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1 – WORLD POLL OF WELL-BEING (GALLUP)

In the largest ongoing social research project in history, The Gallup Organization is attempting to measure the self-stated well-being of the world's citizens for the next 100 years. Continually polling a sample representing 95% of the Earth's adult population, the Gallup World Poll will pose the same core questions to residents of more than 130 countries repeatedly over time.

Areas of inquiry are divided into 16 categories, resulting in indexes of "the world path:"

- National Leadership (confidence in key institutions)
- Law and Order (security)
- Food and Shelter (basic needs)
- Work (personal engagement)
- Economics (standard of living)
- Health (freedom from infirmity)
- Well-Being (quality of life)
- Engaged Citizens (satisfaction)
- Environment (air and water quality)
- Youth Development (educational system)
- Community Quality of Life (communal concerns)
- Religiosity (importance of religion)
- Entrepreneurship (desire and ability for self-employment)
- Corruption (in business and government)
- Tolerance (openness to diversity)
- Communications (availability of technology)

2 – STATE OF THE FUTURE (UN)

People around the world are living longer, healthier lives, and becoming wealthier, better educated, more peaceful and increasingly connected. So concludes a new United Nations report, "State of the Future."

Results of the first survey were just released. Some sample questions and results (percentages answering in the affirmative):

Law and Order: Do you trust your local police?
Canada, 84; Mexico, 61; USA, 80; World average, 70.

Food and Shelter: Do you always have enough money to feed and house your family?
Canada, 97; Mexico, 83; USA, 93; World average, 75.

Health: Are you satisfied with your personal health?
Canada, 80; Mexico, 78; USA, 75; World average, 76.

Well-being: Where you treated with respect yesterday?
Canada, 78; Mexico, 70; USA, 76; World average, 61.

Generally the US fares well, although Scandinavians, Canadians, the Irish and New Zealanders came out marginally higher. The survey doesn't rank countries because measures of personal well-being are subjective. For example, 84% of Americans affirm that their job gives them a chance to do what they do best every day, *an amazingly high figure for a society which defines itself by work*. Nearly as high percentages of Americans said that in the previous 24 hours they had *learned or done something interesting*, and had *smiled or laughed a lot*. Those things are important to Americans, and few countries match these levels of self-reported well-being.

According to WHO, the world's average life expectancy is increasing from 48 years for those born in 1955 to 73 years for those who will be born in 2025. Global population trends are changing from high mortality and high fertility

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to low mortality and low fertility. Population may increase by another 2.8 billion by 2050 before it begins to fall, according to the UN's lower forecast, after which it could be 5.5 billion by 2100 – which is 1 billion fewer people than are alive today. According to UNESCO, in 1970 about 37% of all people over the age of 15 were illiterate. That has fallen to less than 18% today. Between 1999 and 2004 the number of children without primary education fell by around 21 million to 77 million.

To what do we owe these improvements in health, wealth, education, peace and technology? Free markets and free trade, according to the UN. World trade grew 15% in 2006, and more of world's people, nations and regions are participat-

ing in global markets and the exchange of goods, services, investments and information.

The “State of the Future” report also lists 15 “Global Challenges.” These include CO2 emissions/global warming, HIV, income disparities, water issues, transnational organized crime, terrorism, slavery, corruption, unemployment and voting participation. The report calls for “trans-institutional management” to deal with these challenges. We find it ironic and somewhat sad that the producers of this report did not consider the possibility that the way to ameliorate these problems might indeed be an application of the same factors that produced the beneficial trends they document in the first place: free markets and free trade.

3 – AMERICA'S ELEGANT DECLINE (KAPLAN)

Beware pendulum swings, writes Robert Kaplan in *The Atlantic Monthly*. History suggests that the wars in Iraq and Afghanistan will be imperfect guideposts to conflicts ahead.

Are we prepared to fight future wars? Our Army and Marine Corps together constitute the most battle-hardened regular land force in the world. But it has been a long time since our Navy has truly fought another navy, or our Air Force another air force. In the future they could be tested to the same extent that the Army and Marine Corps have been. The current catchphrase is “boots on the ground;” in the future it could be “hulls in the water.”

A great navy is like oxygen, explains Kaplan: You notice it only when it is gone. But the strength of a nation's sea presence, more than any other indicator, has throughout history often been the best barometer of that nation's power and prospects. In our day, carrier strike groups, floating in international waters only a few miles off enemy territory, require no visas or exit strategies. Despite the quagmire of Iraq, we remain the greatest outside power in the Middle East because of our ability to

project destructive fire from warships in the Indian Ocean and its tributary waters such as the Persian Gulf. Our sea power allows us to lose a limited war on land without catastrophic consequences. The Navy, together with the Air Force, constitutes our insurance policy. The Navy also plays a crucial role as the bus driver for most of the Army's equipment, whenever the Army deploys overseas. Army units can't forward-deploy anywhere in significant numbers without a national debate. Not so the Navy.

In an age when 90% of global commerce travels by sea, and 95% of our imports and exports from outside North America do the same (even as that trade volume is set to double by 2020), and when 75% of the world's population is clustered within 200 miles of the sea, the relative decline of our Navy is a big, dangerous fact to which our elites appear blind.

Today, the United States devotes 4.38% of its annual gross domestic product to defense. Before the Iraq War, it was 3.5%. Although two dozen or so countries spend more on defense than we do relative to GDP, we still spend more in absolute terms

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than much of the rest of the world combined. But if we are to maintain our current relative military advantage, we will have to spend at even higher rates. To maintain our naval primacy, we may need to devote close to 5% of GDP (assuming a growing economy) to defense. Yet it's unclear whether the American public will abide that.

