Speech by Federal Minister Hubertus Heil on the occasion of the launch of the AI Observatory

Manuscript of the complete speech by Federal Labour Minister Hubertus Heil

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Mr Rouhana, Mr Knudsen,--Mr Rouhana is the corresponding European Commission Deputy Director-General and Ulrik Knudsen is the Deputy Secretary-General of the OECD. Professor Bryson is professor of ethics and technology at the Hertie School. Very warm welcome. It's a pleasure to have you here in Berlin. Now you have to applaud. They have come a long way. Ladies and gentlemen; Members of the German Bundestag. It's really great that so many of you have come despite the pandemic and epidemic. I can tell you that yesterday we had the integration summit at the Chancellery, and there were very many people there, and you may have seen this on television: Since yesterday at the latest there has been the question in Germany of whether one can still shake hands in these times. Yesterday I met a German woman of Indian origin who told me a trick for how to greet each other respectfully, even if you do not shake hands like Ms Merkel and Mr Seehofer yesterday. We can do it in the Indian way. So, namaste. I'm glad you're here. I would like to welcome you to the official launch of our AI observatory. And maybe you noticed something when you arrived. On the roof of this building, the Café Moskau, is a replica of the legendary Sputnik satellite. For the younger people: that was the late 50s. The Russian, then Soviet, satellite, the Sputnik shock. And this building was erected in the early 60s. Here in the eastern part of Berlin, that was the epitome of technical progress, a great promise for the future. The race to space at that time was not only a technological challenge, but also a competition of systems in terms of progress between East and West. It is not for nothing that many remember that, surprisingly, the ability of the Soviets to send the first satellite into orbit caused the so-called Sputnik shock in the West. In our age, we no longer define progress as reaching for the stars. We can go to outer space. It is rather the use of the new technologies commonly referred to as the very broad concept of artificial intelligence. And also this time it is both a promise for the future and a political issue. And artificial intelligence also opens up new universes, new dimensions and we have not yet understood everything. And that's exactly where what we are launching today comes in. The AI observatory: that sounds a bit like gazing into the future, gazing into space. I will explain briefly now, but it will become more obvious in the course of the day in practical terms, what the fundamental concerns of this work unit are, that we setting up at the Federal Ministry of Labour and Social Affairs, more precisely at the Policy Lab Digital, Work & Society. The AI Observatory's goal is to be something like a cartographer of new technological ecosystems. It should also have influence how things develop. The AI Observatory has three basic tasks, at least that is our objective. On the one hand, it should provide something like cartography of uncharted vistas.

It should also help shape of these landscapes. So this is surveying work. And it is also about mediating between research, business, civil society and policy-makers. But let me make it clear right at the beginning what the AI observatory is not. I say this because I have read about it in individual preliminary reports. The AI observatory is not a technical inspection authority for AI as some have described it. Rather, its goal is to work out future requirements, so that we may at some point be able to define something like a technical inspection authority for AI. That means we go into the whole thing in a spirit of openness, but at the end of the day, of course, the question also comes up: Which rules, which standards, do we have to define or redefine. In terms of data, algorithms and applications. Our goal is to have secure and trustworthy AI. And that's not just an empty slogan. I believe that the development of AI is a competitive advantage on a European scale, a European product and thus also a foundation stone for a path of cutting-edge European technologies. We have this aspiration. We have to have it and we can. It has almost become trivial, it was said just now, but I want to say it again, that AI is already fundamentally changing our everyday life in many areas. For example, and this is also an issue these days, it enables the development of super medications. Antibiotic, Halicin for example, which was discovered by a specially trained AI. Medical advancement. But it also enables new forms of social exploitation. And that is what makes the question so extremely political. It's just like space travel. We must not only develop and use things, we should and, in my view, must also steer their influence. And the question behind that is a long-term one: What progress do we actually want to have? What is possible? What is feasible? And also what do we want? Because not everything that is technically possible is also legally, morally or politically desirable. The logo of the AI Observatory, which I think you see here; in this logo there is a stylized eye, with which we want to watch closely how AI transforms work and life, as I said before. The second question I have been confronted with in the last few days: Why the Labour Ministry? What do you have to do with this topic? I believe that this is exactly our field, because AI also affects the core tasks of the Federal Ministry of Labour and Social Affairs as we traditionally understand it. And there it becomes a little more specific. At the Federal Ministry of Labour and Social Affairs, we are responsible, for example in the analogue world, for what is called product safety. We are also responsible for the question of in-company training and skills acquisition. And last but not least for "Mitbestimmung", which we call co-determination. And that makes the question of what AI does to the world of work and society just as political for us. AI can without doubt, ladies and gentlemen, make life easier, more efficient and also healthier. And, depending on the job, it can also make jobs safer and healthier. I recently visited the German Research Center for Artificial Intelligence in Kaiserslautern, or the DFKI. And I think I just saw a representative from there again. And there you can see really great things that can be imagined in life and that for someone like me, who is not a born AI expert, but always has to explore the issue based on practical life examples. There is, for example, the sensor suit, which was developed to measure physical stress during work tasks and thus provide feedback.

