

CSA SPEAKER BULLETIN

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Joschka Fischer

Defusing Iran

The Green Sheikh

Beyond Energy!



CSA
global speaker bureau

From the editor...



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2014 is well on the way! Already three months into the year this is a very special issue about our volatile world of not only political tremors, but also technological, energy and economic tensions. Experienced and worldwide respected voices share their thoughts with you here. Joschka Fischer, surely one of the globally most respected Statesmen, comments about how to defuse Iran (page 1). Ana Palacio, former Vice-President of the World Bank, looks at the Ukrainian crisis (page 3).

Dr Florence Eid, CEO of Arabia Monitor, gives her thoughts on unconventional energies which will reshape the global energy market (page 4). The Green Sheikh,

a member of one of the Ruling Royal families says that there are a lot of issues 'Beyond Energy' to be considered to enable us to create a sustainable World (page 2). Steve Wozniak, the Apple co-founder suggests for Apple to make an Android phone (page 8), whilst Peter Vessenes, the Founder and Chairman of the Bitcoin Foundation, speaks about a global phenomenon, the Bitcoin (page 7).

Looking at all these diverse tremors, last but certainly not least we have our regular columnist Ray Hammond speaking about 'A Futurologist in the Boardroom', a fact which every Board needs to consider to find the way towards sustainability (page 10). ■

Joschka Fischer, the former Foreign Minister and Vice-Chancellor of Germany and a leading political expert in current affairs and crisis management, discusses gaining agreement to help defuse Iran.

On February 18, crucial negotiations over Iran's nuclear program began in Vienna between Iran and the five permanent members of the United Nations Security Council plus Germany (the P5+1). The alternative to the talks is a further nuclear buildup by Iran, followed by additional international sanctions and, eventually, another war in the Middle East, which no one believes can resolve the problem. So, can a comprehensive agreement that respects Iran's right to civilian nuclear energy, while allaying the international community's fears of weaponization, be achieved?

The interim agreement reached last November in Geneva reflected the West's de facto acceptance that Iran is entitled to carry out limited low-grade uranium enrichment within the framework of the Non-Proliferation Treaty (NPT). The West released about \$7 billion of frozen Iranian funds and relaxed some sanctions (in particular, on crude oil and auto parts), while Iran agreed to a quasi-freeze of its nuclear program. That created the basis for a lasting agreement. But realizing that potential will be difficult.

First and foremost, a mountain of mutual distrust will need to be overcome. The West and Israel do not believe that Iran's nuclear program is meant to serve merely civilian aims. Otherwise, why would Iran invest billions of dollars in a program that is almost tailor-made for military purposes, including long-distance delivery systems?

The Iranian leadership, for its part, remains convinced that the United States still seeks to bring about regime change. From Iran's perspective, accepting an American hand extended in a spirit of conciliation could turn it into a fist. ■

Courtesy of [Project Syndicate](#)



The Green Sheikh

Beyond Energy!

Sheikh Abdul Aziz bin Ali Rashid Al Nuaimi is a member of one of the ruling Royal Families in the oil-rich United Arab Emirates. He is known as the "Green Sheikh", taking the message of sustainability to the world, activating his networks worldwide and inspiring people of all ages, religions and backgrounds. He currently serves as Environmental Advisor to the Ajman Government, and the CEO of Al Ihsan Charity Centre. He is also Chairman of the International Steering Committee for the Global Initiative towards a sustainable Iraq and honourable President of Zayed Environmental Impact Network (ZEIN) at Zayed University UAE.

It all depends on the energy balance. The leaders in the UAE want for their people to be number one and enjoy the best of both worlds by using sustainable resources in parallel with fossil fuels or another traditional source of energy by utilizing the best efficiency and effectiveness. To go to a hybrid system and harmonise with nature as much as possible should become the norm now and in the future. But this will take some time.

Many people think the UAE is just exploring and exporting oil and gas, but in reality this is not true, now the nation is exporting

happiness to the world. We are helping to sustain their education, best of living, healthcare, mosques, and world class shelters for refugees in many countries around the world.

If you want to change the world just change yourself for the better for you, your family, your corporation, your country and the whole world.

The oil and gas contribute only one third of GDP as compared to the early 1970s when it was almost 2/3rds. If you checked what the country is investing in for now and the future you would see for example that IRENA will give funding for countries that build renewables projects (\$ 50 m/year fund), most government buildings are becoming Sustainable Buildings, Masdar City will become a Carbon Neutral City, and more than 7 % power will be from renewables by 2020.

