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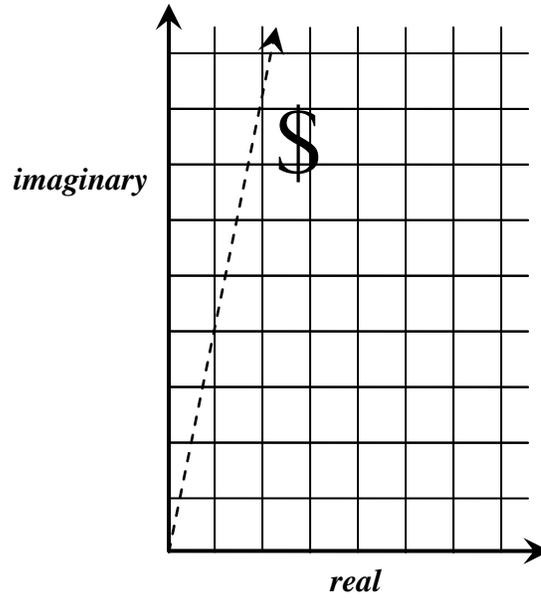
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The Think Tank

The topic: The “economy after next” – exploring today’s hidden assumptions.

Characterize the world economy or your regional economy in 2015. Consider the following questions:

1. **Positive feedback loops:** Perturbations such as inflation or deflation, high unemployment, or (in some cases) stock market selloffs, tend to feed on themselves. Will such positive feedback loops continue to characterize the economy in your part of the world? If not, what damping mechanisms will emerge or grow stronger?
2. **Interdependencies and their impact:** As recent events have demonstrated, decisions and actions can lead to pervasive ripple effects that impact many people, sometimes far beyond a single geographic region. Examples have included downsizing decisions, home foreclosures, and activities that affect the environment. In some cases, the ripple effects come “full circle” to adversely impact those who initiated the precipitating actions. (For example, when several companies downsize, the impact to consumer purchasing power often reduces demand for products and services in a vicious circle sense.) Will recognition of these interdependencies change the nature of the market between now and 2015, and if so, in what ways?
3. **Utility functions:** Present utility functions do not always account for long-term costs of investment decisions – for example, to economic robustness, the environment, public safety, or education. Likewise, they tend not to capture other hidden costs such as the increased healthcare costs that result from overwork and stress. Will the prevailing utility functions continue to characterize the next several years? If not, in what ways will new utility functions (or alternatives) differ from the present ones?
4. **Saving and consumption:** Some present-day economies promote saving while others promote consumer spending, which in some cases is based on perpetual creation and satiation of discontent. To what extent will tomorrow’s economy promote saving? Consumer spending? Longer or shorter investment time horizons?
5. **Imaginary money vs. real money:** In 2015, what percentage of money or wealth will be “imaginary” (paper wealth, including wealth based on speculative investment) vs. “real” wealth?



Share your thoughts! If you would like for your thoughts to be considered for publication as commentary, send them to forum@futuretakes.org. Also see "Weak Signals" column, this issue.