And I say this now as someone who knows what illness that is work-related can also do to the national economy. This can actually help, for example, for people no longer have to injure their backs by actually physically bending over. I don't know who of you has back trouble at your age, but many know the subject. For the workplace, such a development would be and is really a quantum leap. But such sensors can also be used to measure and compare stress levels of employees. This can also mean safety at work. I experienced this recently at IBM Watson in the showroom in Munich: There are actually such sensors for people who work on scaffolding that measure stress levels in real time to give a bit of a warning if they are going fall off the scaffolding. At least, that's my idea of how it works. This can be an advantage, it can offer protection as I said. But it can also be used to monitor employees and put them under greater pressure to perform. And that's where it gets very personal. It's also a question of the right to determination what happens with your person information in times of big data. So you see: the basic problem is what we do with all this data. And I think we have a lot of scope to do a lot of the data that we have in the public sector, and in the private sector in Germany, more effective, more efficient, for more productivity, for new business models. But it cannot be arbitrary. And there, as I said, we have to deal with completely new areas, now also dealing with human resources, i.e. personnel management. I am referring, for example, to the use of AI in the field of personnel selection. And also in these areas: There is light and shadows, opportunity and risk. Used sensibly, in mass recruitment and applications, AI can help to ensure that anti-discriminatory selection is practiced, but when used incorrectly, it can be the opposite. Already a few years ago this existed in a large technology company. It says here I am not allowed to mention which one, but I think it was Amazon. At the time, an algorithm was also used in his personnel selection, which ultimately disadvantaged women and ethnic minorities, and this was unintentional, by the way. But in effect, it was something like technological racism or sexism. The background is: They just used the data with which the AI had been trained over the past ten years. And quite a few old white men had simply applied and that led to a selection that is not at all economically sensible, but above all is not free of social problems. So AI can help make better decisions. But it can't take the responsibility away at the end of the day. I'm very serious about that. Buck-stops-here responsibility for people has to exist and on the other hand, I believe that we need a mind set, that at the end of the day we really have to make sure that we put technology at the service of people and not vice versa. For the Federal Government, this means that we are neither naive about nor afraid of this development. We know that AI is necessary for international competitiveness and also for securing our prosperity. And if we are being completely honest and open with each other: we have hardly any time to lose, also in terms of international competition. At least when you look at what's happening in other economic areas. That is why the Federal Government initiated the AI strategy and we are now continuing it.

