



**The Implications of
21st Century Transitions
for Government Policy**



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Presentation Outline

A. What is future studies?

B. What are 21st Century Transitions?

C. Scenarios & possibility maps:

– Future of schools

– Future of money

D. Implications for public policy

A. What is future studies?



Mapping the plausible

Strategic futures thinking

- **Not predictions, not forecasts**
- **Imagine the rigorously plausible**
- **Link the plausible, the probable and desirable**
- **Dynamism vs stasis**
- **How to make a difference**

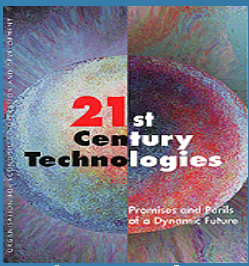
Making the future a discipline

- How is it that each morning when we wake up the world around us restarts, functioning – at least most of the time – much as it did the day before?
- What are the plausible ways that daily life might be reproduced in the future?

“history of the future”

Five axioms

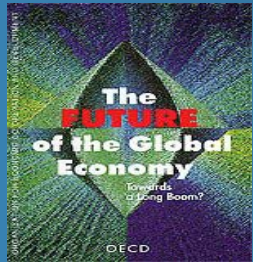
- **Axiom 1**
 - *uncertainty increases with time*
- **Axiom 2**
 - *change is both absolute and relative*
- **Axiom 3**
 - *over time metrics and benchmarks change*
- **Axiom 4**
 - *change depends on capacity, capacity changes over time*
- **Axiom 5**
 - *imagination grounded in explicit assumptions*



Technology

B. What are 21st Century Transitions?

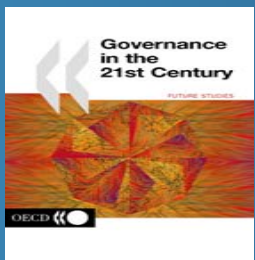
- **Everyday life**
- **Within one or two generations**
- **Disrupts most institutions**
- **Alters culture & values**
- **Transition vs consolidation**



Economy

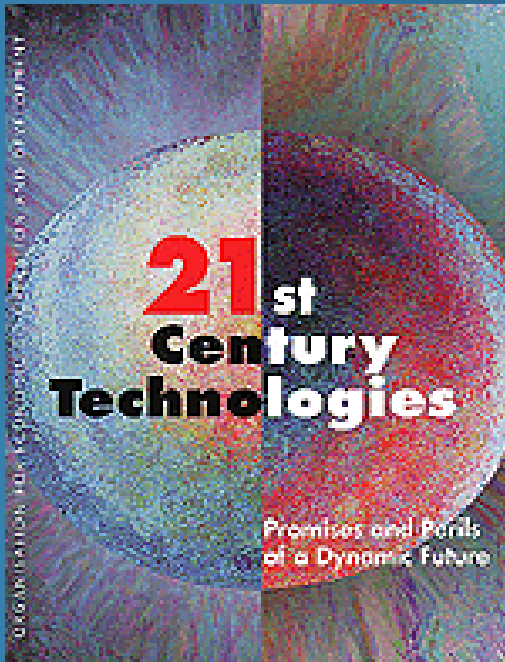


Society



Governance

1 - Technological dynamism



Technological potential

- **Breakthroughs possible**
 - **info- & bio-tech**
- **Pervasive technological change**
 - **solid MP3!**

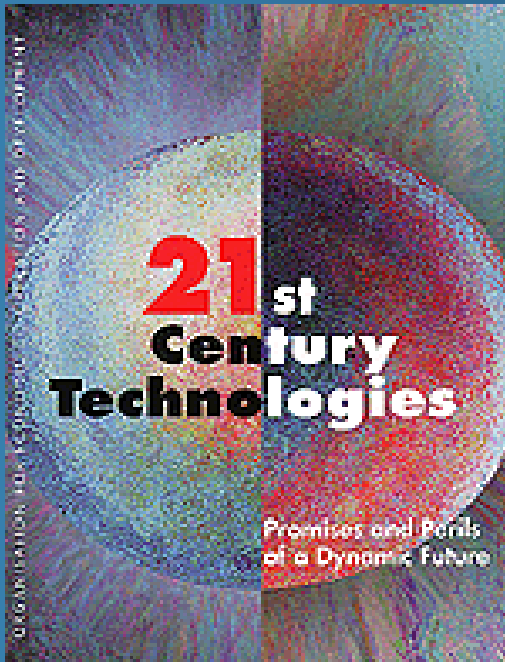


DANGER
DO NOT TOUCH
BUILD IN PROGRESS



1 - Technological dynamism

Technological potential

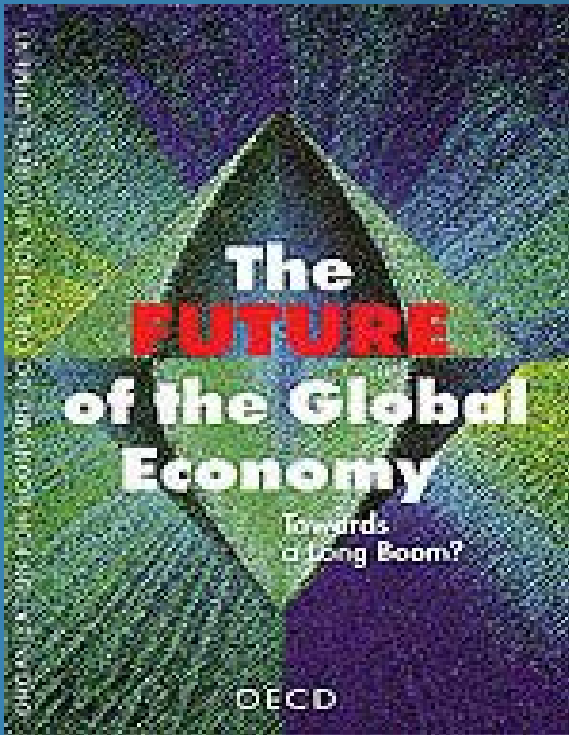


- Part of daily life
- Tools allow complexity
- Don't think of the tool, think of its use
- Contingent on socio-economic change

