



Working Papers – 2004

March 2004 **Babes in the Credit Woods**

Credit card usage by Gen Y and young consumers elsewhere around the world is rising at a rapid rate. Immediate gratification and a redefinition of luxury are spurring excess spending, causing problems in China, India and Latin America. Role models for responsible use of credit do not necessarily exist in those societies where newfound wealth and middle-class aspirations are emerging. Increased spending and reliance on credit tend to go hand-in-hand with decreased saving. While businesses and governments look with favor on increased spending to boost economies, there is a limit to how much debt should be carried. For example, subprime borrowers who continue to borrow cash on their overvalued homes may ultimately face foreclosure – which will benefit neither the borrower nor the lending bank.

March 2004 **Thearchy**

The fundamental struggle over governance in the western world in the last 200 years has been between rule by man and rule by law. We are increasingly seeing another element introduced into this conflict, and that is rule by God. Clearly there is the impetus coming from outside the West fueled by Muslim terrorism. But there are other factors as well, such as developments in science and technology that threaten to introduce human power over life and death, a search for morality, the need for anchors in a time of rapid change, and concern over what is seen as an overly secular, liberal domination of the international political and legal arenas. There is a growing interest in Voodoo, which is attributed to the search for a more direct and stronger involvement with the sacred. In Russia, there is an increasing link between intense religious devotion and fervent nationalism. All over, the internet is used more by anarchists whose stated objective is the destruction of lay governing institutions. Africa will become a battleground in which Muslim and Christian extremists will fight ferociously for the right to impose their own versions of thearchy.

June 2004 **The Space Imperative**

Space exploration appears to be heating up everywhere around the world. Space agencies in China, Japan, India and Europe, along with NASA in the U.S., are all planning missions to the moon. The discovery of large hydrogen deposits in the South Pole region of the moon changes the perception of that celestial body from one of scientific interest to one of strategic value. Pressures on natural resources like oil, water and arable land are spurring the search into space, including using Mars for terrafarming. Space may eventually offer resources for use in the rapidly developing field of industrial biotechnology, as microbiologists search in unexplored environments

for new genes with potential use in the artificial production of proteins. Space is also being looked to for answers or help in the areas of climate change, tourism, transportation, communication, health care, new materials and storage.

June 2004 **The New Social Unit: The Evolving Family vs. The Approaching Singularity**

Throughout human history, the basic social unit has been the family, and beyond that, the tribe. In Western societies, sociologists have seen the rise of the individual. The family has gone through many transitions in modern times, and today a household can be anything its members accept it as. From pets to yoga classmates to members of online communities to household robots, loving relationships extend outward or inward in wholly new ways. Now, well beyond the computing world and devices we have lately come to know, there is the ongoing development of scientific replacement for human organisms – natural or synthetic production of brain power, emotions, sensory perception, human likeness and human behavior. The *Singularity* is the term scientists now use to describe the point at which ultra intelligent beings, created initially by humans, challenge human supremacy, but are so programmed with human rules, ethics, responses and emotions that they begin to be the inheritors of the trajectory of human evolution. As younger people find themselves inextricably attached to various forms of technology, their world will be completely reshaped by the emerging cyberculture. Their different notions of family and self will profoundly influence all products, services, employing organizations and communities in the 21st century.

June 2004 **“Your Cheating Art”**

Cheating at school, cheating at work, cheating in marriages and relationships – these manifestations of dishonesty and immorality have always been a part of the human condition. Traditionally, in most societies, these forms of cheating have been criticized, condemned and, where feasible, punished. But there are signs of a new morality, one which sees cheating as not only acceptable but necessary. Indeed, as competition – for places at good schools, for jobs, for market share, for suitable mates – intensifies, willingness to resort to cheating seems to grow. A pervasive “hyperindividualism” and a strong focus on individual happiness are resulting in abandonment of a sense of common purpose. Technology is increasingly a factor both as an enabler and a revealer. This may lead to a form of organizational and societal *entropy*, where more and more energy has to be devoted to preventing and protecting against cheating and an erosion of trust.

June 2004 **Denaissance**

The term Renaissance refers to the transitional time in Europe 500 years ago, when optimism spurred artistic and scientific innovation following the Dark Ages. We will see a reversal of that in the coming few years, as pervasive fears dominate. We will be confronted by a combination of costs that will turn our attention to problem solving rather than advancement. These include the costs of terrorism, conflict, climate-related dislocations, global aging populations, health care, software vulnerability and economic protectionism.

September 2004 **Hurry-Up Retail**

Just-in-time manufacturing and inventory systems have been a tremendous boon to retail, and now retail itself is becoming just-in-time. Recent examples include simulated prototypes, "pop up" stores that last for a week, the piggybacking on hot ideas (e.g., the spin-offs from the "DaVinci Code" or political elections), websites for the co-creation of product and advertising, using trendsetters to seed quick, new markets, syndication feeds over the internet and virtual stores. In this environment, consumers tend to over-purchase, leading to the growth of the personal storage business, and product glitches are assumed. Customer service will have to speed up to match expectations in a hurry-up environment.

December 2004 **Energy and Strategy**

This paper is an update on the many issues facing the energy future, from environmental concerns and the growth of demand in China and India, to new technologies on the horizon. Mexican construction giant Comex is successfully using alternative fuels, such as industrial waste, the Iceland Deep Drilling Project is getting energy from molten rock, cellulosic ethanol derives from sweetgrass and burns cleanly and cheaply, a miniature jet engine might serve as a home generator, advanced thermoelectric materials could significantly increase efficiency using waste heat, "smart" clothing could adapt to temperature changes and reduce the need for heating and cooling in buildings, and nanotech is looked to for its many possibilities.

December 2004 **Grassroots Groupthink**

Groupthink was originally identified in 1972 by Irving Janus as it related to group dynamics. Taken from George Orwell's concepts in *Nineteen Eighty-Four* ("newspeak" and "doublethink"), the concept reflected a prevailing point of view imposed from above (the majority, the ruling party, the central government.) Now it is becoming the perspective arising from individuals, on a grassroots level, that is eventually absorbed and accepted by the larger group. Marketers can

no longer control or dictate what will succeed in the marketplace. People can now create their own products, push or downplay what they choose, independently produce music, books, movies or scientific research, and create predictive markets. Crowd sourcing will increasingly expand, and the public will find new and creative ways to tap into their interests and inclinations. Public judgment can be suspect, but it will hold sway over expertise in larger measure in the 21st century.