With it, we will also promote the topic of AI and the application of AI in the working world, and we will do so in a very practical way, for example with spaces for companies to experiment. We support companies in using AI, for example. Not only when it comes to machine learning and higher productivity, but also when it comes to the question of how this can be used for the benefit of employees, for example assistance systems or the famous exoskeleton in the craft trade sector, which is now also AI-controlled and not purely analogue, and which also helps people to be able to work in a way that is healthy. Let's not forget that we will only be able to use AI in the world of work if we do it together with the employees and not against them. And to ensure this principle, we need reliable AI and clear rules for it, as I said. AI must be safe. I also say this with regard to the products that are still to be developed. Not only because we are used to this from the analogue world of products that we use, but also because we must not destroy trust. When our society is paralysed with fear, and we are currently experiencing a social development in many ways, because so much is changing at the same time. These days we feel that fears about the future have crept into the middle of our society. And political charlatans, especially right-wing extremists, try to turn that into a business model. Then it is our task to reliably reassure society that this can be developed for the good, also with regard to technical progress and openness and curiosity. I'm serious about this: If you are a friend of progress and innovation, you have to ask yourself these days where widespread scepticism beyond expert circles comes from. And so once again: If you want progress, you have to deal with scepticism, but not to stir up fears, but to show ways in which we can achieve it. The AI Observatory also deals with the difficult area of conflict between data privacy and personal rights and the possibilities we have today. Therefore, we will not limit ourselves to watching in the end in the sense of "observing", but rather develop standards and rules in the long term, as I said not at the beginning, because in many areas we do not know much yet and because we do not want to block everything with rules. But that is definitely the goal. I also say that we do not want to do this in a closed shop. We want to do it together in closely linked networks with researchers, with social partners, with the economy, with civil society. And by the way, this needs to happen across borders, not only because that is right and sensible. For example with the OECD in the framework of the global partnership on AI. So allow me to say "welcome" once more. I am very pleased that Ulrik Knudsen, the Deputy Secretary-General of the OECD, is here today and will report on this later. I am also looking forward to the cooperation and networking and I thank you for the preparatory work. But of course, the question of what role Europe will play in the digital transformation of society and the regulation of AI at the end of the day is a very central one for us. Because mainly the real action in the European Economic Area at this level will actually take place in Brussels. The European Commission has started to tackle the issue of AI and has clearly stated that we want to work for a humane AI, for high and comprehensive standards of safety. And there is the White Paper process, which has now been initiated. Ladies and gentlemen, we are a little proud to have Mr Rouhana with us.

You will certainly give us some clues to this in your presentation. I am firmly convinced that we Europeans must go down the path of digital transformation. But it has to be its own way, beyond polarizing exaggeration, so to speak. I really don't mean that in an exaggerated way or with simple clichés. But we have to admit that from a socio-political point of view there are different approaches in the economic competition we have between the economic areas in North America, between us in Europe and China. Let me just say it in a slightly exaggerated way: On the one hand boundless data capitalism of the USA, with the idea of total market power. This is not the European way. But the Chinese way, ladies and gentlemen, of AI as an instrument of social control along the lines total state power control through modern technology, is not our way either. And now the exciting question is: What is our way? What actually is the European way? I understood the process of the White Paper to mean that our European way should actually lead us to something like a social data economy. Or I could also call it the new, updated social market economy in analogous language. In fact, it is no more or less than a question of how, in these times of technological progress, we can combine our values, namely the idea of democracy and the market economy with the welfare state. And I believe that this is the European way to assert ourselves in international competition economically, but also politically. This is not easy in a space where there are many nations, with many national rules. But it is right that we do this for Europe. Or you could say to my colleague, the Federal Foreign Minister: Our answer to "America First" should be "Europe United" also in terms of digital transformation. This means secondly that we also need new rules of the game, for the protection and welfare of all those involved. And I am not at all so unconfident or so pessimistic that we cannot succeed. I am giving an example that is causing a lot of headaches, but which is now perceived in other parts of the world as a real example of European success, also in setting international standards. And that is the famous General Data Protection Regulation. I am not referring to the way in which some of the bizarre things are implemented or to what Members of Parliament hear from associations in their constituencies. I mean the fact that at the end of the day, in a large economic area with over 320 million people, we have managed to really set standards that other areas do not have, but are now trying to imitate. That is why the issue of AI will also play a very important role during Germany's presidency, also in the area for which I have a share in the responsibility. So, ladies and gentlemen, we want to learn together where we let AI have a free run, but also where not. And where, in the end, steering and the right course are also necessary. Because that too returns back to the history of this building. At that time, the Sputnik satellite gave many people hope of opening up new worlds, but also fears. And in this spirit, let us work together to ensure that technical progress and technological change also translate into social progress. And this Observatory cordially invites you to do just that. Since we are going to discuss virtual worlds a lot today, you just have to imagine that we are now back in the 60s at the Internationale Funkausstellung in West Berlin. Willy Brandt had a red buzzer and supposedly inaugurated the era of colour television with it.

I'm doing this all virtually now and I'm not Willy Brandt and we're not in West Berlin. But now here comes the red buzzer, which you have to imagine, and now I'm going to do it. I'm going to press the buzzer and inaugurate this observatory. Welcome. I'm glad to see you here.