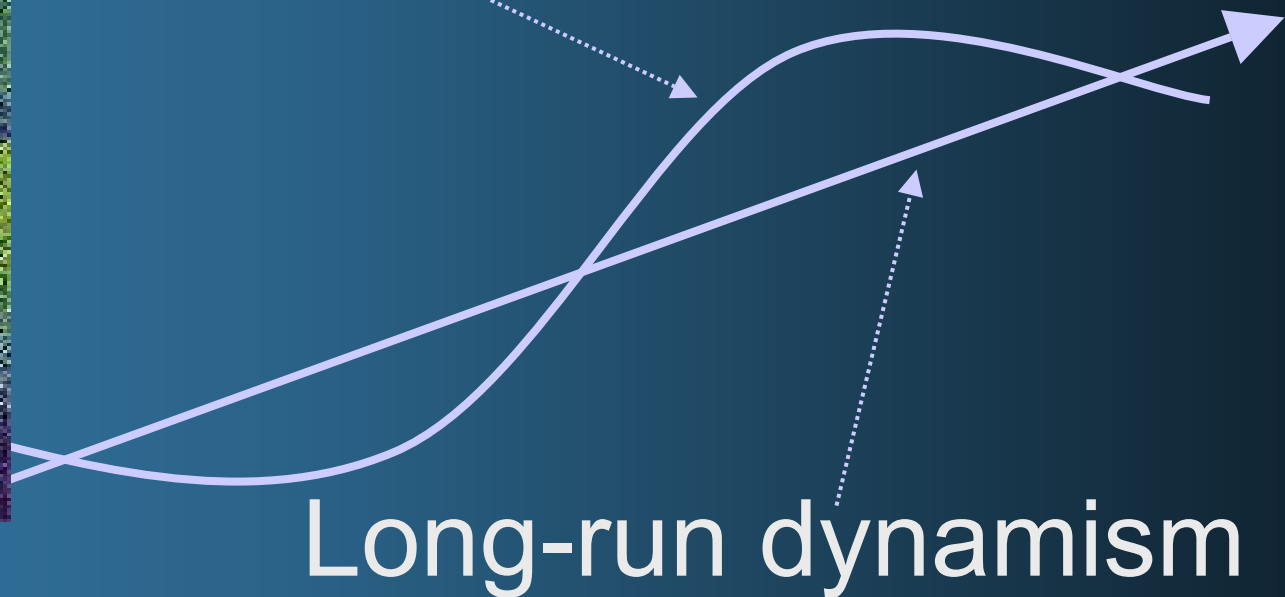
“Technology is not destiny”

