

Which World? Scenarios for the 21st Century

by Allen Hammond

OVERVIEW

The world is already so strongly interlinked that no country stands alone; can't separate any region's future from that of others.

The world will depend more and more on the oil reserves of the Middle East and tensions there – between Israel and its Arab neighbors, between autocratic rulers and the rising forces of radical Islam – seem on the rise, putting global energy supplies at risk.

China, which plans to fuel its rapid industrialization with its huge reserves of coal, has become the largest source of greenhouse gases.

Several positive long-term trends ... for example:

- the rising efficiency of industrial processes and the changing structures of industrial economies are reducing pollution
- declining birthrates and dramatically rising contraceptive use in virtually all developing countries

Several negative long-term trends ... for example:

- nearly 1/3 of the people in Sub-Sahara Africa don't get enough to eat and the number is growing
- urban populations are skyrocketing in developing countries faster than they can build decent housing or expand water systems
- violence is on the increase – kidnapping, drug violence, religious conflict, domestic terrorism, armed banditry, increasingly violent organized crime, piracy

CRITICAL TRENDS

A number of conditions and processes now underway act as basic drivers of change.

While current trends are not inevitably persistent, they certainly influence the initial direction of economic, social and environmental change and may strongly influence even the long-term future.

population growth	economic growth
technological change	decentralization of authority
equity trends	resource depletion
pollution and global environmental change	

Which trends will prevail? Which scenarios will unfold?

If current trends persist:

- wealth and opportunities will increase for some, maybe even for many
- world likely to become far darker place for most, maybe even wealthy
- new solutions to problems but likely not in place soon enough to stop global environmental degradation
- unprecedented global civilization bound together by internet and technology
- human tragedy on scale never before imagined

REGIONAL ANALYSES

A fundamental flaw in many studies of the future is that they look only at global patterns, treating the world as a homogenous unit even though regional cultural differences are powerful constraints on what the critical problems are, how we perceive those problems and how we must seek solutions.

Africa

- continent relatively uncrowded with lower population density than US
 - more minerals, fertile land and water per person than either China or India
 - will be true even when present population has doubled and is roughly the same size as China's
 - once past the effects of colonialism (which ended just a generation ago) it may emerge as a continent of promise, a full participant in the global market
- PROSPECTS COULD BE GOOD

China

- media reports make China's future as an economic superpower and a global political force seem assured
 - more than once in its history China has been convulsed by civil war and fragmented into several nations
 - fragmentation could happen again with aging leadership, ever weaker central government and divergent regional interests
 - unprecedented rural-to-urban migration
 - may be difficult to maintain social stability
 - if China falls, how will that affect the rest of the world
- PROSPECTS UNCERTAIN

Latin America

- region poised for economic growth
 - most governments are democratic
 - widespread consensus for economic reform
 - natural resources are richer relative to population than are those of any other region
 - industrial output larger than that of China
 - has the most concentrated ownership of land of any region
 - has most disparate incomes of any region
 - city streets filled with homeless children
 - cocaine trade corruption
 - spread of violence – guerrillas, criminal groups, rural land disputes, slum gangs, death squads
 - social tension
 - failure to share benefits of growth more broadly
 - potential for instability and economic stagnation
- PROSPECTS UNCERTAIN

India

- poised for economic growth
 - vibrant democracy
 - well-educated middle class
 - limited economic reform
 - no social reform as of yet
 - most of its people live in poverty even more desperate than Africa's – whether measured by income, illiteracy or lack of access to basic needs
 - population likely to surpass that of China
 - increasing conflict based on religion and caste
- PROSPECTS UNCERTAIN

North Africa and Middle East

- oil-rich region
- face severe water crisis with rapidly increasing populations - by 2025 the regional demand for water will be 4 X the supply
- lack of social and political reform an even more severe crisis
- social pressures building
- revolutionary upheavals increasingly likely
- fundamentalist Islamic groups only available alternative to authoritarian governments
- fundamentalist groups unlikely to bring about social and political changes needed to stabilize populations and modernize economies
- continued instability and conflict likely result
- instability and conflict likely to have major impact on a world increasingly dependent on the region's oil

PROSPECTS UNCERTAIN

North America, Europe and Japan

- world's current dominant economic powers
- two possibilities - (1) use enormous economic and social advantages and command of capital and technology to lead world toward more hopeful path or (2) give in to reactionary social and political tendencies already evident in all 3 regions and chart a narrow, inward-focused future

PROSPECTS UNCERTAIN

PREDICTING THE FUTURE

The unexpected can occur.

