

FUTURISM

The Future is Not



PETER TWIGG DOESN'T HAVE A CRYSTAL BALL BUT HE THINKS HE KNOWS A GREAT DEAL ABOUT THINGS TO COME. By John Vickers,
Photograph by Jo Michaelides

What it used to Be

A lot of human endeavour and



hen, as a teenager, Peter Twigg read Alvin Toffler's 1970 bestseller *Future Shock*, it was a defining moment. The

idea that rapid technological and social changes were leaving people disconnected and suffering from "shattering stress and disorientation" or "future shocked" had such a profound effect on him that today he calls himself a futurist and devotes a great deal of time and effort to examining some of the same issues that Toffler looked at more than 40 years ago.

"I was in awe of the potential to predict the future," he recalled during a visit to Cyprus in October during which he gave a presentation hosted by the Cyprus Chamber of Commerce & Industry on "Understanding the Present, Predicting the Future – Knowing Where We Are Going". In fact, he admits that he is not sure that anyone – himself included – can predict the future: "You can't say with 100% certainty that this or that is going to happen but you can assign varying degrees of probability to potential events in the future and that's part of what futurism is about – It's an art or a science that is coming of age at the moment, Large companies, including Shell, British Telecom and many others, are beginning to see the worth of employing futurists to help with their strategic vision, to watch out for the unexpected 'black swan' events that happen in life, and to assess threats and risks to their businesses."

Between reading Alvin Toffler's life-changing book and lecturing in Cyprus, Twigg has been active in various areas. In the 1980s he was a financial markets trader

in Australia and it was during this time that he came to understand the nature of financial markets and how they operate. "That laid a framework for me to be able to analyse and determine where things are going" he says. More recently he "felt an impulse" to see what he could do with the futurism concept which, "is very much an experiment on my part. I'm still defining my business model and finding out my own limitations in this whole process".

Some 20 months ago he launched the website Emerging Events.com which states that it is "dedicated to helping people make sense of the present, understand the past and plan for the future. Through pattern based modelling and systematic analysis of world events we help you understand the risks and opportunities that the future holds." Twigg says that "I'm putting my predictions out there for people to see and I guess I'll stand or fall by them" adding that since his focus is on the macro-picture of economics and politics, his main predictions so far have not been proved wrong since they have yet to happen.

Rightly or wrongly, futurism is dismissed by many people as being in the same category as astrology and the like. How does Peter Twigg defend or define it?

"A lot of human activity is repetitive in nature so having a perspective of history, being able to see the consequences of actions by using public choice theory, game theory and other economic tools, you can start extrapolating consequences. And you see that a lot of human endeavour and human activity is purely mechanistic. My role as futurist is to point out that, for example, the consequences of us going into a prolonged major economic crisis might be a war and that we need to do something to circumvent those events. This has to be a good thing".

Regarding the present global financial crisis and all its varied local effects, Peter Twigg

and his fellow futurists must surely have seen it coming?

"I was late getting onto the bandwagon," he admitted, "but basically what happened was a steady consequence of events that just snowballed and became very predictable. In October 2007 I saw what was happening in the stock market and by the end of November I was positioning myself because I knew that something was afoot. Then everything started to slowly cascade down. What happened with Lehman Brothers moment was one of those classic moments that is going to be repeated sometime in late 2013 or early 2014. This crisis is definitely not over".

Twigg is very much a believer in the idea that history repeats itself. In fact he sees the current economic situation in the industrialised world as the completion of a cycle that has been going for the past 225 years and peaked in 2000. Between now and when the cycle completes and makes way for a new one, he foresees "a lot of suffering". He also agrees with those who say technology may change but human nature never will. "There is this animal part of our nature that still seeks to express itself through violence. And while technology is advancing, the things that drive markets are still fear and greed; these are still the underlying forces that cause people to invest or liquidate their investments or panic. It's fascinating".

One of his favourite words when he talks about all this is the ancient Greek word hubris (an excess of ambition, pride, etc, ultimately causing the transgressor's ruin) which he sees as common in today's politicians as it was in the people with whom Plato and his peers were familiar.