2 - Economic dynamism

Economic potential

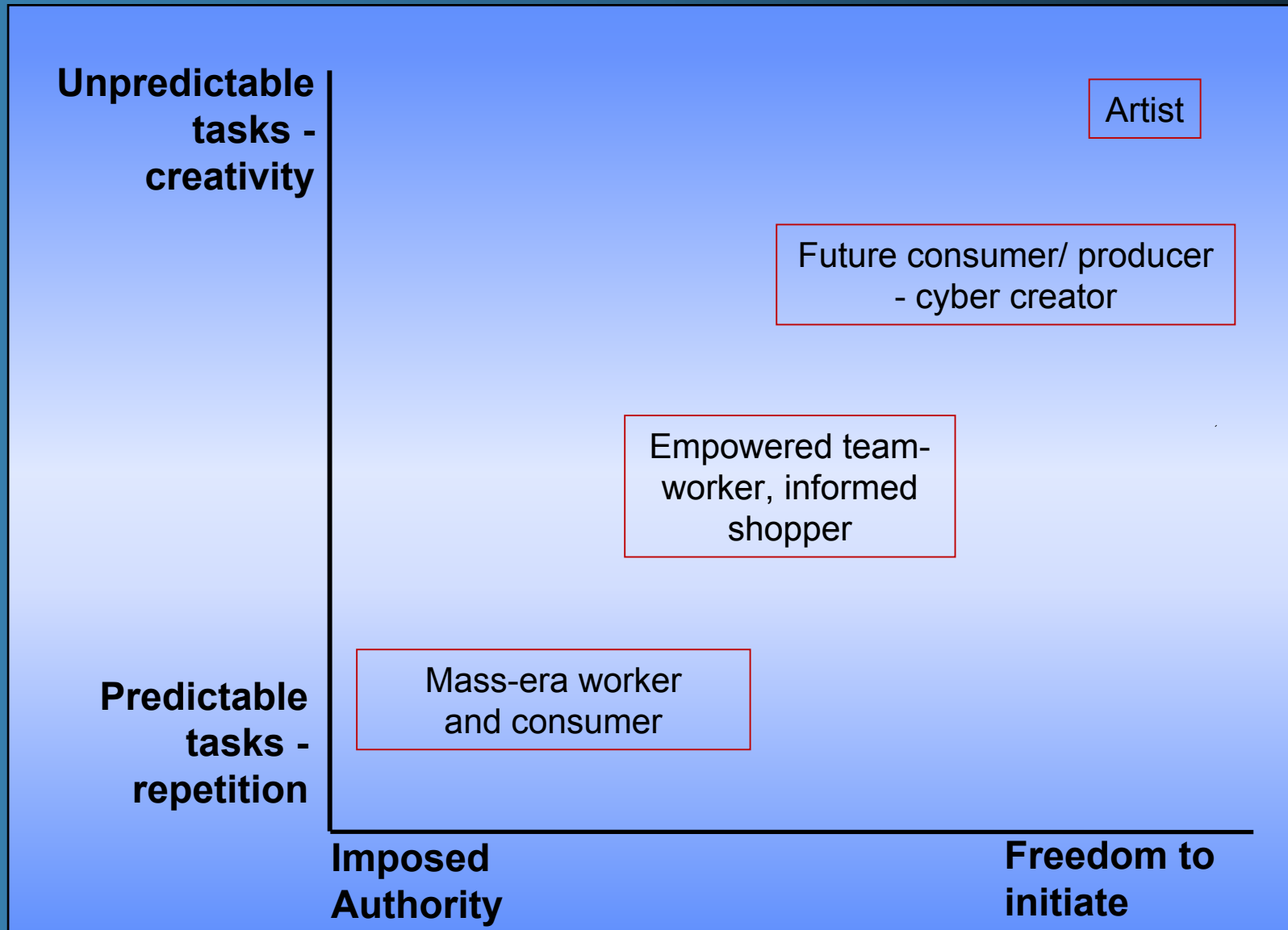


A new long-boom?



“Beyond mass-production and consumption”

A learning economy & society



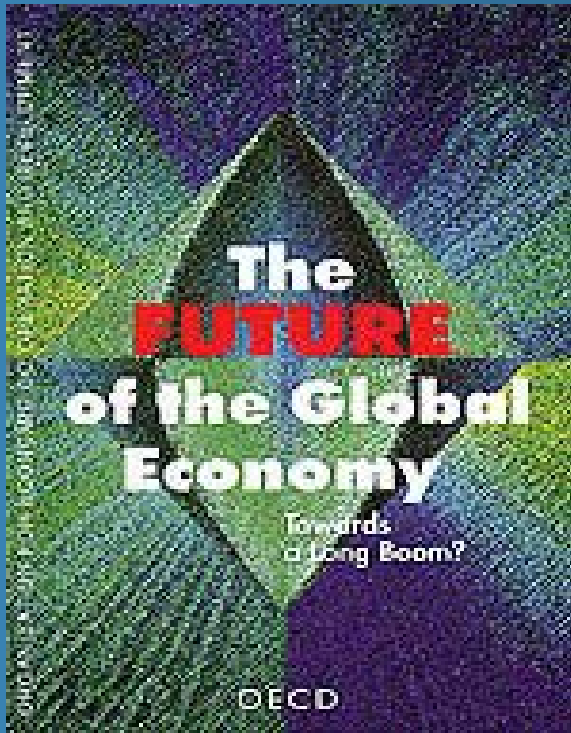
Fusing of supply & demand

2 - Economic dynamism

Long-boom driving forces

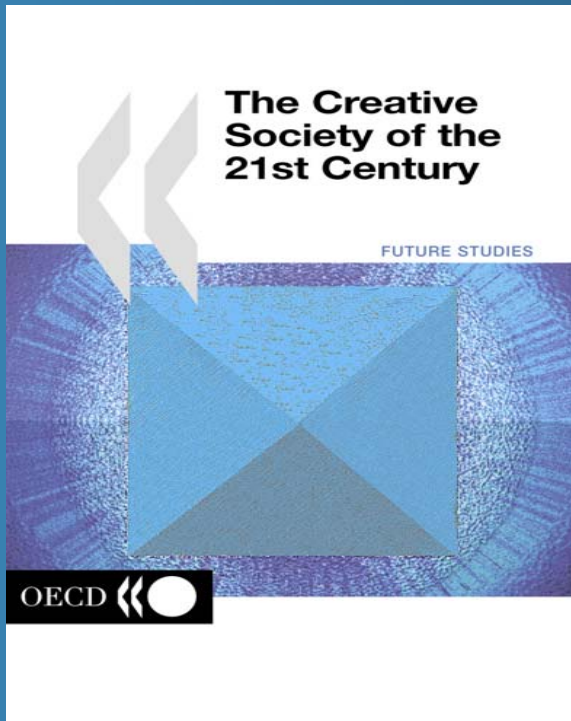
Above average productivity growth:

- Learning intensive economy & society
- Much fuller global integration
- Investments to change ecological footprint