Some other Government Initiatives such as the SHAMS power company: Solar Energy Station SHAMS- 1 was launched on 17 March 2013 which will generate 100 Mwatt, and the Green Economy Initiative started in Jan 2012. There are many Renewables Challenges such as Political pressure

(in Oil & Gas companies), Policy barriers (energy efficiency, Effectiveness and RE), Market barriers (Consumer awareness) and Economic barriers (Government subsidies) that are not just in the UAE but worldwide.

Thinking globally and acting locally are our daily life challenges and if we think about just this question "ALONE WHAT CAN I CHANGE? And why am I still living?" This is also the leitmotif of World Green Citizen, a global foundation of which I am Ambassador. As the founder of World Green Citizen, Mr Van T. Tran says: "We are all leaders at a certain level: as an individual, we lead our destiny, as a parent we lead our family, as a CEO we lead our company, as a president we lead our country and all our actions affect other people. So we need to stop thinking 'What is in it for Me' and start thinking 'What is in it for Us'. Until each of us reaches this state of mind, the world will head towards an UNstable, UNbalanced, UNSustainable situation.

Start with small changes that will impact great things. If you want to change the world just change yourself for the better for you, your family, your corporation, your country and the whole world. That's truly enough. To quote Brandi Snyder: "To the world you may be just one person, but to one person you may be the world." ■

Lord Nicholas Stern, leading global economist and Chairman of the LSE Grantham Institute, shares his thoughts about the three fundamental ways of technological change.

The world is engaged in three fundamental ways of technological change; information and communications, bio-technology, the transition to the low-carbon economy. They could transform the way we live, make our cities much more attractive, protect our environment, and reduce the fundamental risks of climate change. The decisions we take now will determine the livelihoods of those who live in this century and beyond. This is a time of great risk and extraordinary opportunity.

The actions and policies that will shape this future will arise from decisions within communities, countries and in relationships amongst nations. They require foresight and leadership. They will involve competition and collaboration. And creativity, imagination and entrepreneurship. Most of the action will be in the private sector, but it will be shaped by

public decisions. It is crucial that those who have to take the decisions, whether they be in the public or private sector, whether they be in developed or developing countries, reflect much more deeply than they have done so far. We understand enough to embark on the creation of new approaches to the economy and society. We also understand that we will learn much along the way. Our actions and policies should plan for discovery.

We must also recognise that our decisions over the next two decades will shape the rest of this century. This is the time when much of the cities and infrastructure of the developing world will be set in place. Thus the effects of our decisions will be very long-lasting. It is a time when the currently-rich countries have to recognise that the structure of the international division of



labour will continue to change very rapidly. Understanding the new opportunities, the great risks and the way the world is transforming is crucial to wise and responsible decision-making. ■

Ana Palacio, former Vice-President of the World Bank and Spanish Minister of Foreign Affairs, talks about the turmoil in Ukraine and how Europe should be looking at resolving it.



Powerful images have been pouring out of Ukraine lately: Kyiv's Maidan protesters bravely enduring months of bitter cold, withering police attacks, and sniper bullets; the gilded bathroom fixtures of deposed

President Viktor Yanukovich's opulent personal residence; a wheelchair-bound Yuliya Tymoshenko emerging from prison to address her countrymen in a broken voice. And now Russian troops in the streets of Crimea's cities.

At a time when Europe's self-confidence is at a low ebb, Ukrainians' courageous struggle to topple a rotten political system is a powerful reminder of Europe's core values. The question now is what Europeans will do about it.

With the Russian Duma's approval of President Vladimir Putin's request to use Russian military forces in Ukraine (not restricted to Crimea), the mirage that Yanukovich's ouster signal the start of a new era, in which Ukraine moves inexorably away from Russia and into the European

democratic fold, has now evaporated. Confronted with a reality that they should have foreseen, Europe's leaders must recognize that Ukraine is subject to deep internal cleavages and conflicting geopolitical forces.

