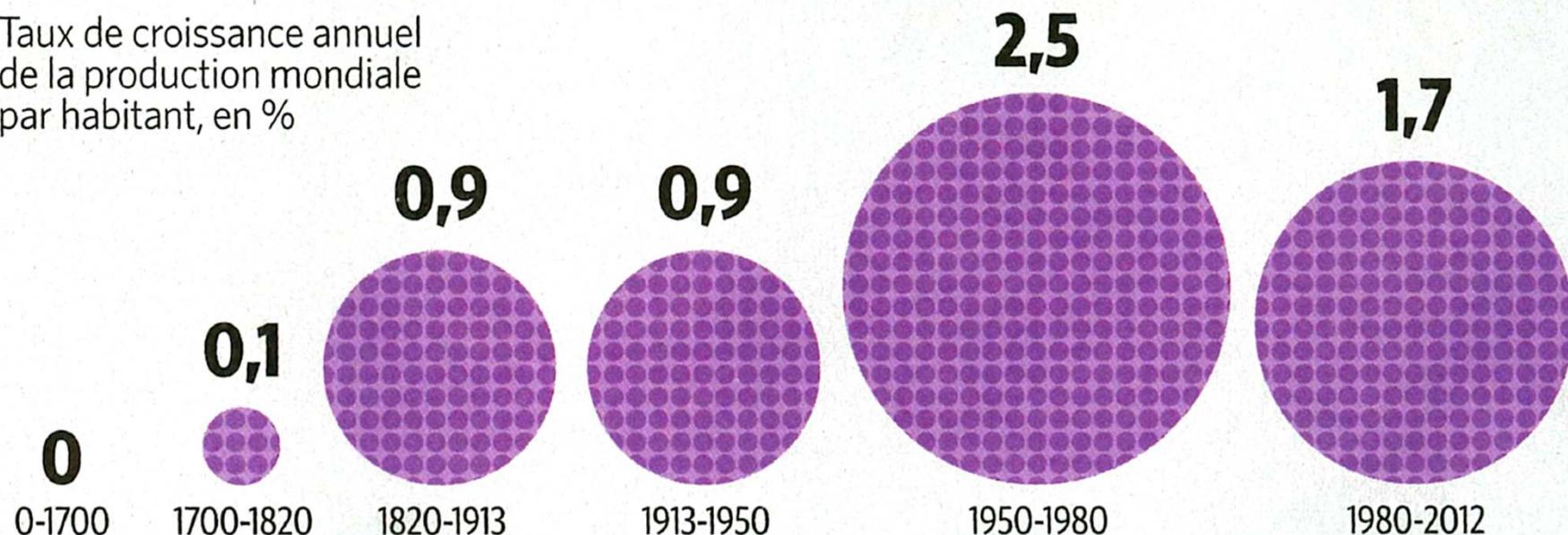
Taux de croissance annuel moyen durant la décennie, en % [■]