3 - Social dynamism

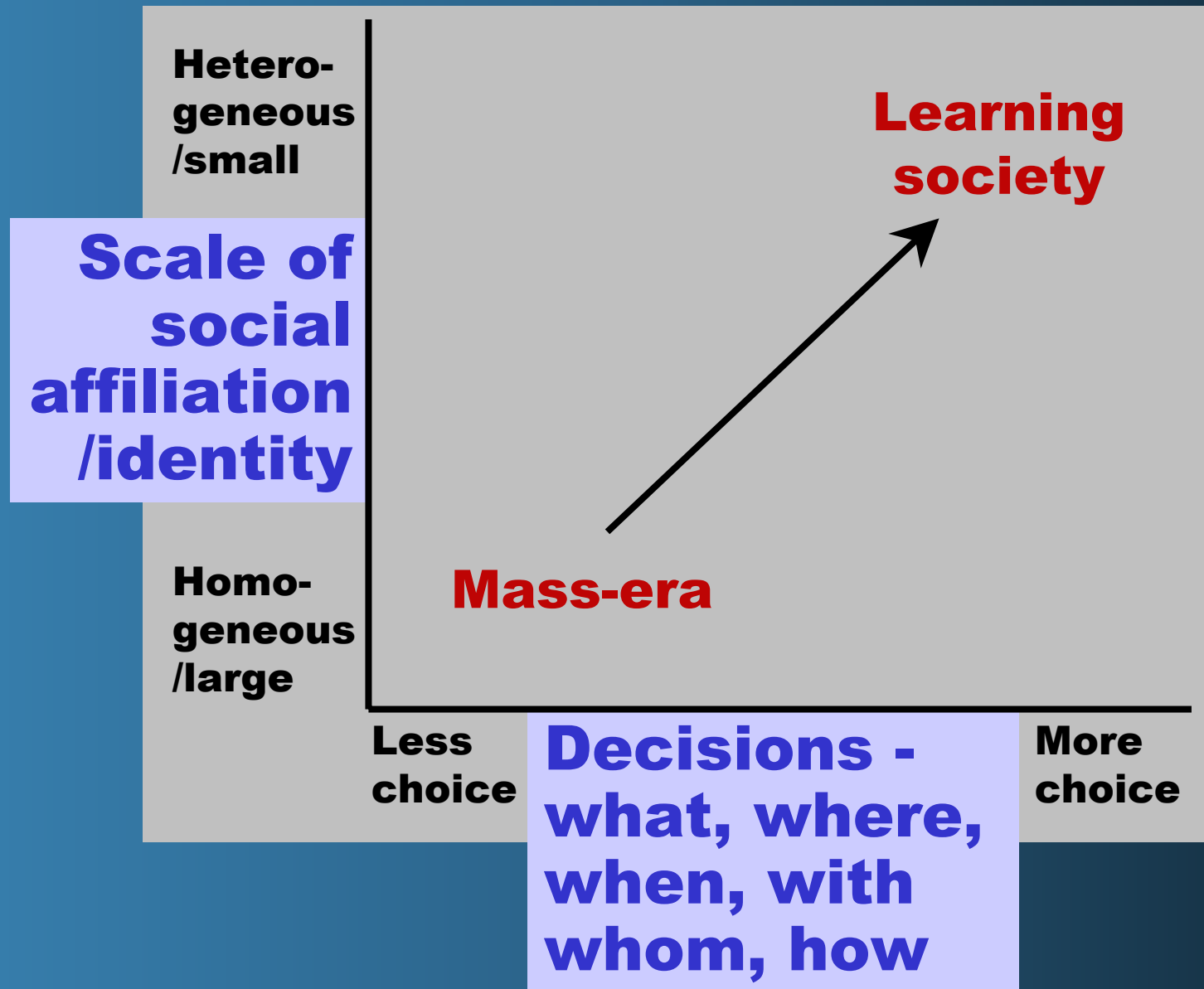
Social potential



- **Convergence towards diversity**
- **Differentiation**
 - **Demography**
 - **Income/quality-of-life**
 - **Self-identity**

“Beyond the dualism of individual versus collective”

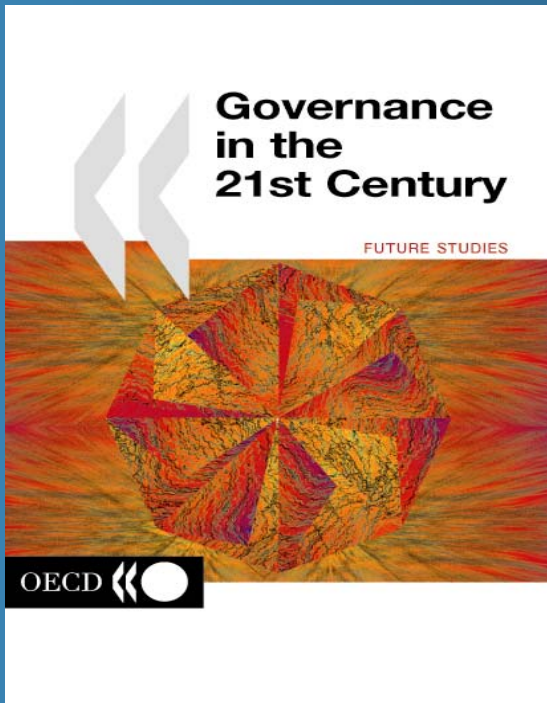
Identity & choice



“Beyond bowling alone”

