

A HISTORY OF THE NEXT TEN YEARS

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Moving from Vision to Action



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What is this session about?

This session will outline the work of the WFS Europe Chapter in the 2010-11 programme.

The aim of the programme was to outline a future history, primarily of the UK, for the period 2010-20.

The material fell into two parts – modelling the long term future and the key trends that will shape this decade.

The material tells a story of the ‘Prelude To Scarcity’ and sets the scene for the 2011-12 programme, which is about the onset of scarcity.

A session was held to link the 2010-11 programme with to that of 2011-12.

Modelling The Long Term Future

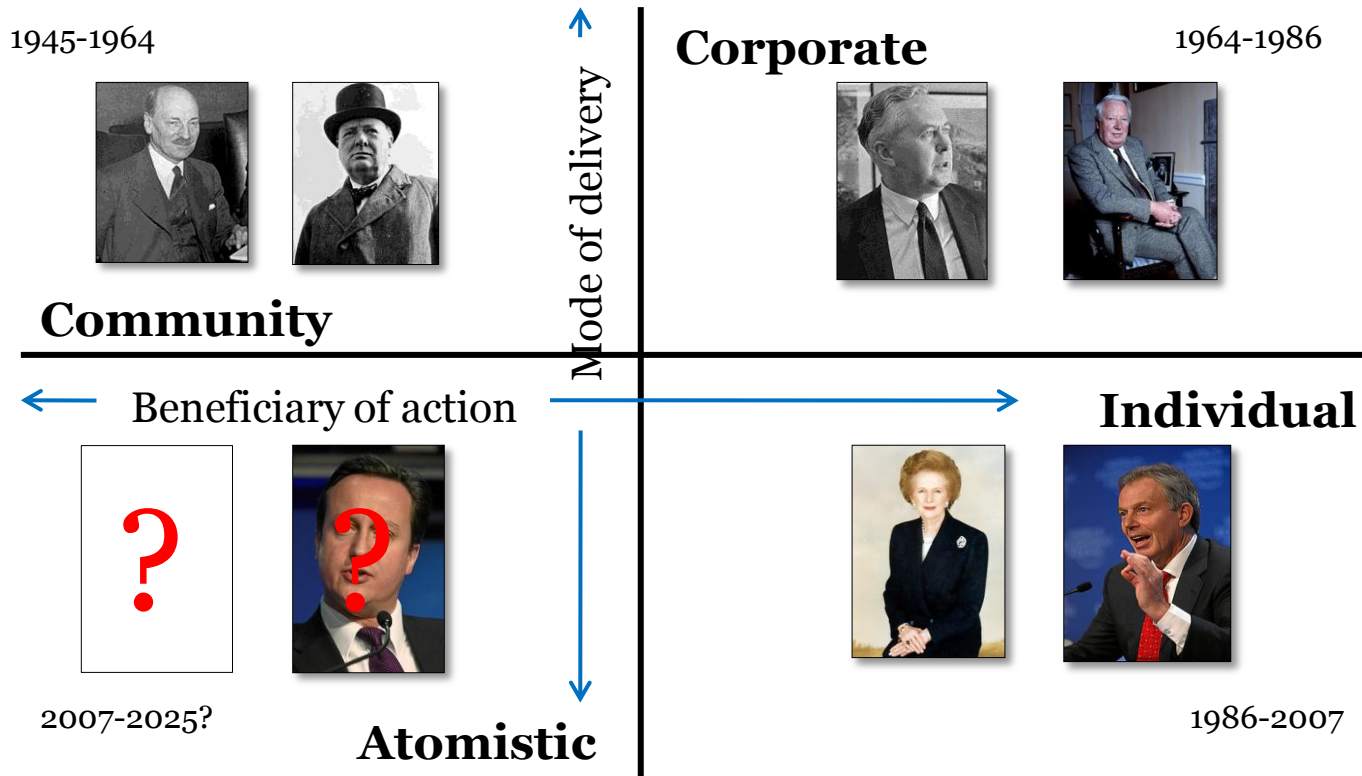
It was important for us to establish our current position in terms of where we are in the long term cycles that affect us.

We decided to follow the 'PEST Model' and to examine long term models for Politics, The Economy, Society, and Technology.