High growth rate in the rest is not granted after the big Global catch-up

SUR LE LONG TERME, LA CROISSANCE MONDIALE NE DÉPASSE PAS 1 % PAR AN

Taux de croissance annuel
de la production mondiale
par habitant, en %



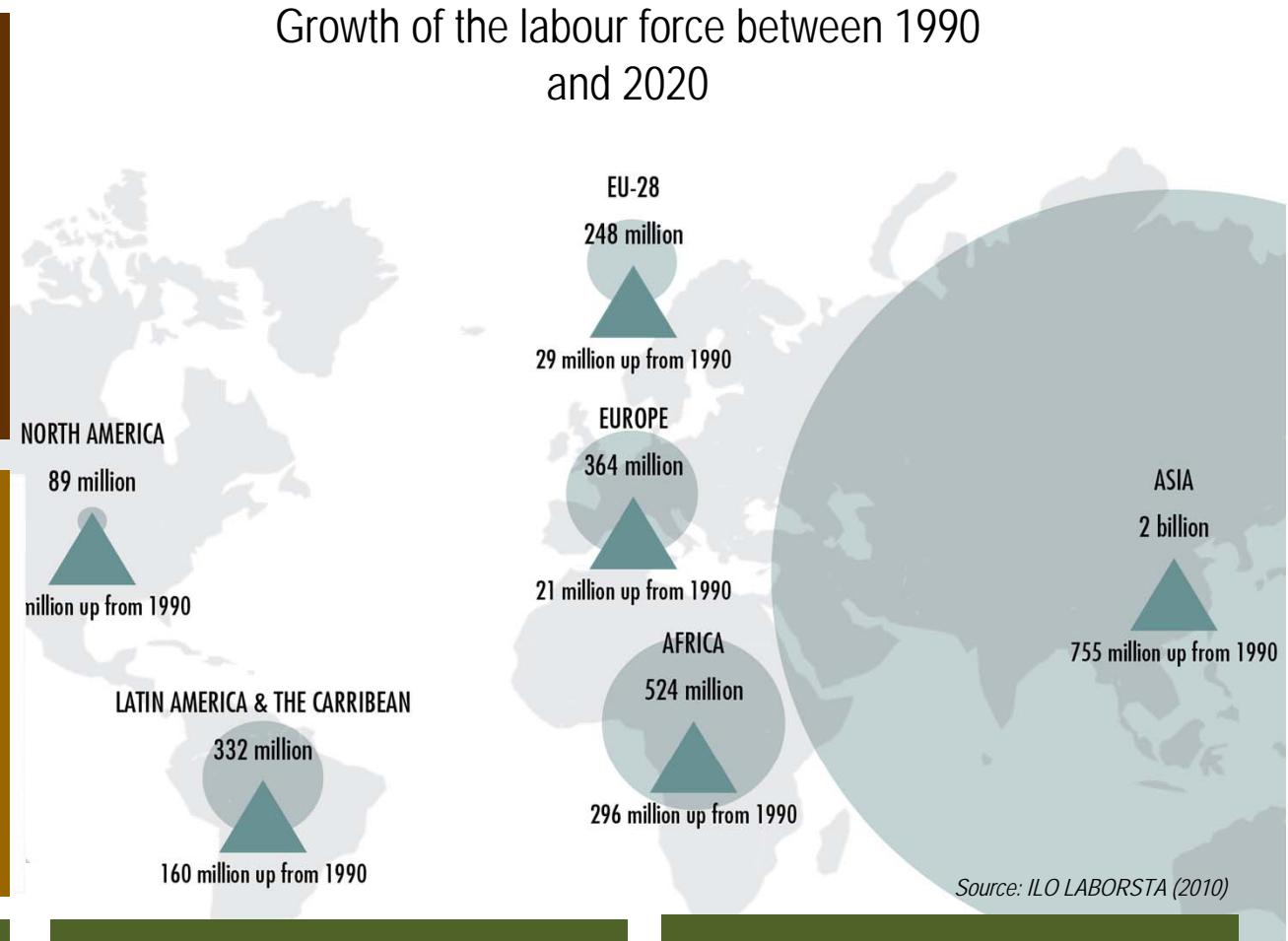
Source : Thomas Piketty

3. To increase labour participation

New demographic reality

Demographic dividend:
A youth bulge in the
developing world

Africa's and Asia's
labour force will have
more than doubled
between 1990 and
2020