4 - Dynamic Governance

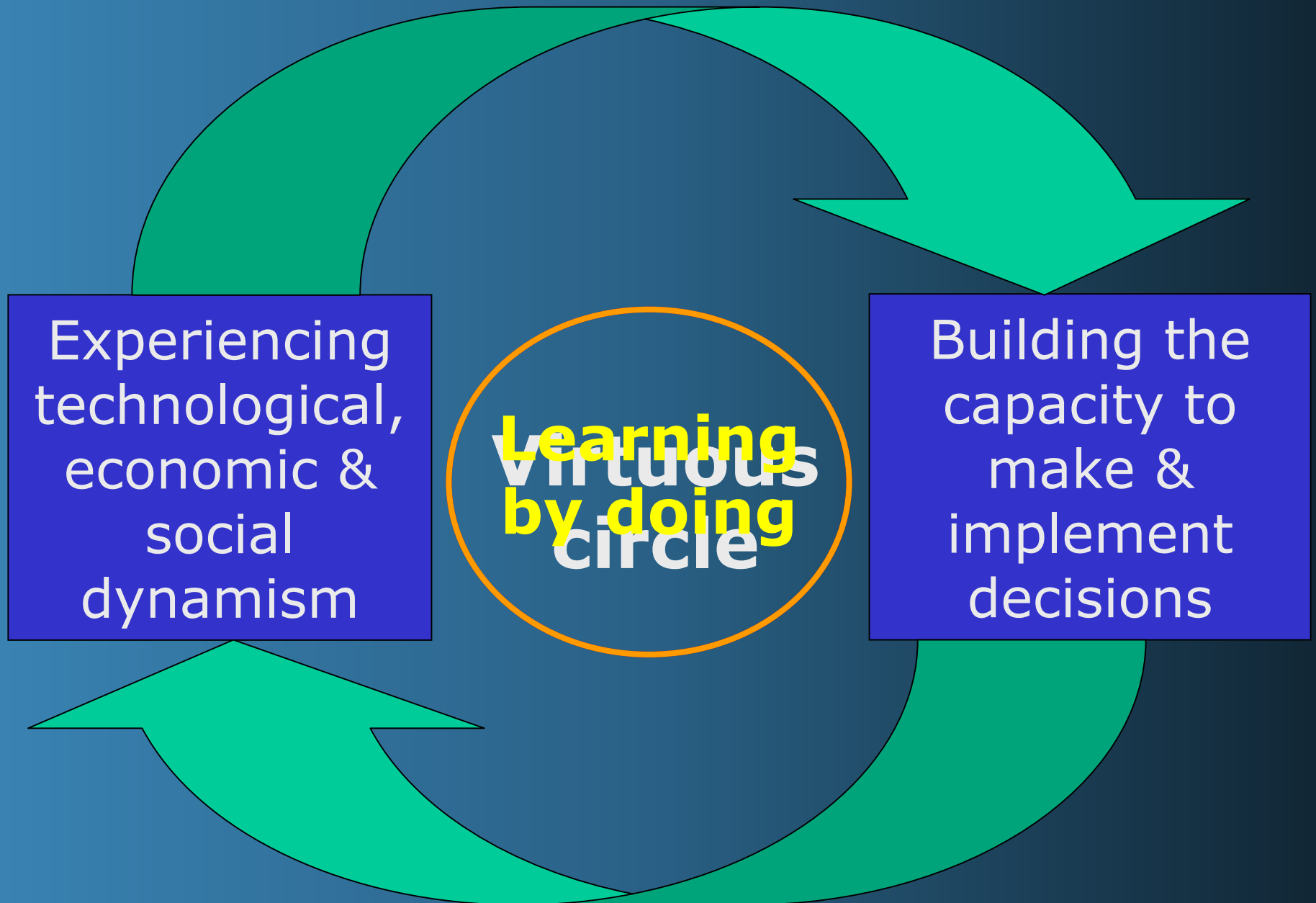
Governance potential



- **Diffusion throughout society**
 - Capacity to make & implement decisions in all areas of activity
- **Two distinctive traits:**
 - Empowerment
 - Organisational fluidity

“Policy matters”

Towards greater governance capacity



Before and after

Wealth, rules, governance, values

- Physical/financial vs human capital**
- Simple vs complex property rights**
- Ex-ante vs real-time allocation of power**
- Implementation of the Universal Declaration of Human Rights**

Before and after

Quality of life

- **Mass production vs production for self/community**
- **Life organised for work vs work organised for life**
- **Hierarchy vs autonomy**
- **Imposed identity vs self-identity**
- **Sen's definition of "freedom" as capacity**

C. Thinking about the future of schools

		Organisational form	
		Competition	Monopoly
Functions (custody, behavioural, cognitive, screening, socialisation)	Status quo (all 5 functions)	Scenario 1 Supply diversity	Scenario 2 Mass- customised schooling
	Post- transition (only one function)	Scenario 3 Learning benchmark (only cognitive)	Scenario 4 Learning broker (only screening)