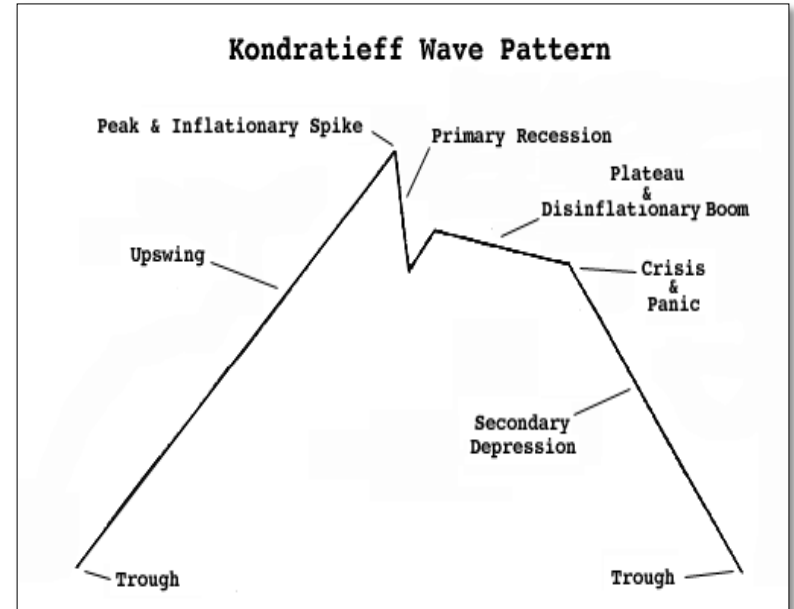
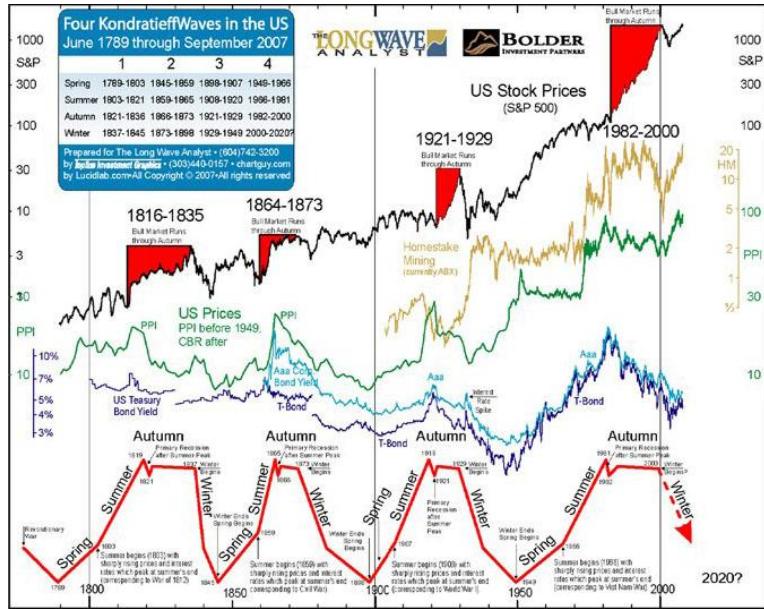
One innovation that we aimed at was to cross match the PEST models to see how they would interact upon each other.

The results of our deliberations were fed into a policy framework that gave them an immediate practical use.