For starters, Ukraine is riven by deep-seated cultural tensions, stemming from its history of occupation by competing foreign powers. In the seventeenth century, the struggle among the Cossacks, Russia, and the Polish-Lithuanian Commonwealth for control of Ukraine resulted in a split along the Dnieper River. While the division was formally eliminated after the Second Partition of Poland in 1793, its legacy has remained. ■

Courtesy of [Project Syndicate](#)

Florence Eid

Unconventional Energy

Reshaping global energy markets, eventually



Dr. Florence Eid-Oakden is the CEO and Chief Economist of Arabia Monitor. Dr. Eid has been a professor of economics and finance at the American University of Beirut and a visiting professor at INSEAD and HEC Paris. Formerly Head of MENA research at JP Morgan, she has also worked with the World Bank on Latin America & North Africa and on the buy side as a hedge fund investment professional.

Recent technological advances in North America have unlocked tight oil and shale resources with profound effects on the global balance of oil trade, production patterns of current major producers, and on the US economy. The International Energy Agency (IEA) forecasts US production will reach just above 10 mbpd by 2020. This would

make the US the number one oil producer worldwide, surpassing Saudi Arabia. We note that historically however, the IEA has often overshoot forecasts of non-OPEC production, requiring subsequent downward revisions.

Despite a doubling of unconventional oil and gas production between 2000 and 2013, the US still imports almost a quarter of its oil from MENA. Additionally cost considerations, fuel-driven energy consumption, and lax environmental safeguards suggest that fossil fuels will likely remain the dominant energy source in emerging markets. Global energy demand is expected to grow by ~35% from 2012 through 2035, with China, India and the Middle East accounting for 60% of the increase. These countries will account for almost 50% of global energy demand in 2035, from 1/3 today.

Increased production from North America poses an interesting dilemma for OPEC producers:

Higher oil prices over the past few years have allowed MENA's oil exporters to raise public expenditures, in turn increasing fiscal vulnerability to oil prices. Higher public spending has also created an incentive for OPEC countries to maintain tight production controls to keep oil prices high.

Yet sufficiently high oil prices would make unconventional resources commercially feasible; even for producers other than the US. Indeed, the IEA and EIA's increased production frameworks are grounded by higher prices. For US shale oil to be commercially feasible, crude oil prices must be around 70-80 USD/bbl. The breakeven crude oil price level is 50-60 USD/bbl for US deep-water shale gas resources.

The equilibrium between the two requirements leads to a variety of oil price projections, from the 70-90 USD/bbl range by 2020 forecasted by several organizations on the sell-side, to the higher range forecast by the IEA.

Our analysis illustrates that the outlook is not without risks for MENA hydrocarbon exporters. Over the medium term, MENA's role as a premier provider of energy to the world should be safeguarded by increased demand from emerging markets. Yet recent developments highlight that the timeline for MENA's energy exporters to push through with diversification in earnest, is now even shorter than once believed. Purchase the full report "Unconventional Energy: Dilemmas and Opportunities for MENA" from www.arabiamonitor.com for analysis on emerging trends that supports strategic decision making. ■



Sony Kapoor

IT IS TIME TO CHANGE HOW NORWAY'S OIL WEALTH IS MANAGED

Sony Kapoor, international expert in finance and development, analyses Norway's approach to its oil wealth for both the short and long term.

Norway has reached a critical point in how its oil wealth is managed. There is now an active debate not just on the investment strategy of the Oil Fund, but also on the governance mechanisms by which this oil wealth is managed.

The first debate has been driven in part by the launch of a 2013 Re-Define report that was critical of the Fund's investment strategy. The second debate is driven by a secretive investment in Formula 1 that went wrong

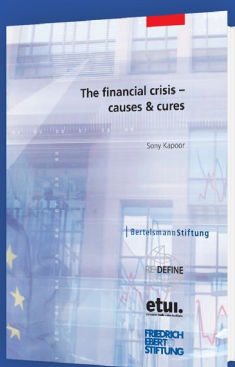
and has been recently exposed by Dagens Naeringsliv (DN).

Solutions to the first debate include selling out of fossil fuels, investing in the green economy, seeking out illiquid assets such as infrastructure and investing half the portfolio outside OECD economies. The solution to the second is to set up a Parliamentary Council for the Oil Fund "Stortingets Råd for Oljefondet" (SRO).