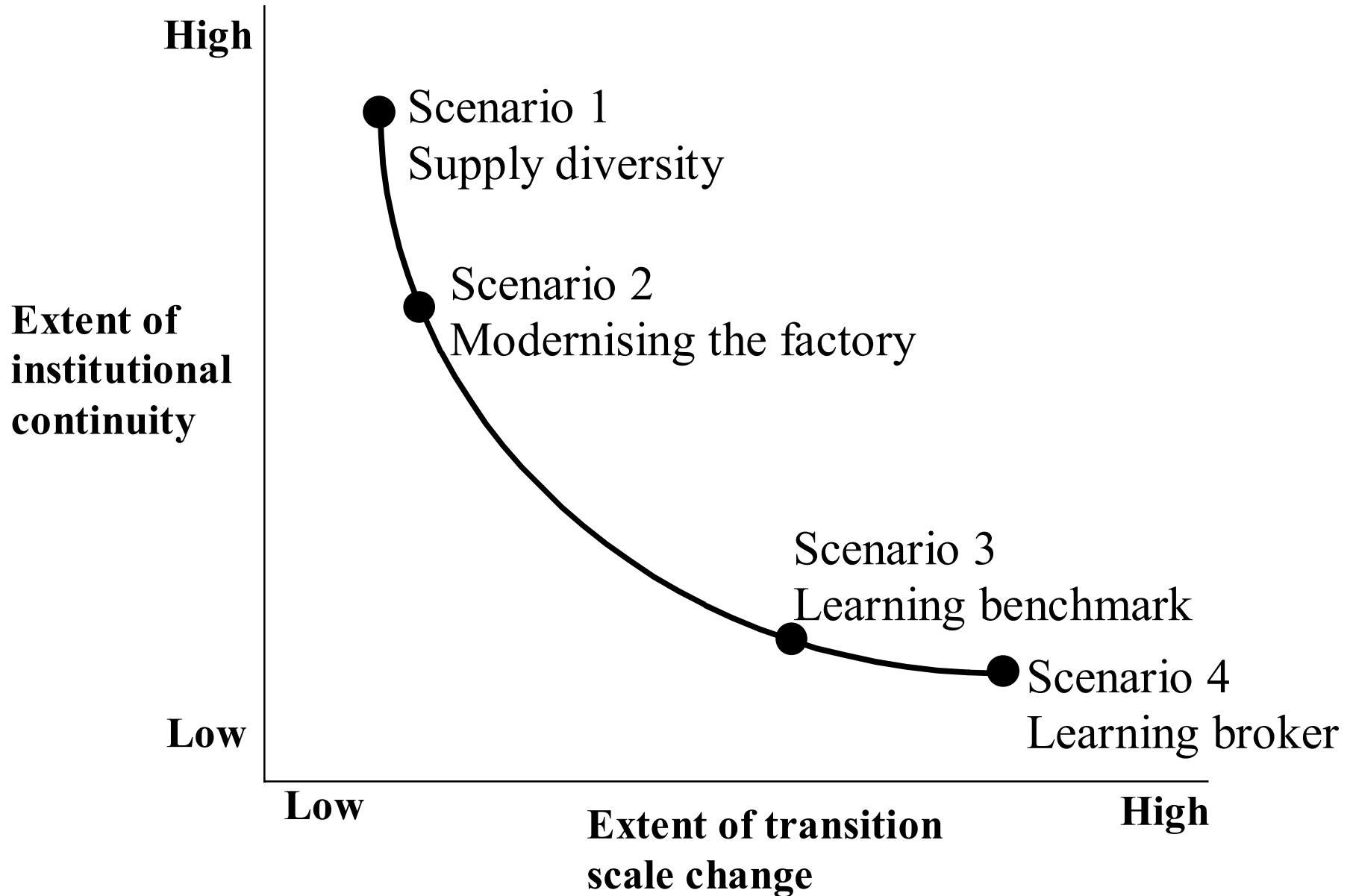
Using scenarios to make strategic choices

Beyond screening: new sources of HC transparency



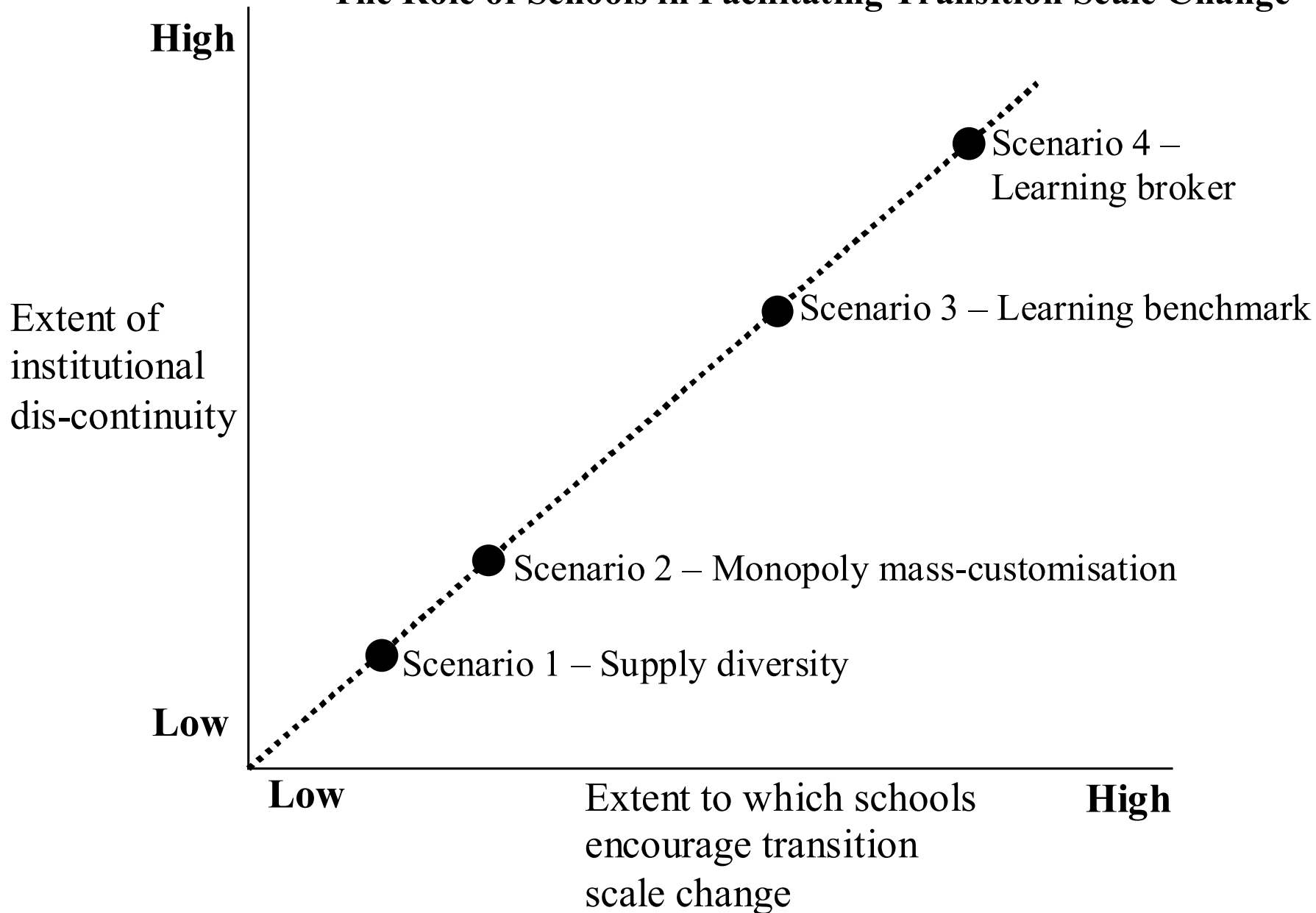
**New
institutions &
methods for
validating
what people
know**