Modelling Long Term Political Futures



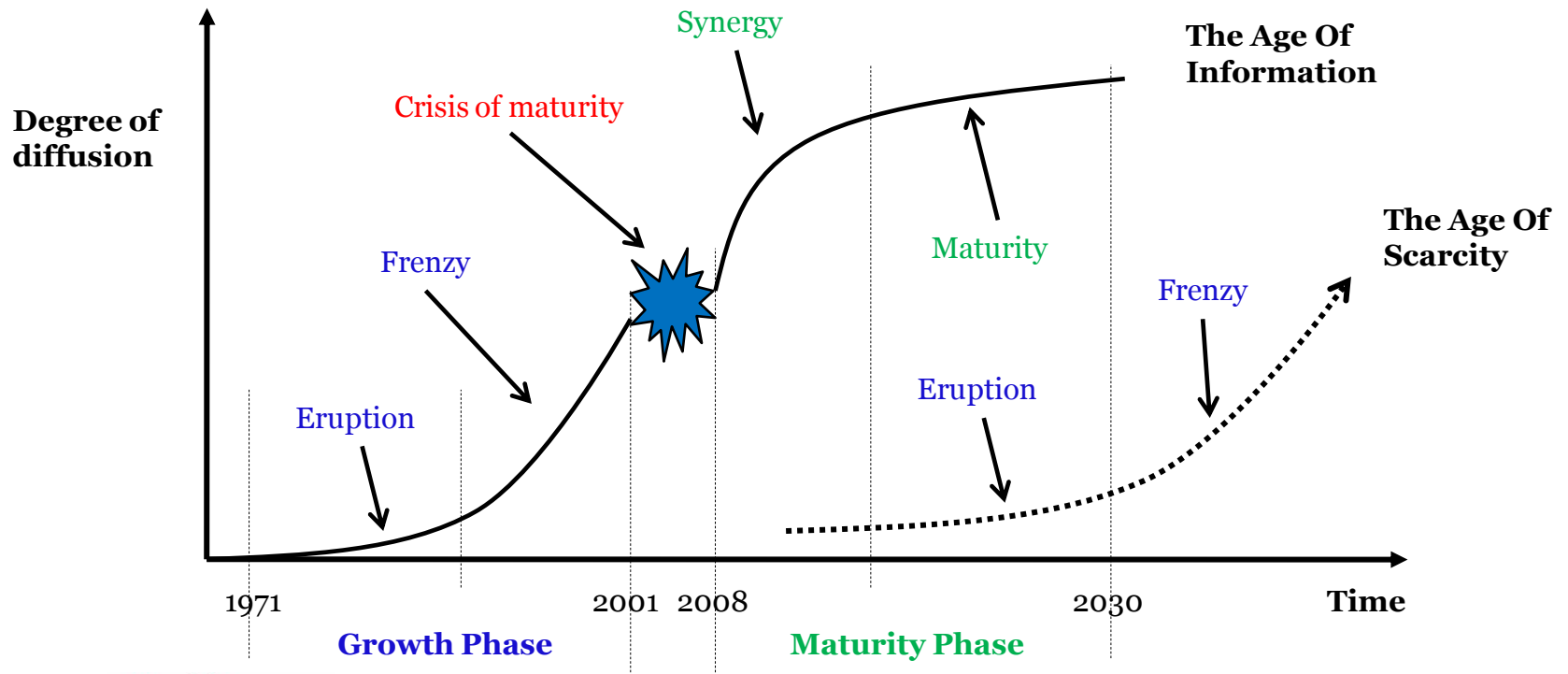
Modelling Long Term Economic Futures



Modelling Long Term Social Futures

	1945-1964	1964-1983	1983-2007	2007-2025	2025-2045
	<i>Post crisis adjustment</i>	<i>Awakening</i>	<i>Unravelling</i>	<i>Crisis</i>	<i>Post crisis adjustment</i>
Youth	Boomer (Prophet)	Generation X (Nomad)	Millennial (Hero)	Homeland (Artist)	Scarcity (Prophet)
Adulthood	Silent (Artist)	Boomer (Prophet)	Generation X (Nomad)	Millennial (Hero)	Homeland (Artist)
Mid-Life	GI (Hero)	Silent (Artist)	Boomer (Prophet)	Generation X (Nomad)	Millennial (Hero)
Golden Years	Lost (Nomad)	GI (Hero)	Silent (Artist)	Boomer (Prophet)	Generation X (Nomad)

Modelling Long Term Technology Futures



Where are we now?

What do our models tell us about what we can expect over the next ten years?

Politically: a move towards a greater focus on community objectives delivered by more market based mechanisms.

Economically: we can expect a prolonged downturn accompanied by a slow recovery.

Socially: the Homeland Generation will be in its Youth (over-protected), the Millennials will be in adulthood (good team workers), Generation X to be in Mid-life (very pragmatic), and the Boomers to be in their Golden Years (opinionated and over-bearing).

Technologically: we can expect the ICT revolution to reach maturity and saturation and the technology of scarcity to erupt.

An Overlay Of Trends

Our long term models of the future provide the backdrop in which the future will occur.

On top of the backdrop is an overlay of long term trends in which the future will play out.

We consider the most significant five trends to be:

1. The Great Re-Balancing Act.
2. The Reform Of Big Brother.
3. The New Enlightenment.
4. The New Nationalism.
5. The Icarus Effect.

The Great Re-Balancing Act

Recent events have seen the development of a number of substantial imbalances within the economy and society.

An imbalance arises when the automatic adjustment mechanisms within the economy and society fail to self-correct, allowing too much of one factor or too little of another to develop.

Imbalances matter because they are not sustainable in the long term. They take time to develop and they take time to unwind.

The costs of unwinding the imbalances are not borne equally and fairly by everyone in society.

The imbalances are both visible and invisible. We worry about the visible imbalances, but the invisible ones might be more serious.

The Great Re-Balancing Act

The more pressing visible imbalances include:

1. Global savings and global consumption. (The US vs. China imbalance)
2. The household wealth imbalance. (The Boomers vs. Xers imbalance)

The invisible imbalances that we are ignoring at our peril include:

1. The pricing of externalities to address climate change and incipient scarcities. (The social cost vs. market cost imbalance).
2. The issue of global poverty. (The imbalance between global needs and global resources).

