GIZ Future Forum 2021:

States, Societies and People in the Digital Age – Shaping a Global Transformation

Digital transformation – changing parameters for states, societies and people

Digital technologies profoundly change the way we learn, work, and communicate. New means of interaction between citizens and the state, new business models and service offerings to consumers and an increased access to information provide illustrative examples of their transformative power. Throughout the last year, the Covid-19 pandemic has also vividly illustrated the steadily increasing importance of the digital transformation in almost all aspects of our lives. As an example, the broad recourse to tele-working has both highlighted and boosted the digitization of work processes.

This transformation provides vast opportunities for the promotion of governance and peacebuilding. Through digital technologies public services and access to justice can be made more accessible. Digital tools and online fora allow societal actors to make themselves heard and to communicate their opinions to large audiences. New interest groups can form and articulate their interests on an ad hoc basis, without having to resort to costly organizational structures for political mobilization. Digitalized administrative files and processes underpin the establishment of new and more rigorous standards for transparency and accountability.

On the other hand, the digital transformation bears considerable challenges and risks for societies worldwide. These include increasing inequalities between men and women, between the young and the elder, the rich and the poor or the urban and rural communities. Almost four billion people worldwide still have no access to the Internet, with women disproportionately affected. With no access to the internet the comes less access to information, education and engagement in the digital world. What is more, autocratic regimes, criminal organizations or individuals can abuse the abundance of data to suppress political opposition, extort money, steal identities or manipulate elections through data-based, manipulative messaging or violate fundamental human rights. Surveillance, machine-based facial recognition, digital social scoring systems or recurrent digital ransom attacks on vitally important public systems (e.g. health care providers) shed light on these risks. Finally, the increasing power of global tech companies, their rapidly evolving business models and offers to consumers places a strong challenge to regulators. They struggle to anticipate and regulate around disruptive business models that influence data and consumer protection, fairness or competition in the market.

No doubt – the way in which digital opportunities will be shaped and risks will be mitigated will profoundly impact whether societies can be organized fairly, inclusive and peacefully.

A challenging environment for the promotion of governance and peacebuilding

Digital opportunities and challenges arise in challenging times for the promotion of governance and peace. Across the globe, levels of state fragility increase. Autocratic forms of government seem on the rise and nationalist policies put global governance and multilateral organizations under stress. Interests and reactions of societal actors become more diverse and difficult to assess, increasingly relating to regional or global interests and alliances. This makes social negotiation processes more cumbersome and potentially more vulnerable to crises. The unabated trend of urbanization raises the stakes for sub-national governance and underpins the emergence of mega-cities as local and global change agents. Transnational phenomena (such as forced displacement and migration, trafficking and terrorism or global health crises) transcend territorially limited statehood and challenge the responsiveness of state institutions as complexity and imponderability increase. This can lead to crises of statehood. Phenomena of crises range from deep political rifts within societies to local conflicts, to a lack of state presence in certain areas and to an increase in crime and violence.

These challenging governance and conflict trends provide an important background against which digital transformation occurs and condition how digitalization needs to be shaped. Conversely, and for the better or worse, digitalization can have a strong bearing on these trends, e.g. by accelerating the speed of political deliberation or the building of movements. In short: Governance and conflict trends interact with digitalization processes in diverse and significant ways.

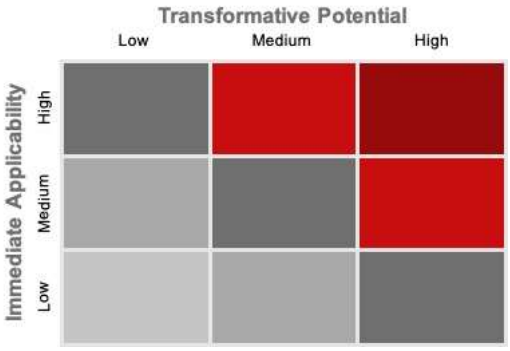
New parameters and questions for international cooperation

Digitalization is also profoundly influencing the modes of international cooperation: while in some areas developing countries have embraced new technologies much faster and skipped development phases (leapfrogging), the challenges developing countries face in their digital transformation are manifold. In order to tackle these challenges, development partners increasingly need to engage in partnerships with new actors – e.g. startups, software developers, or larger tech companies – where global knowledge transfer and capacity building goes hand in hand with local adaptation and context specification.