While the debates have originated independent of each other, they are intimately related. The Oil Fund is owned by Norway's Parliament on behalf of Norwegian citizens. The Parliament defines

While the debates have originated independent of each other, they are intimately related.

the investment objective of the Fund as "maximising the purchasing power of the fund capital, given a moderate level of risk." Under the present governance arrangements, this objective is translated into investment guidelines by the Ministry of Finance that are then followed by Norges Bank Investment Management, which actually invests the funds. ■



Sony Kapoor - The financial crisis - causes & cures

The book is targeted especially at non specialist stakeholders such as consumer groups, trade unions and NGOs with a strong interest in holding the financial system to account and in ensuring that the reforms being enacted are sufficient and effective in getting the financial system to serve the real economy. The concepts presented in the book are also useful to policy makers who are often so busy making policy that they can lose sight of the big picture.

The book provides an easy reference in that it compiles, explains, and analyses the major financial sector reform proposals made thus far. It is up to date until the 31st of May 2010 and though details of proposed reforms might change, the analysis in this book does not have an expiry date.



Jack Shaw

Jack Shaw has been a leading business technology futurist for more than 30 years. He shares his expertise here, discussing the future of B2B commerce and the impact of social media and the ways in which e-commerce is now moving towards becoming omni-channel.

The changes in B2C commerce are rapidly driving analogous changes in B2B commerce – the consumerization of B2B commerce.

It is the explosion in mobile phones that's driving the growth in omni-channel commerce. Let me share one more statistic with you to make that point.

The first cell phone call was placed 40 years ago this spring in April of 1973. Since that time the number of mobile phones in use has grown to 4 Billion out of the 7 billion people on the planet!

By contrast, the toothbrush was invented some 5000 years ago in Egypt. In the past 5000 years the use of the toothbrush has expanded to the point where, now, 3.5 Billion

people own toothbrushes.

Now what does this tell you besides the fact that clearly use of mobile phones has grown much faster than use of the toothbrush! It also tells you that, if you were to dial a mobile phone number at random somewhere in the world, the odds are one in eight that the person answering the phone will not own a toothbrush! So, you might be glad you are speaking with them via mobile phone and not in person!

Multi-channel commerce has been with us for well over a century. As far back as the late 19th century, customers of Sears, Roebuck in the U.S. could go to Sears stores to purchase items available from on-hand inventory. Or they could mail order items from a catalog they had received in the mail and have those items delivered directly to their homes.

Now multi-channel commerce embraces not only stores and catalogs, but online web commerce plus mobile commerce. The difference then, between multi-channel commerce and omni-channel commerce is that, with omni-channel commerce, the customer has a seamless experience across all channels of contact with the seller.

This means that physical outlets have new roles. Whether it's a retail store or an over-the-counter facility at a distribution center for a company like Grainger, the physical outlet is no longer just for sale of goods from on-hand inventory. It also acts as a showroom, a distribution point, and even in support of returned goods.

To support omni-channel commerce B2B sellers, like their B2C cousins, must have clear visibility of inventory, both on hand and available to promise, as well as of product movement. This means that players in the B2B commerce marketplace must have much deeper collaboration across their supply chains.

- Supply chains that generate increased buyer value are likely to win in the long run. More transparency is likely to speed up this process
- With Omni-channel e-Commerce, competition will increase on many fronts, but so will the opportunities for savvy suppliers and their supply-chain partners to gain competitive advantage.

Both front and back office personnel, processes and systems must be integrated both across the enterprise and up and down the supply chain.

Until recently, social media was the realm of B2C. However, B2B businesses are already embracing Social Media for lead generation. According to the research, 90% of B2B suppliers have a Facebook page, 53% use Twitter, 47% are active as a company on LinkedIn, and 33% blog regularly.

But now, more and more Millennials are entering the workforce, and they are far more fluent in social commerce than their older colleagues. This will profoundly influence the use of social media in B2B e-commerce for two reasons. ■

Peter Vessenes

Peter Vessenes is the CEO of CoinLab, Inc. and is the Founder and Chairman of the Bitcoin Foundation, an organisation that seeks to standardise and promote the use of Bitcoin. He spoke exclusively with CSA about his work ethos and what really makes Peter Vessenes tick.



Is there anything you would have done or would like to do differently?

Hundreds of things! It's not a good day for me if I'm not learning how to do things better in the future. That said, I would have bought more Bitcoins.

Working together in the relatively small Bitcoin team is changing the way we make transactions.

What has been the key to the progress that you've made?