If we resolve the visible imbalances in this decade, as is possible, then the invisible imbalances will be the pressing issues of the next decade.

This is the basis of the 'Age of Scarcity' towards which we believe that we are heading.

The Reform Of Big Brother

Recent events have highlighted the structural weaknesses of the developed economies caused by public debt.

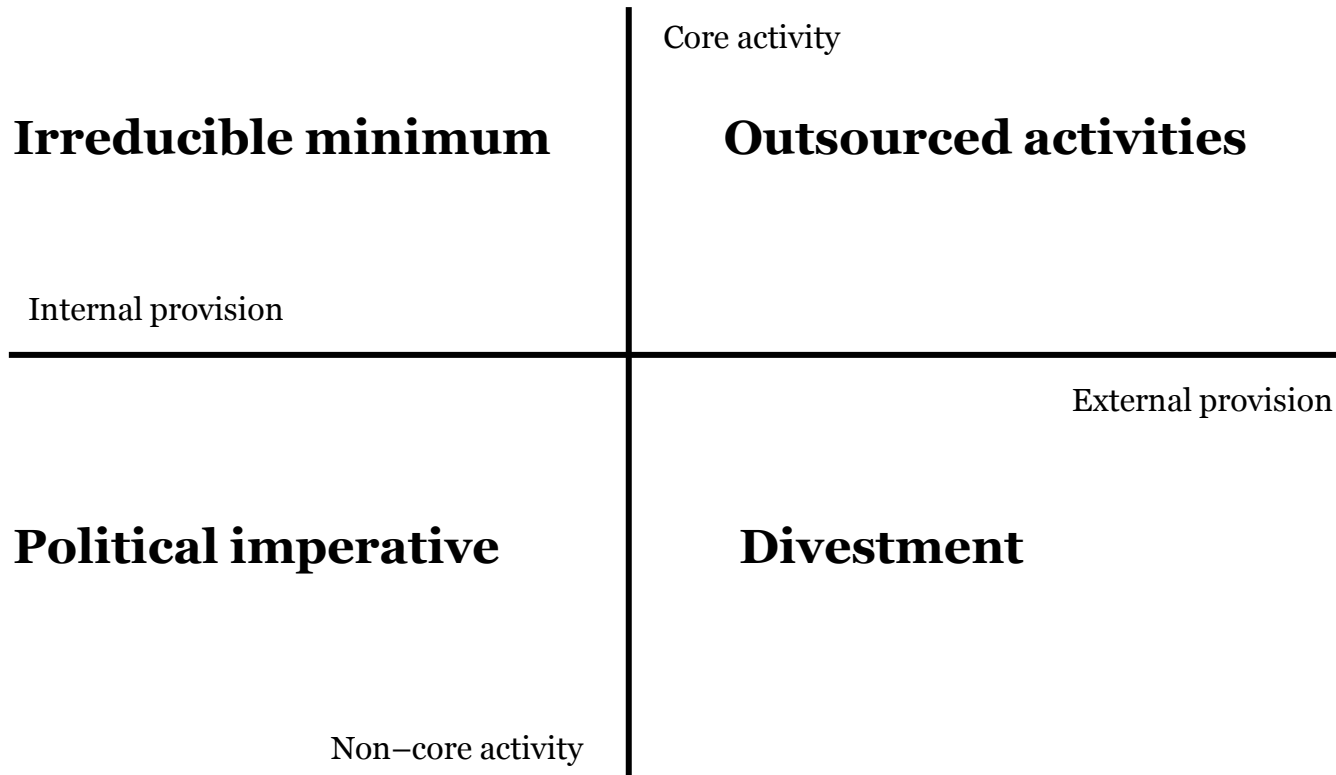
This has been made worse by the public sector assuming responsibility for banking sector debt.

It may take some time for the public sector debt overhang to unwind. We calculate that it may take to 2018 before the UK debt overhang can be tackled.

This will restrict the availability of finance for public sector projects in the medium to long term.

It almost makes fiscal contraction inevitable.

The Reform Of Big Brother



The Reform Of Big Brother

Outsourcing is the way to enhance public sector productivity, but at the cost of quality and at a higher risk of failure.

Divestment is the means to address structural operations, as long as those activities remain non-core and there is no political pressure to provide them publicly.

The irreducible minimum is likely to get smaller until such time as market failures lead to pressure for activities to be brought back into the public sector.

Our model suggests that this should be at some point in the 2020s.