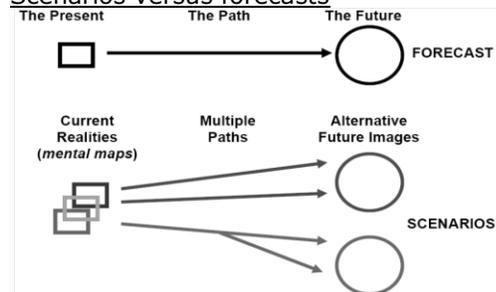
Many important phenomena are so volatile that no long-term projection is possible ... such phenomena are inherently difficult to forecast yet can lead to profound alterations (fall of Soviet Union).

Even in a country where trends in birthrates, economic output and environmental degradation look dismal, a new political consensus can suddenly rise bringing a radical change in that country's prospects.

If changes in social attitudes or shifts in behavior are fundamental drivers of the future, how can we take them into account or explore the changes in policy that might flow from them?

USING SCENARIOS

Scenarios versus forecasts



- scenarios* -
- precisely constructed stories that describe alternative futures or contrasting paths
 - help us conceive of new possibilities, different alternatives
 - help us integrate many different factors into our thinking about the future
 - a means to explore some of the critical choices that could influence the future

To be useful, a scenario must jar us out of our familiar assumptions and challenge us to think about how the world might be different.

Ideally, scenarios would be:

- *global* with regional and sub-regional breakdowns
- *comprehensive* ... integrating major environmental, social & economic issues
- *analytically sound* with regard to the use of data & scientific theory
- *diverse* ... representing a range of future visions, values & world views

Hammond labels his three scenarios Market World (continuation of current patterns), Fortress World & Transformed World.

Market World

- current patterns continue
- assumes continued expansion & globalization without major surprises or changes in direction
- economic reform and technological innovation fuel rapid economic growth
- developing regions are integrated into the global economy creating a powerful global market and bringing modern techniques and products to virtually all countries
- result is wide-spread prosperity, peace and stability
- vision of a world where development is gradual and steady
- population grows at mid-range projections
- aggregate economic output expands indefinitely
- consumption and production practices in developing and transitional regions converge toward those of industrialized countries, even as the latter become much richer
- world becomes progressively more integrated both economically and culturally
- future based on the belief that market forces and new technology, once unleashed, are sufficient to bring rising prosperity and a brighter future to all

Fortress World

- reflects fundamental but undesirable social change
- failure of market-led growth to redress social wrongs and prevent environmental disasters
- national governments gradually lose relevance & power compared to international corporations & global market forces
- foreign aid – wildly unpopular in rich countries – dries up
- foreign assistance is reduced drastically and increasingly earmarked for disaster relief and peacekeeping operations, not genuine development
- absolute poverty increases and the gap between rich and poor - both within and between countries - continues to grow
- resentment of poor people rises - increased exposure to global media & tourism in underdeveloped regions accentuates the immense differences in life styles between rich & poor
- growing conviction that the poor have been cheated out of development, that their options have been pre-empted by the wealthy
- growing awareness among intellectuals in developing countries that high consumption life styles will not be available to all
- new social actor emerges - educated, downwardly mobile and angry
- rapid population growth in the poorer regions - a huge international youth culture emerges for whom most products are unattainable
- collision between increasing expectations and decreasing access
- tensions induce waves of legal and illegal migration to rich countries and to areas of prosperity within poor countries as the young and mobile seek a better life
- large portions of humanity left out of the prosperity that markets bring