With regards to governance and peace, digitalization allows development partners in conflict contexts to stay engaged much longer than before. Digital technology makes new modes of program implementation possible, e. g. via remote monitoring. Through digitalization, development agencies can engage in conflict areas, work in areas of limited statehood or work more easily with non-state actors.

Yet, development cooperation has still to devise new methods and approaches of developing scalable digital solutions, corresponding change management frameworks and interventions that are built on a broad partnership approach and based on the *Principles for Digital Development*.

The GIZ Future Forum 2020 – designing solutions, inspiring exchange, forming new networks



The GIZ Future Forum 2020 sets out to explore the opportunities and challenges of digitalization on states, societies and people and to relate them to our daily work in promoting good governance and peace. Seeking to provide inspiration and a new impetus for our work in the years to come, the Future Forum engages international partners, policy makers and practitioners as well as representatives from the digital economy. Jointly, we assess the megatrends of digitalization, resulting policy questions as well as the practical questions of applying digital solutions. Discussions will be guided by a focus on applicable results which can inform advisory work and project implementation going forward.

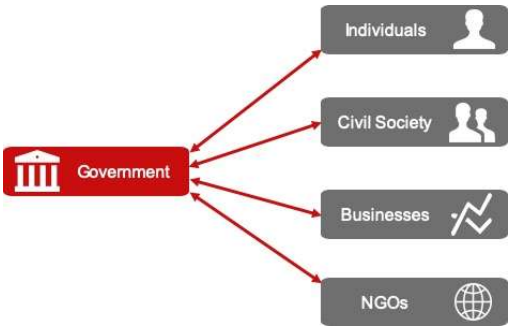
Thematically, the Future Forum will be structured along four focus areas, with recurrent thematic aspects cutting across (e.g., fragility, gender disparities, human rights). These focus areas have been identified with a view to discourse on digitalization in and outside the development policy arena and with a view to GIZ portfolio relevance.

Focus Area 1: (Digital) Power to perform – Changing capacities of state and non-state actors

Focus area 1 explores how digital transformation changes the capacities, authority and legitimacy of state and non-state actors to deliver on core development objectives – and how these capacities can be strengthened at different levels of governance. Here, issues related to the potentials, preconditions, challenges and success factors of digital solutions for the service

delivery to people and businesses, as well as for improved levels of transparency, accountability and participation, will be captured.

Digital transformation changes the dynamics how stakeholders interact. Along with the introduction of new technologies (including blockchain, big data analytics, artificial intelligence), actors increasingly shift their traditional domains, opening new possibilities, challenges and risks for governance (e.g. cryptocurrencies, social media, etc).



"How will digitalization impact the ability of state and non-state actors to shape development?"

Hence, this focus area investigates re-usable, standards-based, secure and interoperable solutions to build institutional capacity and to accelerate the human-centric digital transformation of government services to help achieving the SDGs. In this context, we will discuss automated administrative or judicial decision-making, domestic resource mobilization or the use of digitalization for security. Moreover, potentials of global multi-stakeholder platforms (digital public good) and international partnerships to ensure the future inclusiveness of governance and service delivery will be looked into.

Focus Area 2: Social cohesion and peace building in the digital era

How will digitalization influence/change social cohesion and peace building?

Many of our partner countries are affected by conflict, fragility and violence and the digital transformation shapes these contexts just alike. In this focus area, we want to explore how digitalization changes social interaction between groups and individuals, how this influences the way that (violent) conflicts evolve and how they can be transformed to sustainable peace. We will investigate the ambivalent role that the internet, social media and underlying technologies such as Artificial Intelligence can play – as an enabler for inclusion, the building of social networks and the promotion of human rights such as the freedom of expression on the one hand, as an echo chamber for messages of hate and stigmatization, the dissemination of fake news and as a vehicle for increasing polarization in fragile societies on the other.