During the Cold War, our 600-ship Navy needed to be in only three places in force – the Atlantic and Pacific flanks of the Soviet Union, and the Mediterranean. Now we need to cover the Earth with less than half that number of ships.

4 – WHY THE WORLD ISN'T FLAT (GHEMAWAT)

In *The World Is Flat*, New York Times columnist Thomas Friedman asserts that 10 forces – most of which enable connectivity and collaboration at a distance – are “flattening” the Earth and leveling a playing field of global competitiveness, the likes of which the world has never before seen. It sounds compelling enough, but it's wrong. So writes Pankaj Ghemawat, Professor at Harvard University's Graduate School of Business Administration, in *Foreign Policy*.

Despite talk of a new, wired world where information, ideas, money, and people can move around the planet faster than ever before, more than 90% of all phone calls, Web traffic and investment are local. The portrait that emerges from a hard look at the way companies, people, and states interact is a world that's only beginning to realize the potential of true global integration.

Globalization is real, but fragile, and not guaranteed, argues Ghemawat, citing the following:

Investment: The total amount of the world's capital formation that is generated from foreign direct investment (FDI) has been less than 10% for the last three years for which data are available (2003–05). In other words, more than 90% of the fixed investment around the world is still domestic.

Trade: Trade flows are growing, but the ratio of domestic to international trade is still substantial. Even Canadian-U.S. trade, the largest bilateral

relationship of its kind in the world, still exhibits a “home bias” of 5 to 1. That's down dramatically (from 20 to 1 in 1988, before NAFTA), but represents merchandise trade only; for services, the ratio is still several times larger.

Cyberspace: Web traffic within countries and regions has increased far faster than traffic between them. Just as in the real world, Internet links decay with distance.

Migration: The number of long-term international migrants amounted to 2.9% of the world's population in 2005, lower than in 1900.

Along other dimensions of globalization, it's true that new records are being set. But this growth has happened only relatively recently, and only after long periods of stagnation and reversal. As to the constellation of policy changes that led many countries – particularly China, India, and the former Soviet Union – to engage more extensively with the international economy, such policy openings are important. But clearly borders still matter. Global integration is only beginning, and is fragile and reversible.

For example, the so-called Washington Consensus around market-friendly policies ran up against the 1997 Asian currency crisis and has since frayed substantially. To take another example, there is an unmistakable swing toward neo-populism across much of Latin America. In terms

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of economic outcomes, the number of countries – in Latin America, coastal Africa, and the former Soviet Union – that have dropped out of the “convergence club” (defined in terms of narrowing productivity and structural gaps vis-à-vis the advanced industrialized countries) is at least as impressive as the number of countries that have joined the club. At a multilateral level, the suspension of the Doha round of trade talks in the summer of 2006 is no promising omen. In addition, the recent wave of cross-border mergers and acquisitions seems to be encountering more protectionism, in a broader range of countries, than did the previous wave in the late 1990s.

Of course, given that sentiments in these respects have shifted in the past 10 years or so, there is a

fair chance that they may shift yet again in the next decade. The point is, it's not only possible to turn back the clock on globalization-friendly policies – it is relatively easy to imagine it happening. Specifically, concludes Ghemawat, we have to entertain the possibility that deep international economic integration may be inherently incompatible with national sovereignty – especially given the tendency of voters in many countries, including advanced ones, to support more protectionism, rather than less. And even if cross-border integration continues on its upward path, the road from here to there is unlikely to be either smooth or straight. There will be shocks and cycles, in all likelihood, and maybe even another period of stagnation or reversal that will endure for decades. It wouldn't be unprecedented.

5 – A DEMOGRAPHIC THEORY OF WAR (HEINSOHN)

Gunnar Heinsohn is director of the Raphael-Lemkin Institute at the University of Bremen and author of *Sons and World Power: Terror in the Rise and Fall of Nations*, an academic best-seller in Germany. His views on the demographic dimension of future warfare are profiled by Clark Whelton in the *The Weekly Standard*.

Heinsohn's main point is that the strength of a nation's military is affected by the size of a nation's families. Those nations with youth bulges (where 30 to 40% of males are between the ages of 15 to 29) have many second, third, fourth and fifth sons – superfluous sons, he calls them – and are thus in demographic armament. Those nations with steady population are in demographic neutrality; those with falling birthrates below replacement level are in demographic capitulation.

This is the real cause of our problems in Iraq, Afghanistan (and potentially, in Pakistan), says Heinsohn: those countries have youth bulges and are thus in demographic armament, while the US is in demographic neutrality and Europe in demographic capitulation. In the 0 to 14 age bracket – the cohort that will be reaching military age in 2020 and beyond – there are a total of 36

million boys in the US and UK combined, already outnumbered by the total of 38 million boys in just Afghanistan and Pakistan alone.

If Heinsohn is correct, does it mean that al Qaeda will have no trouble finding soldiers and suicide bombers for many years to come? Here we quote the author directly:

“For Europe, it will be difficult. We may even see Europeans move to the US and Canada for safety. But there are also demographic reasons to be optimistic. The combined population of just three democracies – India, Brazil and Mexico – is 1.43 billion, compared with 1.33 billion Muslims worldwide, 150 million of whom live in India. Demographically both groups are nearly equal in size, but there are significantly more Muslims under 29 because total fertility in Islam is much higher. In another 20 years most of the Islamic youth bulges will have run their course – as they already have in Algeria, Iran, Lebanon, Morocco, Tunisia and Turkey. Therefore, defending against the aggression of the youth bulges that have hijacked Islam is not an insurmountable obstacle. An alliance of India with the Anglo-World may be all we need to safely travel the bumpy road ahead.”