Equally disirable scenarios

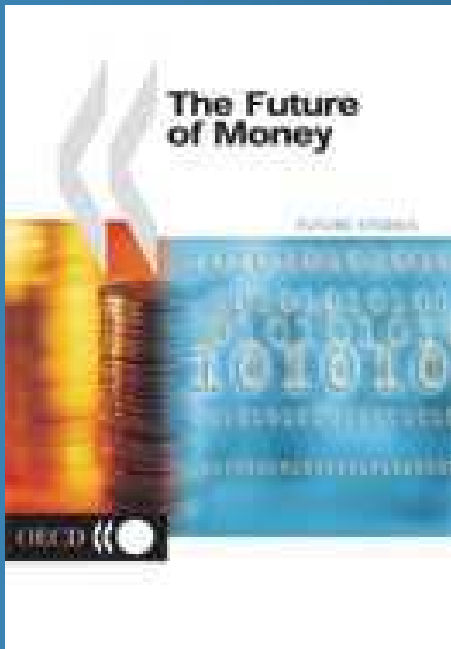


Strategic Choices

The Role of Schools in Facilitating Transition Scale Change



Thinking about the future of money

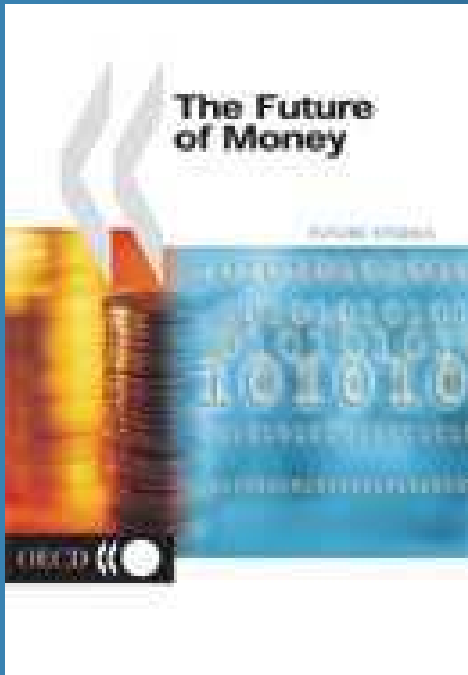


- **Plausibility question:**
 - Is a cashless society plausible within 20 years?
- **Policy question:**
 - Contingency of “new economy” on advances towards a cashless society

Historical trends

- **Dematerialisation**
 - bills of exchange, virtual
- **Financial sector organisation**
 - inter-bank clearing & settlement, regulation (private & public)
- **Macro conditions**
 - monetary & fiscal policy
 - data (CPI, GDP), transparency (openness, targets)

