

The Manifesto of "*The New Club of Paris*" on the Knowledge Society And Its Economic Foundations

(Final version, to be submitted to the General Assembly of
"THE NEW CLUB OF PARIS" in June 2006)

Our society is undergoing a dramatic transition from the industrial & information age towards a new era of brainpower industries, associated with upheavals in the global structure of the economy and accompanied by far-reaching demographic shifts and a transformation of social systems.

- A major challenge of such changes is that our economy is increasingly transforming into an "intangible" economy which is described as a "knowledge based economy".
- Indicators of this development at the time when this manifesto is issued initially are:
 - the new relation between material (e.g. manufacturing) and nonmaterial (e.g. services) resources ;
 - the sharing of commonly available knowledge such as open source information;
 - the insight that global competition can lead to rapid relocation of economic activities such as software, media creativity, healthcare and "mind-intensive" industries;
 - the radical change in work structure causing everyone to continuously change profession and type of employment throughout their working life, inducing lifelong learning and flexibility;
 - the increasing "knowledge divide", within societies, as well as among nations on a more global scale.
- The move towards the knowledge society and knowledge economy affects both the micro-economic and macro-economic dimensions. This change, which is deeper than often stated, does not even preserve "traditional" industries. The knowledge economy has an impact on the value creation process, fundamentally altering the organisation of work, creating new forms of borderless cooperation and intercultural exchange.
- Politics has acknowledged this change at best in its rhetoric dimension, but has not addressed its true policy implications. Standard slogans about competitiveness, maintenance and creation of workplaces, as well as safeguarding social standards, are the vocabulary of yesterday. The strategies propagated to recover from recessions are generally lacking in imagination and the courage to enter into the new paradigms of the

knowledge society and economy. As a consequence, a new, deeper understanding of leadership is also missing.

- We are aware that after a - still ongoing - period of concerns about ecological challenges and environmental issues, which was also addressed by the “Club of Rome”, we now enter a phase of concerns about available and not yet developed knowledge, education, creativity, and innovation capabilities. In brief, what should be named: the paradigm of an “economy of the intangibles”.
- This means that the intellectual, social and cultural issues require much higher attention. They are the determinants of “Third Phase Industries” based on creativity, software, media, finance, services, and more generally combined intelligence. Which are more representative of today’s developed economies and which produce more value than traditional manufacturing per se . They are of decisive importance to the development of all sectors, including traditional ones. Only through careful and sustainable utilization of the new, nonmaterial resources we will be in a position to better organize material and energy resources which are increasingly in short supply.
- In a word: the “Ever More” of the current economic model of the Western industrial society has outlived its legitimacy. What matters are not mere survival strategies or linear expansion, but rather sustainable preservation and development of our prosperity. In order to master the future, we need more intelligent modes of cultivation and exploitation, and a new balance between material and nonmaterial resources.
- Intellectual capital (comprising assets such as human abilities, structural, relational and innovation capital, as well as social capital) founded on clear, practiced values such as integrity, transparency, cooperation ability and social responsibility, constitute the basic substance from which our future society will nurture itself.
- *“The New Club of Paris”* is an organization open to everyone who is qualified to make contributions by scientific work or who has proven his / her competence by personal commitment. It is an association of scientists and “intellect entrepreneurs” dedicated to research and promotion of the idea of supporting the transformation of our society and economy into a knowledge society and a knowledge economy. By analogy, as we are convinced that a healthy, well-maintained and integrated environment is a precondition for sustainable welfare and for quality of life, *“The New Club of Paris”* endorses a healthy, respected and high quality world of intellectual and cultural living.
- In public we address decision-makers, specifically in politics, to embark on the new knowledge paradigm and to engage in developing new strategies which go far beyond the repetition of “old recipes” to “make the future”, or variations on the same theme. In the new understanding of the knowledge society & economy they will engage in a development

driven by imagination, creativity and courage towards better intellectual, cultural and social conditions and towards a sustainable, dynamic economy.

- **In practice we support all movements and projects towards better education (systems), more vibrant innovation (systems) and better understanding of the imminent knowledge society and economy. We appeal for higher investments in brains rather than bricks, thereby avoiding misallocations in investments.**

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Formulated by the initiators

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and signed by the founder members of THE NEW CLUB OF PARIS, initially by those present on the 1st general Assembly of the Association on June 28th , 2006, in Paris

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