The New Enlightenment

As many of the Enlightenment institutions started to show their weaknesses in recent years, the case for institutional reform has gathered pace.

The recent global recession has led to many to call for the reform of the commercial and financial institutions of the Enlightenment.

These reforms are unlikely to take place without the reform of the educational institutions that feed them and the political institutions that sustain them.

The case for political reform has become the most pressing in recent years.

Opinion is divided between those who seek to reform the existing institutions(21CE), and those who seek to undertake more revolutionary political reform (E2.0).

The New Enlightenment

As the struggle between 21CE and E2.0 gathers pace, we are likely to see a number of key areas develop in the next ten years.

Our commitment to democratic governance may be called into question if people seek a technocratic solution.

Our commitment to individual personal liberty may be called into question as the safety of the community compromises personal freedoms.

Our commitment to unfettered commerce may be called into question if we are unable to control climate change.

The three key issues of our time – global commerce, global poverty, and global climate change – may act as the catalyst for a New Enlightenment.

The New Nationalism

The features of the New Nationalism are:

1. It provides a counter-balance to globalisation.
2. It provides a focus on the local.
3. It highlights community and place.
4. It induces a unilateral approach to global problem solving.
5. It replaces co-operation with competition.

These features will help to accentuate cultural diversity at the expense of an emergent global culture.

The New Nationalism

Some of the consequences of the New Nationalism are:

1. Geopolitics will be a bit more dangerous.
2. Economic growth will be more sluggish.
3. Society will be a bit more inward looking.
4. Politics will be a bit more selfish.
5. The environment will be hotter and dirtier.

These consequences have already started to play out already.

The Icarus Effect

Immediately prior to the current recession, a number of developing economies were out-performing the more established economies.

The sustainability of this development was tested severely as recession swept across the global economy.

Just like Icarus, many of these economies had a hard landing when it became apparent that their soaring growth rates were not sustainable.

Some of the economies have recovered quite well. Others will be facing hard times for many years to come.

From a futures perspective, the interesting question concerns what happens next ...

The Icarus Effect

As we started to come out of recession in 2010, there was much talk about the “shape” of the recession (‘V’, ‘U’, ‘L’, or ‘W’ shaped).

As futurists, we didn’t find this discussion all that useful because it didn’t map a pathway into the future.

As futurists, we like to think of a variety of paths into the future, all of which, from the perspective of the present, are equally valid.

To assist this discussion, we turn to a set of generic pathways into the future, which act to help us clarify our thoughts.

The Icarus Effect

A set of generic futures that we find useful are:

Business As Usual – the future will be very similar to the past.

The New Normal – the future will settle at a new equilibrium.

The Transformation – the future will be very different from the past.

The Dystopian – the future will be very much worse than the past.

They highlight that a number of different futures are possible from the perspective of the present.

They indicate that we have a choice in what are preferred futures are, so that we can act today to achieve those preferred futures.

They also highlight the limitations of reviewing trends.

Moving Into The Future

By the time that we reached the end of the programme, we had pretty much reached the limits of trend analysis.

We had determined that the period 2010-20 could be seen as ‘A Prelude To Scarcity’, and that the framework 2020-30 might be determined as ‘The Onset Of Scarcity’.

‘The Onset Of Scarcity’ is the theme for the 2011-12 programme. It would be packaged as ‘Communities Of The Future’.

The ‘Communities Of The Future’ programme will examine how the challenges of scarcity will affect a number of specific communities.

As a link between the two programmes, we organised a session on ‘Peak Oil, Climate Change, and Ipswich in the Transition’.

Programme Review

What has the programme achieved?

1. It has had a policy impact in the commercial and governmental worlds.
2. It has raised the profile of futuring as a tool for policy development.
3. It has extended the brand recognition of the World Future Society.

What could we do better next year?

1. We would like to move away from the strong UK bias and to develop more of a European flavour to the project.
2. We would like to include more of the communities that we are not quite reaching at the moment (e.g. the voluntary sector).
3. We would like to develop more of an on-line presence for the work so that it can reach further across the globe.

What Comes Next?

The sessions planned for 2011-12 take our view out a further decade to the period 2020-30.

In this time frame, we expect to see the first impacts of climate change, peak oil, and the onset of scarcity.

We need to move beyond trend analysis to examine some of the key causal relationships. The first part of the programme will outline this causal model.

The second part of the programme will examine the impacts of the model upon selected communities of the future.

These impacts will be fictionalised to generate a set of fictional scenarios in which future actors are projected into them.

Further information about the programme can be obtained from **Stephen Aguilar-Millan** at **stephena@eufo.org**