[Speech: Matt Hancock's speech in Davos on Reimagining Policy-Making for the Fourth Industrial Revolution](#)

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Thank you for the introduction and for inviting me here today.

It's a real honour to have been asked to close this session on 'Reimagining policy making for the fourth industrial revolution'.

We are in the midst of fundamental change, as the cost of storing and transmitting information plunges, perhaps faster than at any time since the invention of the printing press.

Technology is constantly changing how we live, how we work and how we vote and campaign.

Governments now have an opportunity to create an environment that supports digital businesses and creates appropriate norms and rules for the online world.

My case is that responding to populist concerns can't be done by neglecting technology but only through harnessing it for the good of citizens.

I want to set out three proposals which I believe will apply to governments who want to do this successfully across the world.

 1. Adopt digital transformation

Firstly, Governments that put technology at the heart of all their interactions with citizens will thrive.

I worked at a tech business before I became an MP and then a minister. So I've long seen how technology can help provide solutions to long-standing policy issues.

In the last decade, getting services online was critical to government efficiency and serving citizens in a way that worked for them.

Our award winning Government Digital Service set the standard for usability online, which was then replicated by other governments across the world.

It transformed the relationship between citizen and state, whilst the digitisation of government has saved billions for taxpayers.

The lesson was loud and clear — put the user journey first and encourage people to adopt technology that will make their lives easier.

Now the task is the next generation of emerging technologies, like the Internet of Things, artificial intelligence and Blockchain.

You could call it the fourth industrial revolution for Government and it will be those that adopt this digital technology that will thrive.

  1. Make smarter regulations

My second proposition is that economies that make sure regulations are fit for the digital age will also thrive.

Digital transformation cannot take place with outdated legislation, written when if you wanted to tackle 'trolls' you'd need to look underneath a bridge.

Just ask startups, who can often find their early years difficult due to compliance requirements written long before the digital age.

Modern businesses require modern regulation — and the UK is leading the way in embracing change.

Our Financial Conduct Authority has adopted what they call a 'regulatory sandbox'. This allows businesses to test products with real consumers without them having to meet usual requirements for compliance.

This provides a space to do real world trials and engage regulators from the start of development.

It's win-win; start-ups benefit from better market testing whilst consumers benefit from the safeguards that are built into new products. It is one of many reasons why the UK has now established itself as a FinTech world leader.

Our Information Commissioner is adopting the same approach for big data, and so is our Civil Aviation Authority for drones. The CAA has been engaging with private sector firms on autonomous drone testing and have even been praised by Amazon for their pioneering approach.

We've brought in a Regulators' Pioneer Fund, to incentivise regulators to develop more approaches to support emerging technologies.

This is about innovation friendly regulation. Regulation must support innovation right across the board; this should be a mantra for any Government or regulator.

Only then can a country harness the opportunities of new technology and therefore thrive.

  1. Get ethics right

The third and final principle that I want to talk about is the importance of developing strong ethical frameworks.

Because societies that have strong ethical frameworks will thrive.

Digital technology is a powerful force for good. Combined with new

technologies such as artificial intelligence, it is set to change society perhaps more than any previous technological revolution – growing the economy, making us more productive, and raising living standards.

But as we all know, alongside these new opportunities comes new challenges and risks.

The internet can be used to spread terrorist material; it can be a tool for abuse and bullying; and, it can undermine civil discourse, objective news and intellectual property.

The digital revolution has changed the way that people behave and interact.

Instead of a piecemeal response to each issue separately, our response is the Digital Charter, which the Prime Minister will be setting out in her speech later today.

This is a rolling programme of work to agree a consistent set of norms and rules for the online world and put them into practice.

In some cases this will be through shifting our expectations of behaviour; in others we may need new laws or regulations.

Our starting point will be that we will have the same rights and expect the same behaviour online as we do offline.

The Charter's core purpose is to make the internet work for everyone – for citizens, businesses and society as a whole.

It will move the philosophy we apply to the Internet from libertarian to liberal values – to cherish freedom, but not the freedom to harm others.

The Charter brings together a broad, ongoing programme, with priority areas including protecting people from online harms, sorting out platform liability and leading on data ethics.

And I want us to practise what we preach about agile governance. It will be a 'living' document that sits online – and as technology changes, the Charter will evolve too.

Conclusion

The Governments that thrive will themselves harness the best new technologies.

The governments that thrive will themselves harness the best new technologies.

The economies that thrive will have innovation friendly regulations for the digital age.

And the societies that thrive will have strong ethical frameworks to make the internet a force for good.

Now our task is to get on with it and make it happen.

Thank you very much.