Bitcoin is a global phenomenon – and it's largely because of the intense support of its community. The technology has so much potential to make a huge global impact that it can be overwhelming at first. Millions of people use it, thousands work with it full-time in their jobs, and hundreds have quite literally dedicated their lives to improving it and getting it to work globally. I see it almost as a religion for many community members – they're why we have anything at all to talk about.

You have held C-level posts in a number of companies over the years, we'd love to know if they have all held the same level of excitement for you and what do you see as being your next project?

Exciting is a nice euphemism. In Bitcoin, we rate days and weeks on a scale that goes from 'crazy' to 'insane' to 'mind-numbing'.

Adrenaline addiction is a real risk for anyone who makes this industry into a career. For myself, I hope to stick with Bitcoin over the next decade as it grows and matures. I'm particularly looking at how Bitcoin can fulfil its promise of global financial inclusion in poor parts of the world – the ability to instantly connect rural villagers to the global economy is here now; we just need to be able to bring it in an appropriate way.

You have moved towards social enterprise in your recent ventures. Is this a result of just chance or do you have an ethos of creating benefit as well as profit in your enterprises and is this a move that more businesses should be making these days?

I believe the first fundamental benefit a business brings is jobs; then returns for stakeholders – society and investors.

We can only imagine how busy you are at the moment. Help us to understand what a normal day is like for you.....

I might wake up at 6:30 to 7:00, check Bitcoin prices, have breakfast with my wife and three kids, and drop them off at school by 7:45. My first meeting will start at 8:30 – on Thursdays it's a one-on-one with the Bitcoin Foundation's Executive Director. If it's a busy news cycle, I will have one to five SMS messages and/or calls from reporters. I will recognize a few of the numbers and not know others. If I'm cleared by our PR

folks to talk, I may take a call or two before my 8:30. By 10am, I've wrapped up, and will go over important e-mails and calendar items with my assistant Kate – she will have pared down 20 to 100 e-mails into a list of what's most important to respond to. There are usually speaking invitations, complaints about Bitcoin, interesting ideas, investors looking to talk about Bitcoin, and some operational questions for CoinLab in the mix.

I'm currently spending a lot of time with lawyers, so I will have at least one meeting with my legal team sometime in the day.

I'll walk by and check in with our team that manages CoinLab's Bitcoin funds, and then skip out for a lunch – could be by myself, or with someone from CoinLab, or ideally my wife.

By this time I should have a handle on the day's Bitcoin news, that could be important to the Foundation or CoinLab, so I'll make sure to connect with whomever might be interested and see if we need to adjust any operating or strategic plans.

If I'm lucky, I'll have an hour or two to spend planning or thinking in the afternoon, but often I can't. Back by dinner time with the family, then maybe rock-climbing with my kids, or play some games before bedtime, then collapse in a stupor. ■

[Click here to read more.](#)



APPLE CO-FOUNDER STEVE WOZNIAK THINKS APPLE SHOULD MAKE AN ANDROID PHONE

Apple co-founder Steve Wozniak no longer works for the company, but that doesn't mean he's afraid to comment on it. In fact, he often does, whether it's with praise or tough love.

This time, Wozniak suggested — the horror! — that maybe Apple should make an Android phone.

"There's nothing that would keep Apple out of the Android market as a secondary phone market," Wozniak said in an interview with technology news site *Wired* this week.

"We could compete very well," he went on. "People like the precious looks of stylings and manufacturing that we do in our product compared to the other Android offerings. We could play in two arenas at the same time." Wozniak also spoke about artificial intelligence, gadget innovation and which iPhone 5c color is his favorite (apparently all of them). But that part about Apple crossing enemy lines to build a smartphone with Google's operating system — that's a prime-time Woz-up.

Whether building an iDroid would make good business sense or not, it's unlikely that a "Do as Steve would have done" mantra would ever allow for it. Steve Jobs' personal beef with Google and Android execs was well documented, both in the

press and in the courts, akin to his fights with Bill Gates and Microsoft.

The open nature of Google's mobile operating system allows for brands like Samsung and HTC to modify Android into different OS versions of their own; Amazon drastically changed, or forked, Android for its own Fire OS for the Kindle Fire tablet. No Apple mobile device or Mac computer, meanwhile, has ever been built to run a third-party software platform. Instead, Apple is known for maintaining synergy between hardware and software development, with both designed in house from the ground up. To that end, iOS and OS X are not licensed for use with other hardware manufacturers.

