



## FutureScape Issue 19 - 15th June 2011

Welcome to the latest edition of FutureScape. We hope you enjoyed the last edition we look forward to your feedback on the topics in this issue.

In this issue we focus on the following issues:

- Ecademy Social Media Survey and CEO Opportunity
- Crucial Conversations
- Electoral Reform
- Urbanisation
- Directed Evolution - The Future of the Human Genome

As always, we warmly welcome your feedback, ideas and submissions for inclusion in future issues.

Copies of previous editions of the newsletter can be downloaded [here](#)

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Watch a short video of Rohit's keynote speech on global trends [here](#)

## Ecademy Social Media Survey and CEO Opportunity

We are helping our friends at the Ecademy social network with a vital short survey on future social media policy for the UK. We are asking our UK based readers to complete the 3 minute 10 question survey and share the link with your colleagues:

[http://www.surveymonkey.com/s/state\\_of\\_the\\_nation](http://www.surveymonkey.com/s/state_of_the_nation)

Ecademy are also conducting a global search for a CEO who will become a co-investor and help drive the business forward to 2020. You can find the details here: <http://www.ecademy.com/node.php?id=164593>

## Crucial Conversations

The most frequently asked question from readers is ‘what topics are occupying the minds of your clients right now?’ While many of the issues vary from client to client, there are ten themes which seem to be high on the agenda for most CEO’s and CFO’s across business and government sectors around the world. In no particular order, these are:

1. **Eurozone 2.0.** *Could the Euro collapse, what might follow it and what are the global ramifications?*
2. **Economic turbulence.** *Is a second global economic downturn inevitable - will it be more severe and longer than the last one?*
3. **Incomes and wealth.** *Is it inevitable that average real incomes and living standards will decline in many developed economies - if so what are the implications for business?*
4. **Social disruption.** *How might the ‘Arab Spring’ play out - what are the ramifications for the region and could we see similar disruptive social movements emerge in developed and developing economies alike?*
5. **Speed of change.** *How do we learn to think and act at ‘internet speed’? Web technology in particular appears to be leaving us behind, by the time we’ve analysed and debated a new development, the market appears to have moved on.*
6. **Free business models.** *Are ‘freemium’ business models just a fad - or can you genuinely build a sustainably profitable business when providing your core offering for free?*
7. **3D or ‘additive’ manufacturing.** *Everyone is talking about 3D printing as the next revolution in manufacturing and how it will change everything - what impact could it have on our business?*
8. **Return on innovation.** *The results of our innovation efforts to date are pretty unspectacular given what we’ve invested. Can we genuinely build an innovative and entrepreneurial culture or should we just buy the ideas in?*
9. **Managing complexity.** *What practical strategies can we adopt for managing growing complexity in our environment, our business and our private lives?*
10. **Changing mindsets.** *How can we develop a tolerance for uncertainty and the capacity to think in scenario terms within our organisation?*

**What key questions are driving the agenda in your organisation today?**

## Latest Convention 2020 (C2020) and Future Convention Cities Initiative (FCCI) Presentations

We delivered a number of very well received sessions on the C2020 research programme and the FCCI at Imex Frankfurt from May 23rd - 26th 2011. You can download the presentation materials using the links below:

- Future Convention Cities Initiative (FCCI) - Imex Engines of Growth Seminar - 24 05 11 <http://slidesha.re/kMuag9>
- Overview of the Future Convention Cities Initiative (FCCI) - Imex Seminar - 25 05 11 <http://slidesha.re/k77vZR>
- FCCI and Convention 2020 Presentation to the IMEX Politician's Forum 25 05 11 <http://slidesha.re/mqXuxx>
- Convention 2020 - Global Business Trends and the Implications for the Meetings Industry - Imex 26 05 11 <http://slidesha.re/kJH0m6>
- Convention 2020 - ICCA Venue Sector Meeting - IMEX 23 05 11 <http://slidesha.re/k4gvJV>
- Convention 2020 - Meeting Innovation and the Technology Timeline - IMEX - May 23rd - 26th 2011 <http://slidesha.re/mkxPkJ>
- Convention 2020 - Emerging Industry Priorities - Imex - May 25th 2011 <http://slidesha.re/mpA1jw>
- Convention 2020 - Venue and Destination Innovation - Imex 25-26 05 11 <http://slidesha.re/kNnrQ3>

