

ECONOMY GROWTH SPURT

Archive 2002 - but very relevant to 2008/2009 market crash following the sub-prime crisis and credit crunch.

Many industries will soon be sharp, lean and fit, with fewer competitive worries, looser labour market, and major new business opportunities - after the recent clear-out of weak companies, poor projects and inefficient teams. Coupled with a period when consumers have quietly repaid debt, new borrowing costs have remained low, and government expenditure has risen, corporate life will look more solid than for almost two years by early 2003. Managers need to get ready for sharp increases in growth with catch-up in new investment, especially in digital technology and telecom. Companies will need to innovate and respond to market changes even faster, using scenario planning to develop strategies ahead of unknown events, in order to survive further continuous rapid change. But this will be no ordinary recovery. Our world is changing far too profoundly for that.

GLOBALISATION v TRIBALISM

The Struggle Continues: The rest of this decade will be dominated by two finely balanced but opposing forces, globalisation and tribalism. Each is a reaction to the other and the greatest challenge for peaceful trade and co-existence in the early third millennium will be to hold the two in creative tension together. The digital economy created the global village and globalisation the rules for trading within it, but neither gave guidance on how to make 6 billion people comfortable together when shoe-horned into that cramped, virtual space. The culture conflicts have been shocking - TV images of Afghan women in Burkas appearing in New York topless bars, or explicit European sex scenes beamed into primitive Istanbul dwellings, and watched unexpectedly by young Muslim children. Corporations should expect the War Against Terror to result in an accelerated drive towards global governance and co-operation, and a new language for sensitive global citizenship and corporate responsibility, in a bid to reduce global tensions and undermine support for violent protest.

DIGITAL TECHNOLOGY - THE NEXT WAVE

Forget the "net" - a last-century idea of connected computers - and embrace the next wave: everything talking to everything, everywhere, all the time, mostly wireless but including brain to chip and the other way round. Dot com hype and bust cannot ignore the continued exponential

rise in global consumer use of digital technology to choose products, and buy. Next generation "killer" applications will be Person to Person - as with e-mail and SMS. The future is relationships and belonging. That's why mobile video-links will be every teenager's must-have as soon as price and quality are right. For business the greatest management techno-challenge will be to make top to bottom single-click business work, where thousands of links in a chain are activated the moment a new order is placed, saving costs, delivering better solutions faster. The greatest people-challenge for larger corporations will be using new technology to develop radically different global management methods, with fewer hours on planes and far greater efficiency.

BIOTECH PROMISE AND PROBLEMS

Genetics will drive many spectacular breakthroughs in medical treatment, as well as in manufacturing and food production, while posing the greatest moral dilemmas the human race has ever faced. Digital technology changes what we do - biotech changes who we are. Bizarre and sometimes highly dangerous gene experiments by eccentric scientists will result in global unease, protests and in some places, rejection of biotech altogether. Likewise, abuse of [genetics](#) by wealthy people looking for super-babies and clones will overshadow remarkable much-needed new treatments for illnesses such as diabetes, cancer, heart disease and stroke. GM crops will promise huge gains in food production for the poorest nations, while provoking environmental protests at the same time.

LEADING THE NEW VALUES REVOLUTION

Linked to all this, fundamental attitude changes are about to sweep through society, more powerful than internet, biotech and globalisation combined. Accelerated dramatically by recent events, chaos and uncertainty, with huge future impact on all [leadership](#) in business and personal life. A century of science, medicine and technology did improve our lives yet left us time-hungry, seeking greater work-life balance and meaning. Deep issues remained untouched in our families and neighbourhoods and in our global village. This profound value shift will affect what people want from a job and what they will tolerate, the products they buy, the choices they make, and business they approve of. Work place motivation is already totally changing. Huge numbers of calibre executives are opting out of high-pressure jobs to "get a life". This is just a symptom of the underlying rethink about what the future may bring and what is important in life. Companies will rise and fall on single issues and media reports. Great companies means having great values. Expect huge investment in this area, as companies seek to take the moral high ground, going even further than their consumers and markets currently demand.

The greatest value-challenge for every leader and every corporation will be demonstrating real commitment to building a better world - for everyone, whether for consumer, worker or client, their families, community, nation or the greater humanity. "Building a Better World" is the ultimate slogan and mission statement. It's also the heart of every successful leader's message

throughout history. You'll attract the best people, form highly motivated teams, sell the strongest brands with greatest purpose and highest values, promising all a better future.