You pick up a Samsung phone and say smile and it takes a picture, but how much innovation is that? That's just throwing in a lot of features

As for Wozniak: This certainly isn't the first time one of his comments has raised eyebrows. After last year's iPad Air and iPad mini unveilings, Wozniak was quoted as saying, "The iPads didn't hit my needs," when asked if he'd be in line to grab one on

launch day. The now-retired Apple engineer explained that he wasn't so taken with how thin the devices were, and that he was hoping for a 256 GB model.

In February of last year, Wozniak told German economic news site *WirtschaftsWoche* that Apple is "in my opinion ... somewhat behind," as reported by *Apple Insider*.

"Others have caught up," he said. "Samsung is a great competitor. But precisely because they are currently making great products."

But, even with his willingness to speak out, Woz's allegiance and support seems to remain with Apple. In the recent chat with *Wired*, he explained that innovation and packing in features are not necessarily synonymous, this time critiquing Samsung.

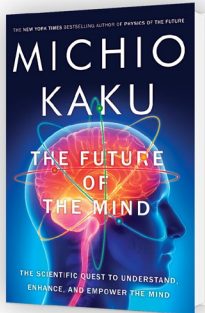
"You pick up a Samsung phone and say smile and it takes a picture, but how much innovation is that? That's just throwing in a lot of features," Wozniak said.

"People don't really choose their smartphones based on features. I think Apple is superior at being able to say no."

We'll say this about Woz: He's not shy about telling us how he really feels. ■

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RECOMMENDED BOOKS

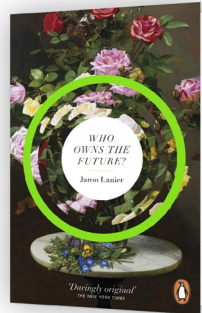


Michio Kaku

The Future of the Mind: The Scientific Quest to Understand, Enhance, and Empower the Mind

This is an authoritative and compelling look at the astonishing research from top global laboratories based on the latest advancements in neuroscience and physics. One day we might have a "smart pill" that can enhance our cognition; be able to upload our brain to a computer; send thoughts and emotions around the world on a "brain-net"; control computers and robots with our mind; and perhaps even send our consciousness across the universe.

Dr. Kaku takes us on a grand tour of what the future might hold, giving us not only a solid sense of how the brain functions but also how these technologies will change our daily lives. He even presents a radically new way to think about "consciousness" and applies it to provide fresh insight into mental illness, artificial intelligence and alien consciousness. ■



Jaron Lanier

Who Owns The Future?

As you read this, thousands of remote computers are refining secret models of who you are, using the information to make huge fortunes for a few people. Does the future have to be this way? How can we change it?

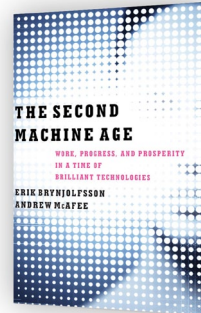
In this visionary book Jaron Lanier imagines an alternative, where economic power is given back to creators. Drawing on sources ranging from ancient philosophy to the latest technology, he proposes a radical system that truly rewards endeavour - whether it's in the media or manufacturing - and ultimately preserves human dignity.

Lanier has a poet's sensibility . . . full of entertaining haiku-like observations.' *Financial Times*

A digital visionary with a difference.' *Observer*

Inspiring . . . intelligent and subtle.' *Guardian*

An exhilarating, loveable book, with a serious message.' *Scotland on Sunday*. ■



Erik Brynjolfsson
Andrew McAfee

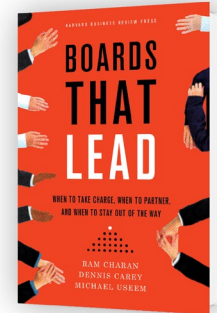
The Second Machine

Age: Work, Progress, and Prosperity in a Time of Brilliant Technologies

In *The Second Machine Age* Erik Brynjolfsson and Andrew McAfee reveal the forces driving the reinvention of our lives and our economy.

Drawing on years of research and up-to-the-minute trends, Brynjolfsson and McAfee identify the best strategies for survival and offer a new path to prosperity. These include revamping education so that it prepares people for the next economy instead of the last one, designing new collaborations that pair brute processing power with human ingenuity, and embracing policies that make sense in a radically transformed landscape.