### YOU'RE AV-ING A LAUGH AREN'T YOU

*In a period of rapid global change, what electoral systems are most appropriate for mature democracies and those making the shift from single to multi-party models?*

On May 5th Britons went to the polls to vote in the long heralded referendum on voting reform as well as local council seats (excluding London). Perhaps unsurprisingly, 67.9% of those who took part in ballot voted NO[1]. From a futurist's perspective, the saddest thing about the campaign was the lack of long term thinking and the degree of fact free debate and scaremongering that both sides opted for. Perhaps this was safer and simpler than entering into a genuine and reasoned debate about what kind of electoral system we require in a rapidly changing world.

Call us naive or unrealistic, but at a time when countries across the Middle East and further afield are trying to establish working democracies, perhaps an informed debate in Britain about AV and it's variants might have helped inform the thinking of those struggling to align diverse agendas in strife torn societies.

Among the wild warnings over AV were the concerns that we'd see more coalitions and that minority parties would have more say. The implicit assumptions here being that a coalition is in itself a bad thing and that somehow the system should act as big brother making it difficult or impossible for the more extreme parties to get a voice in parliament.

Interestingly, Germany has only had one majority government in the last 56 years - so they have some experience of coalitions. In fact, German political parties often issue coalition statements before elections, so geared is their electoral system to the construction of coalitions. [2] In the 2009 election, for instance, the Christian Democratic Union, the Christian Social Union of Bavaria (CDU/CSU) won 33.8% of the vote and entered into a coalition with the Free Democratic Party (FDP), themselves earning 14.6% of votes.[3]



[Images 1 & 2] Two can play that game...or can they?

The negative British debate about coalitions largely ignored the fact that Germany does not seem to have suffered from compromise politics and may even have benefited from a consensual approach and the inherent moderating effect that brings. Apart from being the Eurozone's leading country banker, Germany weathered the last global financial crisis better than most and recovered faster. Germany also ranks 5th in the World Economic Forum's competitiveness tables behind only (in order) Switzerland, Sweden, Singapore and the USA. Germany also ranks 5th globally in terms of innovation - suggesting it is better placed than many to survive the inevitable turbulence of the next decade.[4]

According to the IMF Germany has only suffered 4 years of negative GDP growth in the last 30 years. This is an identical number to that of the UK [5] which had one of the world's most decisive democratic electoral systems prior to the 2010 general election that saw a coalition of Conservatives and Liberal Democrats come to power.

*How much does the historic strength of Germany's economy owe to the continuity of policy dictated by a string of coalition governments?*

*Will coalition governments become the norm in other mature and emerging democracies where the economic agenda dominates currently and there is limited real policy divergence between the main parties?*

## URBANISATION

*Where are the best new ideas and practical solutions coming from to tackle the challenges of urbanisation?*

The pace and scale of urbanisation looks set to become an increasingly important driver of the economic and political agenda. Urbanisation, particularly in developing economies, has a direct and substantive impact on issues such as economic performance, transport systems, infrastructure, the environment, resource consumption, allocation of federal funding, societal development and cohesion among many others.

Speakers at the 2011 Davos World Economic Forum (WEF), highlighted two issues in particular for emerging economies that are experiencing accelerated urbanisation. Dominic Barton, worldwide managing director of McKinsey & Co. noted that "There is a huge amount of pressure on wages. People moving into cities look for jobs. Demand for jobs in China is huge, something like 23-30m a year. Wage inflation is growing in China." Klaus Kleinfield, chief executive of Alcoa concentrated on the impact on the demand for resources: "With natural resources, when you see demand rising in relation to food for instance, it is driven by the build out of cities and economies and therefore it creates scarcity."