8 n

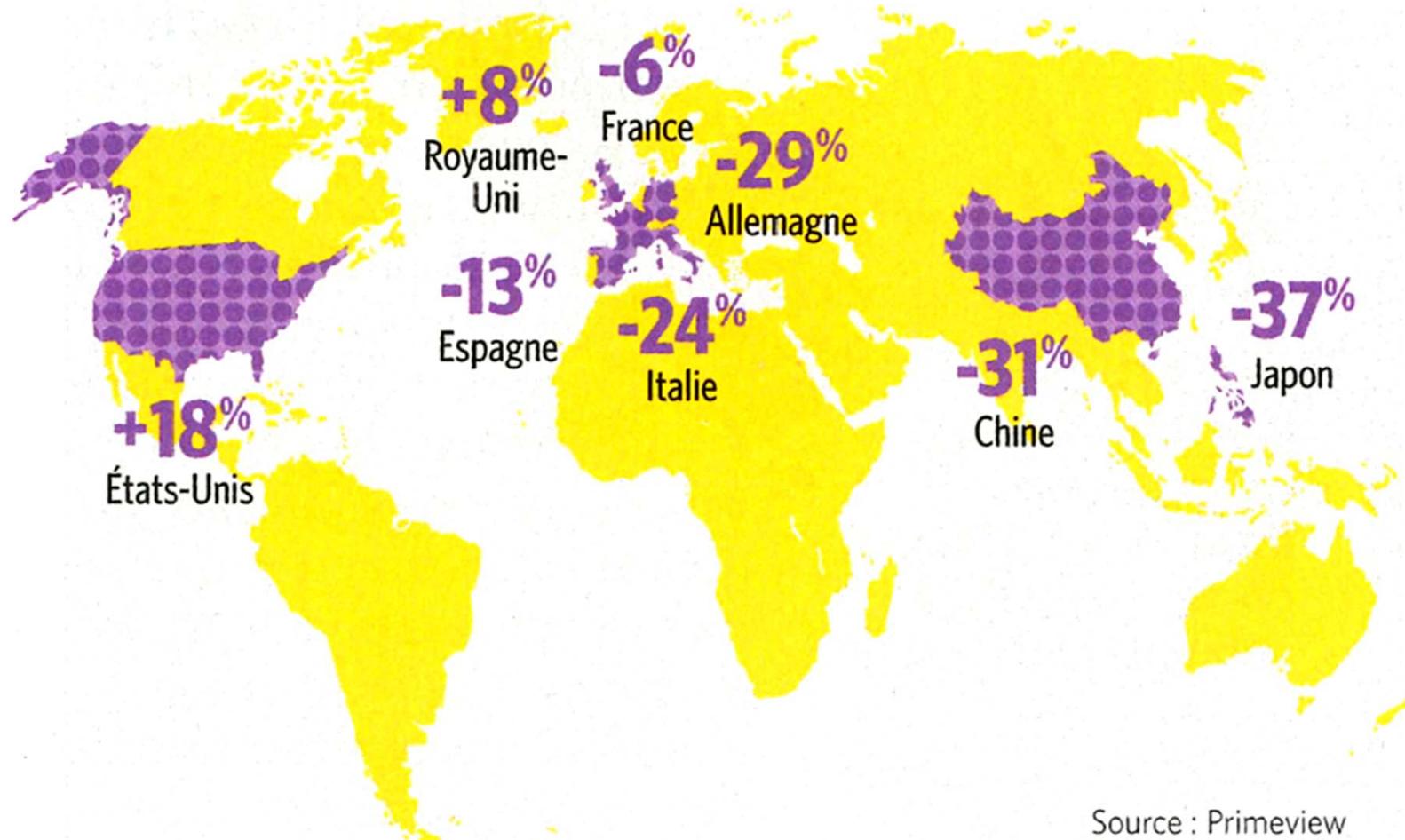
It is unlikely that
employment can
catch up with the
growth of the labour
force

Migration pressure to
areas with high(er)
employment

Global active population will start to shrink
after 2020

LA POPULATION ACTIVE DIMINUE

Evolution du nombre des 20-64 ans d'ici à 2050



Source : Primeview

4. To deliver economies in education, care and health

New demographic reality

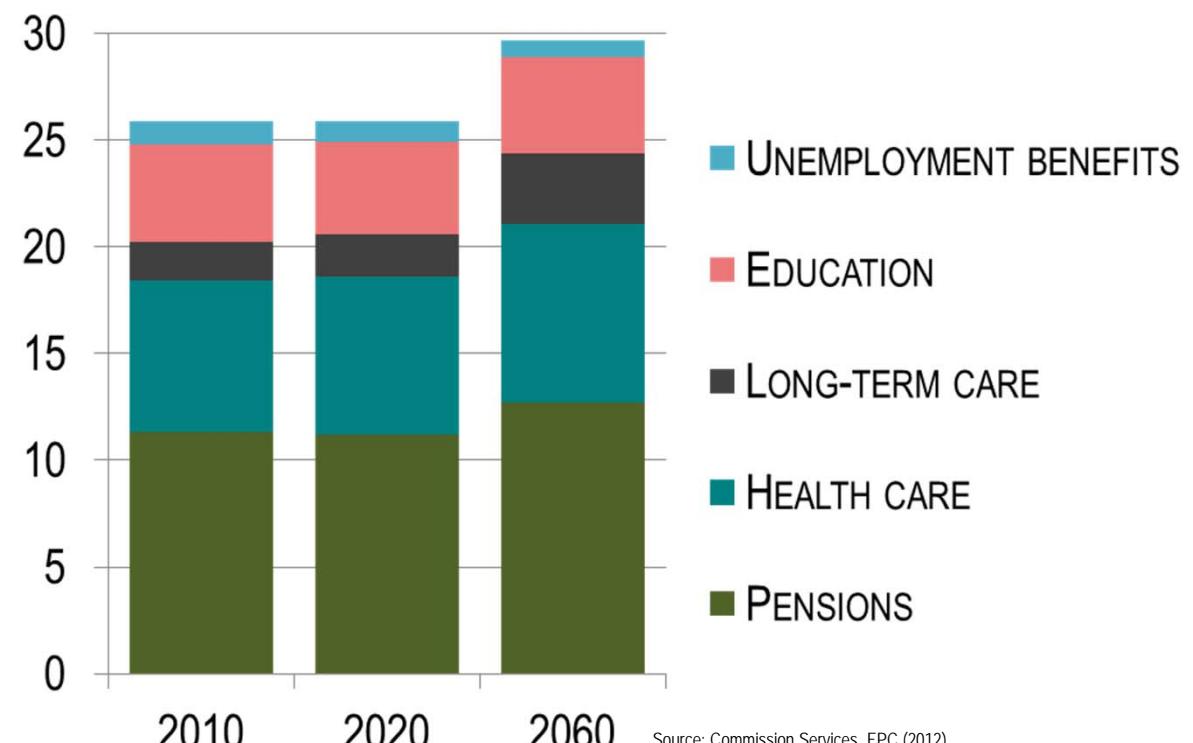
Demographic deficit could lead to stagnation of economic output