A fundamentally optimistic book, *The Second Machine Age* will alter how we think about issues of technological, societal, and economic progress. ■



Ram Charan
Dennis Carey
Michael Useem

Boards That Lead: When to Take Charge, When to Partner, and When to Stay Out of the Way

Is your company's board creating value or destroying it? Change is coming. Leadership at the top is being redefined as boardrooms take a more active role in decisions that once belonged solely to the CEO.

But for all the advantages of increased board engagement, it can create debilitating questions of authority and dangerous meddling in day-to-day operations. Directors need a new road map for when to lead, when to partner, and when to stay out of the way.

These boardroom veterans advocate this new governance model is a sharp departure from what has been demanded by governance activists, raters, and regulators and reveal the emerging practices that are defining shared leadership of directors and executives. ■

Ray Hammond

A FUTUROLOGIST IN THE BOARDROOM



Ray Hammond has been proven accurate for over 30 years and is Europe's most successful and widely published futurologist. He teams his experience with the wisdom gleaned from many predictive successes, along with personal experience of successful high-level business leadership. He explains in detail here exactly how businesses can benefit at the strategic level.

Successful business leaders plan for the future every day. Judgement about a strategy that will be successful in three months or three years' time separates visionary leaders from those who lack the imagination to picture how their markets may change, or how new technology may impact on current business models. On the quality of such judgements whole careers flourish while others end abruptly. To this extent, every business leader has to be an amateur futurologist.

But what assistance can a professional futurologist¹ bring to this decision-making process?

The key inputs a futurologist can provide to C-level executives is long experience of forecasting coupled with the wisdom gleaned from many predictive successes and the inevitable failures. Ideally, these insights should be backed-up by substantial personal experience of successful high-level business leadership.

It takes years to become a time-proven futurologist, usually decades, and over time those who study the future learn to couple their insights into technology developments with an understanding of human nature, a study of demographics and an appreciation of many other forces, cultural and social, which may influence markets.

It is not enough for a futurologist to simply regurgitate interesting facts about trends. For example, the following snippets of information might attract attention:

- Over 40 per cent of the companies at the top of the Fortune 500 list in the year 2000 were no longer there in 2010
- Only 7 per cent of professionals under age 40 work for Fortune 500 companies. Working for start-ups and small companies dominates this demographic.
- By the year 2017, over 90 per cent of all internet traffic will be video

Whilst such information may be provocative and interesting, it is necessary to dig into the reasons why such radical changes are occurring and to carefully extrapolate what such changes may mean for business models in the future.

Futurologists also learn how to modify their trend predictions to correct for various biases which often cloud the forecasting process. These distortions in future-gazing include the almost ubiquitous "bias of the present" which leads amateur forecasters to look at likely future scenarios from the perspective and attitudes of the present. Such forecasting is bound to be wrong.

Futurology is a multi-disciplinary science and it is this "generalist" factor in their research which separates futurologists from other forecasting professionals such as technology analysts, economists and business pundits.

To provide an example of the importance of a generalist approach I often cite a faulty prediction I made in the second edition of my 1982 book *Computers And Your Child*. I wrote with confidence:

"There will be no cash in society by the year 2000."

I could hardly have been more wrong. I have no doubt that as you read this you have some cash in your wallet or your purse. But I was a very new apprentice futurologist in 1982 and, at that period in my career, I had not fully appreciated that as well as understanding technology trends it is also necessary to understand humans and how they are likely to respond to new technology, and to factor in social and cultural attitudes.

In the early 1980s it was clear that credit card technology and auto-payments systems would be fully capable of handling all financial transactions, large and small, by the Millennium and, given the high cost and the many security risks of using cash, it seemed to me in 1982 highly likely that almost everyone in the developed world would be issued with cards or electronic tokens and that cash itself would disappear. Had I then understood more about the human perception of money – and the virtual nature of money itself – I would not have made such a rash prediction.

Futurology in general is interesting as a speculative exercise, but has little or no scientific basis, and has an almost complete record of predictive failure.

Now I know that humans seek security in always holding some cash – even if it is only a small amount – as if they fear that electronic versions of value exchange could easily fail and leave them without the ability to buy essentials. Perhaps it is also true that humans instinctively understand that money is itself a virtual commodity (whose value is maintained only by the collective belief of the societies which use it) and that keeping it all in wholly electronic forms seems just one step too far. ■

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