We want to learn how we can contribute as development partners to improved digital literacy in order to better prepare the people in our partner countries for navigating what has become a new battlefield of information and opinion. In this context, we will explore how "new" (transnational) actors use their power in the digital sphere for good or for worse and what this means for development actors' approaches for strengthening violence prevention, enabling dialogue and dealing with conflict-affected pasts.

Digitalization also strengthens other fragility phenomena that challenge states and societies, such as digitalized forms of organized crime and the online recruitment by extremist groups. New forms of asymmetric and mostly invisible warfare in the cyberspace can be as destructive as physical violence and raise several questions concerning our traditional approaches to crisis-preventive reconstruction, humanitarian law and the protection of human rights. Digital technologies can both protect the anonymity of those opposing repression as it can be used by private actors and authoritarian states to surveil and persecute them.

Finally, we will learn more about how digital technologies can help us and our partners both in achieving better results or even staying engaged when aiming to foster social cohesion and to

build sustainable peace, for instance in special times (COVID-19 pandemic) or high security risk contexts where traditional forms of interaction and physical presence are not feasible.

Focus Area 3: Inclusive Digital Democracy and Deliberation

How do we shape digitalization to be inclusive?

Digital transformation fosters new opportunities for public participation, access to information, transparency and accountability. If facilitated in an inclusive way, this transformation can strengthen the democratic process as well as the relationship between state and citizens. Yet, it can also raise the bar for participation and leave parts of the population feeling and being isolated, seeking to voice their concerns outside of the process. Historically underrepresented groups are at higher risk of being left outside, contributing to apathy and polarization in societies. This focus area sets out to explore the associated opportunities and risks in this context. What happens to existing spaces for decision-making in a digital age? How does digital media influence public opinion? How can opinion be manipulated in a digital age? How can we foster constructive deliberation in a digital space? How do we practically tackle digital inclusion and accessibility? Issues focus on how to include marginalized groups, whether characterized by a gender, age, ethnicity, language, income or another dimensions.

With a view to the design and implementation of projects and approaches, questions touch on the inclusive development of digital tools (e.g. user-centered approaches), contributions to increased levels of digital literacy (e.g. to access public services online), the provision of contextual content on digital platforms (e.g. information provision for women and girls affected by violence) or on policy and legal framework conditions to enforce digital human rights such as the right to digital literacy. These needs in turn raise questions concerning new partnerships and forms of cooperation, e.g. with the private sector.

Focus Area 4: Data for development

How can data analysis drive sustainable development?

The ever-increasing availability of digital data, computing capacity and analytical tools pose an enormous potential for development – provided that data is collected and used responsibly. Digital data is a requirement for the development and use of algorithms and hence its responsible use includes the constant monitoring of potential biases in data sets (e.g. regarding gender, national origin or skin color), including ensuring the availability of disaggregated data. It opens prospects for governments and administrations for evidence-based decision making e.g. by using scientific models to assess risks and target public services (e.g. in health), or by using digital data for real-time taxation or traffic control. However, in the hands of autocratic regimes, criminal enterprises or individuals, the availability of comprehensive personal or commercial data can be abused to access, change, or destroy sensitive state or private information, extort money from users, interrupt normal business processes or to manipulate groups in general. These negative potentials raise important questions on digital security and data protection, on how to protect private and commercial data and advance the stability and security of IT systems but also on how checks and balances and citizen engagement can be ensured.

This focus area sets out to explore the implications of both positive and negative potentials associated with the use of (big) data in the context of governance and peacebuilding. What is the role of development cooperation and how can we support partners to strengthen their

capacities for a responsible use of data? How might we tackle the monopolization of data from our partner countries by big tech companies? What do societies need in order to shape framework conditions that are best suited for their contexts?

With a view to the design and implementation of technical cooperation, questions relate to how public and civic institutions can be strengthened in the secure collection, analysis and use of data for development. But also, how public entities use and regulate commercial data. Also, the need for data protection and secure infrastructure policies calls for new advisory approaches by GIZ. With a view to monitoring of risks / progress we need further discussion. A discussion that in many of our partner countries has also been initiated by the current pandemic: How can digital tracking of movements of individuals help to fight Covid-19 without compromising personal safety and the responsible use of data?