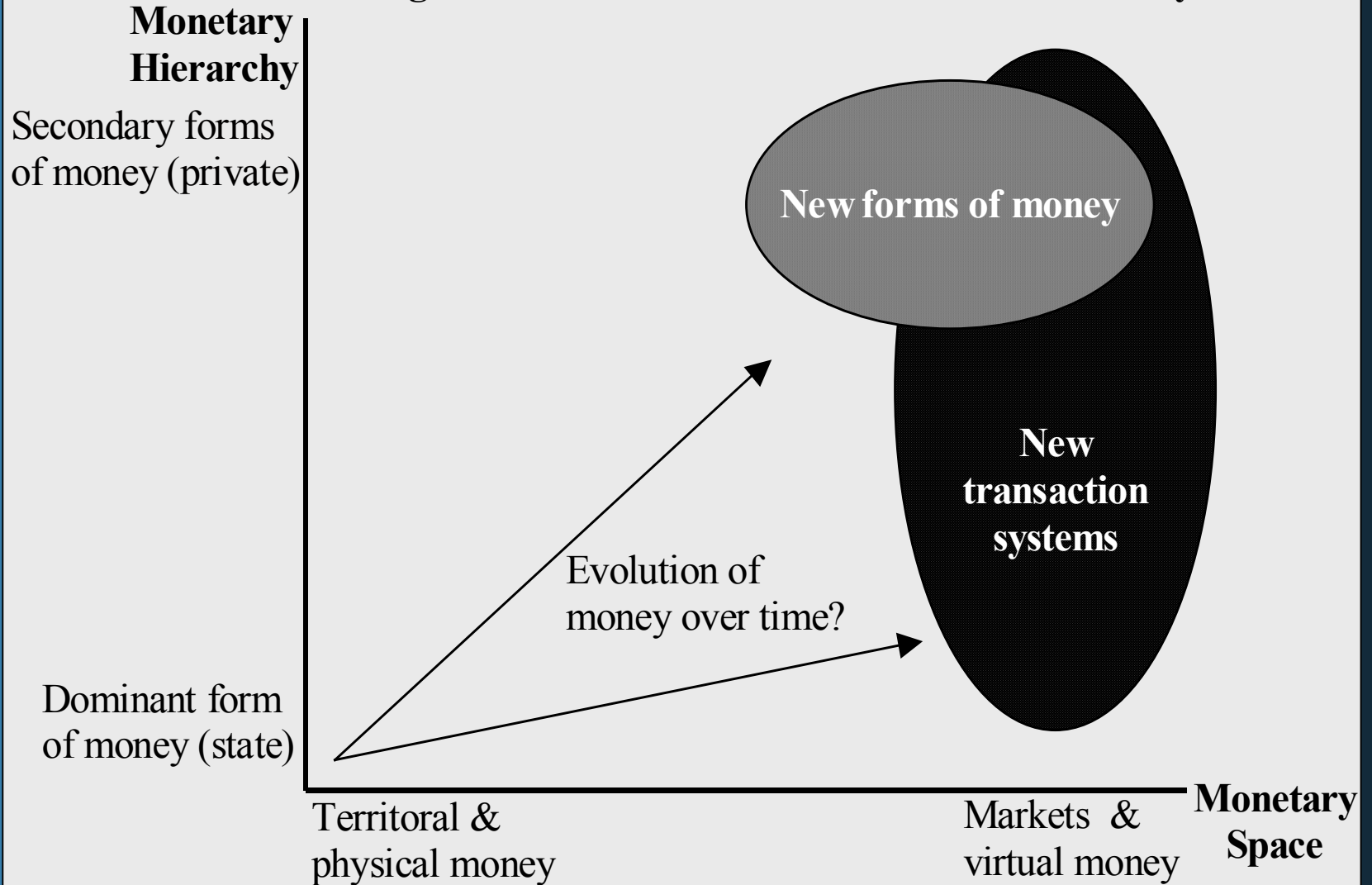
A possibility map



- **Monetary hierarchy**
 - unit of account, store of value, means of exchange
 - degrees of trust & redeemability
- **Monetary space**
 - geographic
 - markets

Monetary hierarchy & space

Diagram 1: Possible Paths for the Future of Money



D. Implications for public policy

- **Goals - encouraging transition**
 - **Creativity & greater capacity to govern**
 - **Common values & heterogeneity of expression**
- **Roles - facilitating re-composition**
 - **Proliferation of sources**
 - **Diffusion of the peripheral**
- **Methods - linking form & function**
 - **Experimentalism**
 - **Learning by doing (means as ends, process as product)**

Promoting transition: guidelines

- **Rules, standards & conventions**
 - **Validation & recognition of property & assets**
 - **Building trust & common languages**
 - **New metrics**
- **Equality of opportunity**
 - **Focus on assets - human & social capital**
 - **Leading & lagging edges - dynamic gaps**
 - **Inclusion through diversification**

Promoting transition: examples

- **Competency banks**
 - Validating what people know, mapping community assets
- **Cyber-citizenship**
 - Identity rights, owning privacy
- **Governance of the internet**
 - Preserve & extend the virtual commons: end-to-end, interoperability standards, community-ware
- **Cashless society**
 - Virtual cash, cyber-safety
- **New property rights & contracts**
 - Transaction infrastructure for property, services and learning
- **New markets & business models**
 - Competition: entry, exit, accountability, transparency

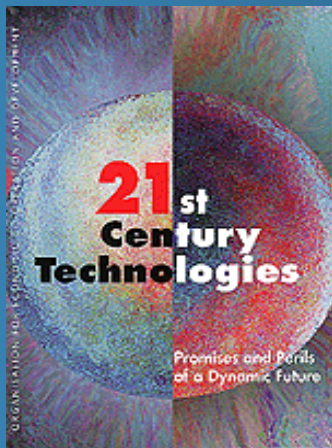


“Hubris of the now”

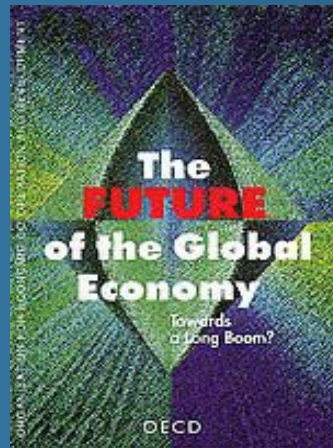
- **Slow vs fast**
- **Incremental vs radical**
- **Voluntary vs involuntary**
- **Preservationism vs dynamism**

Thank you

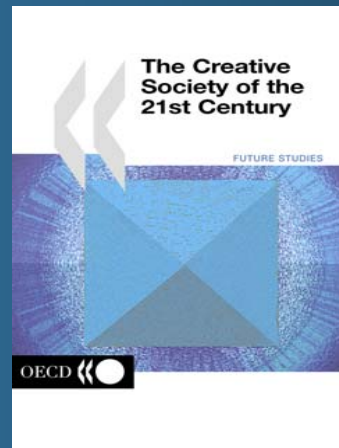
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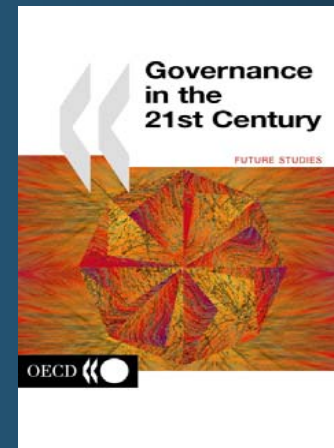
Technology



Economy



Society



Governance



Money