Rise of age-related expenditure

Ageing population and shrinking work force



EU-27 Projected age-related expenditure (2010-2060), percentage points of GDP



5. To offer training, decent wages and carriers outside the hyper-productive sectors

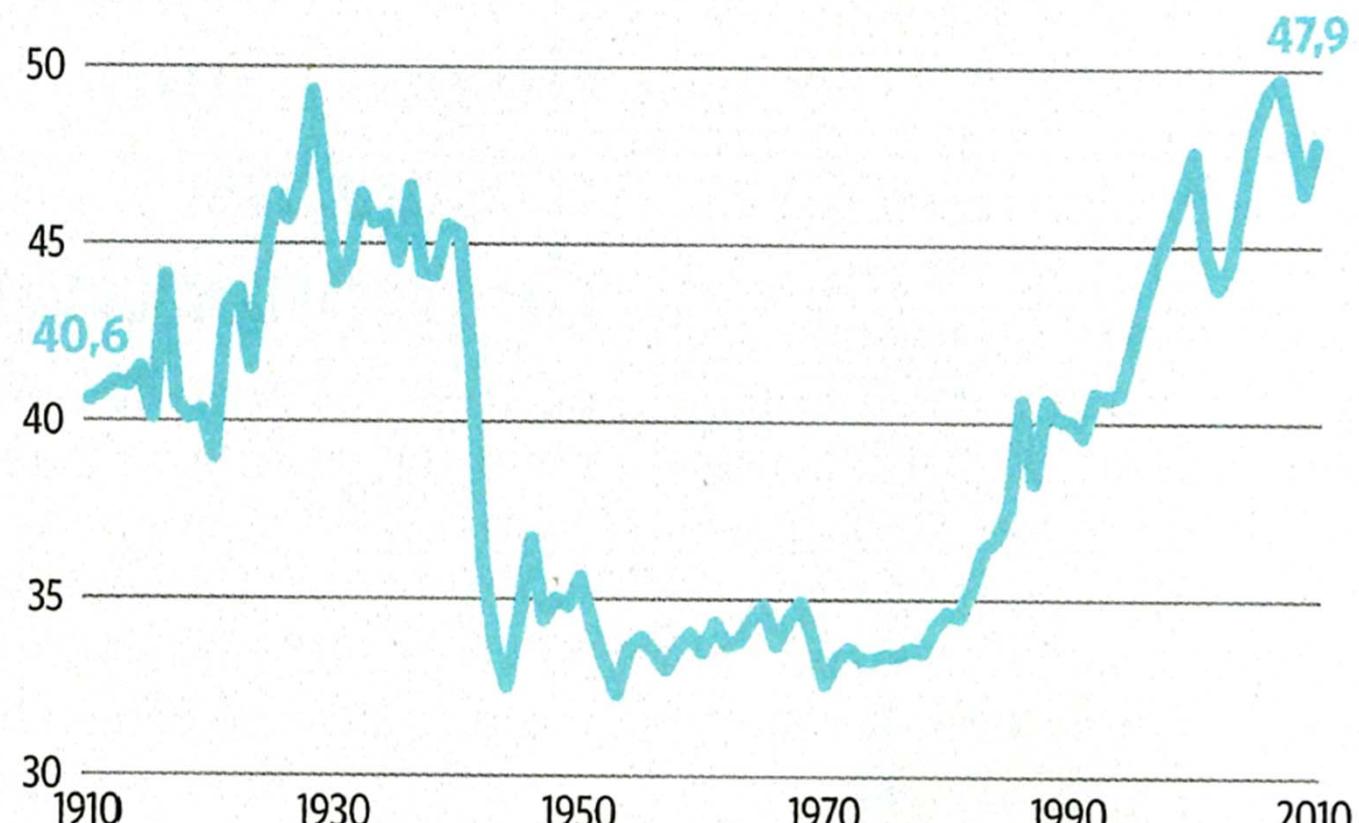
Hyper-productive contrasts with hypo-productive