- failures eventually destroy the resources and social framework on which markets and economic growth depend
- more and more resources diverted to maintain security and stability
- leads to spreading economic stagnation
- where conflict dominates, economic fragmentation spreads or the social order breaks down
- economic expansion brings rapidly worsening pollution to much of industrializing Asia and Latin America
- deteriorating health conditions
- governments in most newly industrialized countries do little to rein in pollution due to lack of money, political will and the technical ability to enforce environmental laws
- one by one, major marine fisheries collapse due to sustained overfishing ... loss of jobs and loss of primary source of protein for almost one billion people ... fish become a luxury item
- deepening rural poverty accelerates soil degradation and deforestation
- forests disappear ... wood is scarce & valuable so millions have no fuel even for food preparation
- drought cycles more intense and more frequent
- severe flooding devastates large farmland and coastal areas
- millions of Indians march on New Delhi demanding help
- protestors bring Mexico City to a standstill
- emerging problems overwhelm the coping capacity of both markets and policy reforms
- social, economic and moral underpinnings of civilization deteriorate
- deepening socio-economic inequity and reduced access to natural resources
- small-scale armed conflicts and violence become common, driven by a wide variety of causes - ethnic or religious differences, ideologically-based terrorism, struggles over natural resources, competing nationalisms and commercial wars between economic groups (both legal and illegal, such as drug dealers)
- civil order breaks down in many areas
- poisonous intolerance descends
- incessant conflict, chaos and uncertainty fosters pervasive fear and hopelessness
- economic development ceases and technological progress stagnates (except for better security for the privileged)
- grimmer future in which uneven economic growth creates islands of prosperity surrounded by oceans of poverty and despair
- future of growing environmental degradation, conflict, violence and social chaos

Transformed World

- fundamental and desirable social change
- society that preserves natural systems, provides high levels of welfare through material sufficiency and equitable distribution, and enjoys a strong sense of social solidarity
- population is stabilized at moderate levels
- material flows through the economy are radically reduced through lower consumerism and massive use of green technologies
- "growth with equity" becomes the prevailing philosophy of development strategies
- flow of investment toward poorest communities accelerates
- population growth slows as access to education & effective family planning programs expands
- greater equity in distribution of wealth between and within countries promotes social cohesion and a peaceful global system
- efficiency of energy, water and resource use rapidly increases
- accelerating transition to renewable energy, ecological agricultural and eco-efficient industrial systems
- new globalism offers unprecedented opportunity for proactive, cooperative global engagement
- free trade institutions expand, global governance for economy is strengthened and international assistance supports a new generation of business and political leaders
- search begins for a more inclusive, democratic and secure form of development
- world-wide coalition, which began in the fight against global terrorism, extends its mandate to include multilateral action on the environment, arms reduction, international justice and poverty reduction

- goals of international security and sustainable development become intertwined
- media responds and amplifies mounting environmental and social concerns
- NGOs acting through international networks expand their influence
- internet fuels global demand for action
- global consensus emerges on urgent need for policies to secure environmental resilience and to sharply reduce poverty
- gradually, global environmental degradation moderates and extreme poverty declines
- future in which fundamental social & political changes offer hope of fulfilling human aspirations
- scenario's plausibility rests on sufficient political will

SUMMARY OF HAMMOND'S THREE SCENARIOS

Scenario	Theorists	World View	Mindset
Market World	Smith Keynes Brundtland	market optimism invisible hand of the marketplace policy stewardship	Don't worry, be happy! growth environment equity through better technology & management
Fortress World	Malthus Hobbes	existential gloom population / resource catastrophe social chaos nasty nature of man	The end is coming! order through strong leaders
Transformed World	Morris social utopians Gandhi Mill	pastoral romance human goodness evil of industrialism sustainability as progressive global social evolution	Small is beautiful. human solidarity new values the art of living

REGIONAL ANALYSES

1. Latin America (including the Caribbean)
2. China and Southeast Asia (including East Asia except for Japan, and including Oceania, except for Australia and New Zealand)
3. India (including South Asia)
4. Sub-Saharan Africa
5. North Africa and the Middle East (Southwest Asia)
6. Russia and Eastern Europe (including Central Asia)
7. North America, Europe and Japan (including Australia and New Zealand)