So what makes a futurist focusing on the economy different from an economist?

"In the next 20 years they'll be hanging the economists along with the financial planners and may politicians too!" is Twigg's joking answer. His more serious response

FIVE PREDICTIONS

1. **SPACE:** In 200-300 years there will be

groups of people choosing to live in space, either on space stations or on planets. Governments will start this for military purposes first.

2. **MEDICINE:** In the next 10 years we'll see lots of improvements in medical techniques while cures for various cancers and diseases such

as Alzheimer's will come through.

3. **RFID CHIPS:** Our children's children will probably be the first

generation to have little RFID (Radio Frequency Identification) chips implanted in the back of their hands which will contain their social

human activity is purely mechanistic



This crisis is definitely not over

PETER TWIGG is the CEO of the UK-based company Emerging Events. The company uses scientific based prediction services for navigating the future. Through pattern-based modelling and systematic analysis of world events, it helps individuals, corporate and government clients internationally to understand the risks and opportunities that the future holds, providing predictions and advice that are independent, robust and relevant. The company's advice rests on non-linear approaches to economic and social forecasting. For more information: www.emergingevents.com

is to say that “Many of the economists’ assumptions are totally wrong. I’m talking in particular about Keynesian economics which, in my opinion, didn’t work in the 1930s during the great depression, didn’t work in the 1970s when we suddenly found ourselves in a high inflation, high unemployment, low growth environment, and didn’t work recently either. I’m a great admirer of Frederick Hayek and a great believer in his work. He basically said that things have to be determined by the free market rather than by governments who think that they know best”.

So, is he optimistic? “For humanity, I’m extremely optimistic. When I look at the flow of information coming across my desk I do get depressed every now and then because I don’t see any short-term situation that’s going to save our bacon. We are in for difficult times and yet beyond

those difficult times I am optimistic,” is his answer. His optimism stems from issues such as robot technology, the present generation’s command of computers and cures for major illnesses. “Our capacity to invent new things and come up with new solutions is extraordinary,” he says.

There are, of course, others who are extremely pessimistic about the future of humanity, even at the basic level of being

able to feed the world’s population. Twigg acknowledges the problems:

“There is no doubt about that there have to be improvements in agricultural and food production techniques if we are to sustain such a population but I believe that we will find a way. It’s an absolute tragedy that there are food shortages in some parts of the world and we have to look very carefully at why this is happening. My criticism is of the way governments interfere in the whole process of allocation of resources for political purposes. I believe that by the end of this century the whole concept of the nation state as we know it at the moment will have been seriously eroded. Maybe we will move to a one-world nation and a lot of institutions are in place for that to happen or maybe we’ll see the division of nation states into much smaller entities or structures.

Does Peter Twigg envision a United States of Europe? “Well, that’s the plan on the table isn’t it?” he says with a smile, adding that “It’s a question of timing. There is a huge clash between politics and economic reality and the framework for long-term economic prosperity for the world is extremely limited at the moment. The politicians and the bureaucrats need to realise that their attempts to control everything are just hubris. They haven’t changed since ancient times.”

On the specific circumstances affecting many of the world’s economies today, Twigg believes that by the end of this year we will know which way things are going: “There are two possible short-term economic scenarios: We will either go into an inflationary spike led by the United States, followed by a crunch, or we’ll go straight into a deflationary spiral caused by China or the banking situation. My reading of the markets would seem to indicate that we’ll be entering a deflationary spiral. In August the Chairman of the Federal Reserve fixed his mortgage so maybe that’s a clue!” **G**

security information, medical history, bank details, etc. They will swipe the back of their hand on a scanner to pay for things.

4. SOCIETY: The baby boom generation is moving towards retirement and this will have serious consequences as they move to smaller homes and

need more nursing care. Investments will have to be liquidated to create income streams for retirement. Many will die in poverty or from depression after seeing see

a lot of their wealth eroded. They will demand and obtain euthanasia.

5. ROBOTS: Robot technology is making

remarkable progress and soon robots will be doing a lot of the manual labour that is currently done by people in factories, businesses and homes.