Company	Capitalisation (in billion €)	Number of employees	Reported capitalisation/ Number of employees
Facebook	89.6	4 619	19 388 516 €
Twitter	18.0	2 300	7 826 087 €
Renault	19.6	127 086	154 226 €
Veolia	6.7	318 373	21 044 €

Inequalities on the rise

LES INÉGALITÉS AUGMENTENT

Part des 10 % les plus riches dans le revenu national aux Etats-Unis, en %



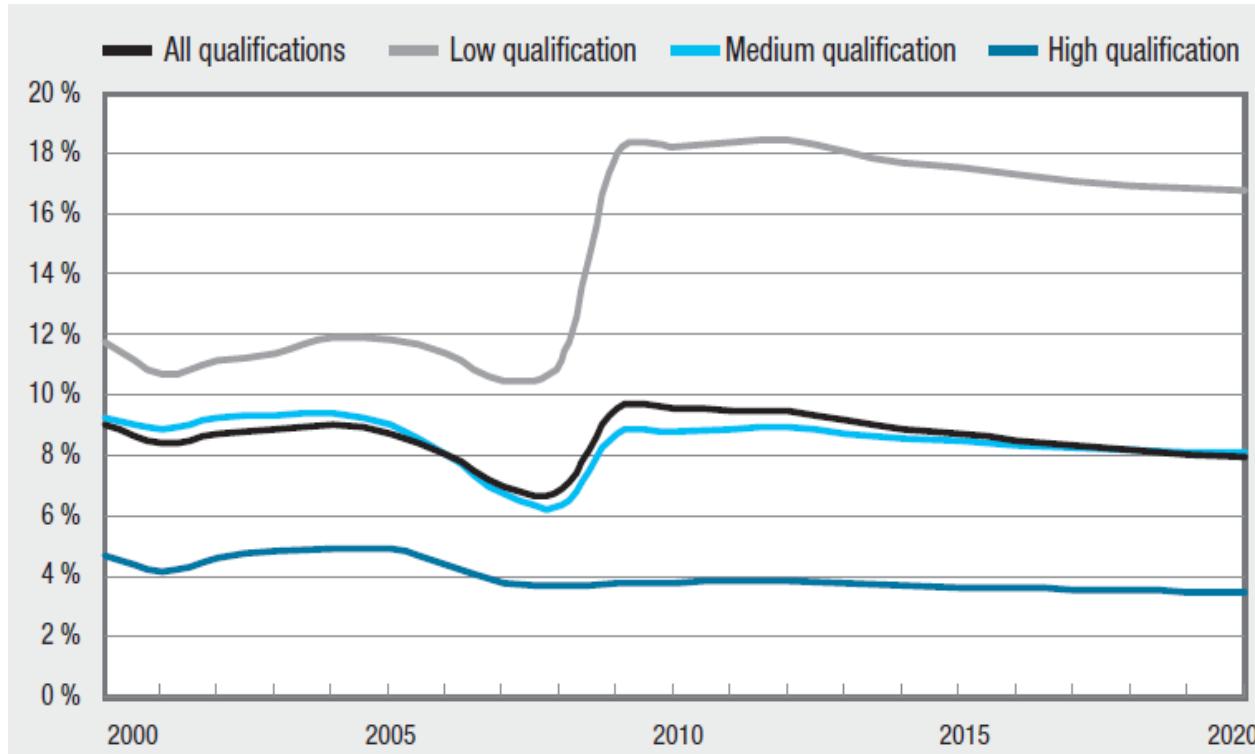
Source : Thomas Piketty

Vulnerable groups and inequality

Increased demand for specialised skills in IT, science, engineering and technology

Potential specific skills shortages in softer sectors, such as health, mental or social care

Unemployment rates by qualification category, EU-27+



Source: Cedefop (2010), based on IER estimates; EU-27+ includes EU Member States, Norway and Switzerland;
As cited in: 'An analysis of global societal trends and their impact on the EU' by RAND Europe, ESPAS Seminar, Brussels, 15 Nov 2013

Internet has created **2.6** jobs for every one destroyed

Source: McKinsey Global Institute (2011)

Differences in labour market outcomes of low- and high-skilled workers seem to be growing