Higher fertility rates amongst the urban young and continued mass migration from rural areas to urban zones are expected to be the 'twin' dynamics that will drive the increase in the percentage of the world's population who'll live in cities or urban areas. Estimates suggest this will reach around 70% by 2050, up from 49% in 2009. [6]

This continued and rapid growth is likely to create a range of issues resulting from challenges to the infrastructure and 'carrying-capacity' of existing cities effecting services such as energy, education, health care, transportation, sanitation, water & food supply and physical security. Another key concern is that urban growth effectively crowds out the rest of the country - gaining a dominant share of resources and political attention.



[Images 3]

Further potentially detrimental outcomes or unchecked urbanisation are likely to involve huge urban 'sprawl', local environmental degradation and a shortage of employment opportunities leading to widespread poverty. The emergence of these shanty towns where regular employment is limited can also lead to a lack of political representation and ill defined legal rights for the most disenfranchised. Is our Grand Challenge to better understand - and support - the development of long term sustainable urbanisation policies across the world?[7]

Under the circumstances, three parallel grand challenges present themselves - i) improving conditions and opportunities in rural areas to prevent people moving away and to attract others back; ii) improving the employability of those currently in these urban bleak spots - drawing on accelerated learning and confidence building programmes that seem to be having success around the world- see next issue for more details; and iii) scaling up micro-finance, entrepreneurship and micro-business management programmes to enable those effectively off the radar to take greater control of their own destiny.

*What are the risks, opportunities and implications for your country if the current rate of urbanisation continues unchecked?*

*What are the best examples you have seen of projects and initiatives to tackle the urbanisation challenge?*

## FUTURE EVOLUTION

We'd like to alert you to this spellbinding [video](#) on 'directed evolution' from a recent TED conference. In it "Medical ethicist Harvey Fineberg shows us three paths forward for the ever-evolving human species: to stop evolving completely, to evolve naturally -- or to control the next steps of human evolution, using genetic modification, to make ourselves smarter, faster, better. Neo-evolution is within our grasp. What will we do with it?"



[Image 4]

## Rohit on the Road

I'm just back from a very enjoyable and highly intensive programme of presentations, innovation workshops and political / industry stakeholder briefings for our clients in Sydney, Melbourne and Adelaide. In the next few months I'll be delivering client speeches, workshops and stakeholder briefings on the world in 2015-2030, business complexity, strategic innovation, city development, the future of meetings, the future of aviation and

airports, tourism futures, develop[ping entrepreneurship, and the future for sectors such as media, packaging, retail, logistics, energy, insurance and infrastructure.

Please let me know, if you'd like to arrange a meeting, presentation or workshop on one of my forthcoming trips. I'll be speaking in London, Bristol, Copenhagen, Helsinki, Abu Dhabi, Brussels, Toronto, Slovakia, Lithuania, Leipzig, Florida and Las Vegas.

## About Fast future

Fast Future is a research and consulting firm that works with clients around the world to help them understand, anticipate and respond to the trends, forces and ideas that could shape the competitive landscape over the next 5-20 years. We draw on a range of proven foresight, strategy and creative processes to help clients develop deep insight into a changing world. These insights are used to help clients define innovative strategies and practical actions to implement them.

## Sources

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- [3] Germany: Government, 2010, globalEDGE, <http://globaledge.msu.edu/countries/germany/government/>, (17/05/2011)
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- [5] IMF Data and Statistics, IMF, <http://www.imf.org/external/pubs/ft/weo/2011/01/weodata/index.aspx> (17/05/2011)
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- [7] UN Habitat. [no date] World Urban Campaign. Website: <http://www.unhabitat.org/categories.asp?catid=634>

## Images

- [1] <http://www.badische-zeitung.de/bundesregierung-steht-steuerprogramm-kommt--21461159.html>
- [2] <http://www.metro.co.uk/news/825920-david-cameron-and-nick-clegg-make-deficit-priority>
- [3] <http://www.pimpartworks.com/artwork/randomsteveo/The-Urban-Landscape>
- [4] <http://www.watchmojo.com/tv/series/TEDTalks/>