

Britain and the world in the next fifty years

Speech delivered to ImpactPlus, 2000

When I am called to account at that great court in the sky, and I have to atone for my sins; one of them is that I was Secretary of Mensa for thirteen years. In 1984 I was asked to address a huge Mensa audience on the title 2020 Vision: What will Britain be like in the year 2020?

The reason they chose that date is that, being people who pass IQ tests, they had worked out that when Orwell wrote his book, *Nineteen Eighty Four*, he was looking thirty six years ahead of when he wrote in 1948. Mensa asked me to look thirty six years ahead from 1984, and they came up with 2020 and that very catchy title.

The big numbers

I started by telling them then that if you look at most of the big things, the big number projections from 1948, the long term trends, you would have been largely correct. There are several human, economic, and personal trends that are steadily consistent over the long term. There might be spikes up and down, but standing back and looking at the big picture, a fairly steady trend emerges.

One is the gradual growth of the economy. For about hundred and fifty years it has been about two percent per annum. If Orwell had attempted to predict how the economy would go in the next thirty six years, even with the recession of the early 70s, and even with the oil shocks, he would have guessed it pretty well right if he had used the long term numbers.

This kind of thinking enables you, when you see the world dissolving and recession looming, just to think 'temporary, temporary.' Go and lie down in a darkened room, and close your eyes. Tell yourself "This, too, will pass away." It does.

Life expectancy has been increasing by several percentage points every decade. It has been another long term trend which Orwell would have been right about. He could have predicted it correctly. Similarly, child mortality has been going down ever year at a steady rate. He could have added that to his list of successful predictions. Even the much regretted rise in the divorce rate could have been predicted successfully.

George Orwell was not, of course, predicting in 1948 what 1984 would be like. His book is clearly more about the experience of Soviet Russia in the 1930s than about Britain in the 1980s. Nonetheless, if he had wanted to predict Britain's future, he could simply have drawn those big lines upward and come up with most of the right numbers.

He would have got it right by 1984. The predictions would have been basically correct, not only between 1948 and 1984, but also for the time since then. Things have continued more or less on that same upward track.

Flavour and feel

However, the problem is that this does not tell you what the future is going to be like. These numbers do not give you any sense of what the future is going to feel like. If we had taken someone from 1948 and dropped down in the middle of 1984, they would have been completely dazzled. Everything would have been unfamiliar: they would have been strangers.

They would look uneasily at the changes. There is no coal fire, for example, whereas nearly every room had one in 1948. There are new and unfamiliar vegetables on the plate. People are talking about jobs that did not even exist in 1948, jobs like management consultants and public relations specialists. Kids chatter happily about wind surfing and hang gliding, both unknown 36 years earlier. Our visitor from the past would stare in amazement at the microwave oven and the video recorder, wondering what they were for.

It is these little things which give life its flavour and feel. They would all seem utterly strange. When anyone, therefore, tells you that you can predict the future from the big numbers, do recognize that it is a

very limited future you are being invited to glimpse. All you can get from the big numbers are big numbers. Our sense of future, on the other hand, is made up of the little things which give life its texture.

Teenage dreams

When I address sixth form audiences, I sometimes try to set them looking forward. Since next month is an eternity away for most of them, it is difficult to persuade them to gaze into the years. Sometimes, when I feel rash, I make a series of specific predictions which might be relevant to their own lives. I tell them, for example, that most of those in the room, and these are typically 16 and 17 year olds, will live to be over one hundred years old, and will be fit and active at that age, not ill or infirm.

Of course, people that age do not think anyone over twenty five is worth thinking about. The idea of living to be a hundred is science fiction for them. Even so, looking at the expanding ability of medicine to conquer diseases, it would be remarkable if that did not happen. Certainly, life expectancy between 1900 and 2000 extended greatly. Given that we are advancing at an even faster rate now, it would be astonishing if it did not happen. And if the Queen and her successors continue to send telegrams to people who reach their hundredth birthday, they will be kept very busy indeed, because almost everyone in the country will qualify.

Sometimes I tell teenage audiences that within fifteen years they will be able to speak to anyone they want to, anywhere in the world, without a visible instrument and without it costing them anything. Think of the economics of how that one might work.

I also tell them that most of those in the room who are now sixteen and seventeen will be millionaires in the course of their lives. I explain that I do not mean this will happen in funny, inflated money. It will happen at today's buying power, and they will, during the course of their lives be as rich as today's millionaires. Not surprisingly, this is one prediction which makes them sit up and take notice.

The Adam Smith Institute conducted a Mori poll of that age group and found that 43 percent of them list being a millionaire by thirty five amongst their chief career goals. About 48 percent, slightly more girls than boys, aspire to own and run their own business. This generation growing up is not one that expects things to be handed to them, as some previous ones have. This one seeks opportunity.

Expectations

In another Mori poll we asked them about the likelihood of a series of things in life which might happen to them. Buried amongst the possibilities was the chance of obtaining a decent state pension. More of them thought they would be struck by lightning than thought that they might receive a decent pension from the state. More of them indeed, in that age group thought themselves more likely to be murdered than to receive a decent state pension. The predictions about age and wealth and pensions are related.

Prolonged life expectancy means more old people, and crucially it means a reduced ratio of those in work supporting those who are not. As the demographics move against unfunded state pensions, they become less viable. You might have four employed people supporting one retiree, but you cannot do it with a two to one ratio because they will not, and perhaps cannot pay it.

Obviously, then, the unfunded tax transfer pay as you go schemes have to be replaced by privately funded pensions. If people put 12-14 percent of annual salary into a pension fund during their working life, the numbers say they will become millionaires during the course of it. Some of them will do it by thirty five. Almost all of them will do it before retirement and that does not even count house value, or the general increase in wealth and opportunity. So they become millionaires.

I also tell them that some of the audience will sit down to a meal in twenty-five years time with a vegetable that does not now exist, meat of a type that they have never heard of, and cooked in a way that does not now exist. Again, all of that was true from 1948 to 1984. All of those three things happened.

The age gap

I sometimes make two predictions at opposite ends of the age cycle. One is that the distinctive youth culture will disappear. I do not mean no more rock'n'roll. Everyone will be into rock'n'roll. The point is that teenagers refuse to cease to be teenagers just because they happen to be 35 and 40. They are dancing to the

same music and doing the same things. They refuse to grow old with dignity like their predecessors did. I include myself, by the way. And of course there is also a widening gap between the ages of parents and children. There is a tendency for them not to compete for the same space but to seek common ground.

My second age related prediction is that retirement will disappear in 25 30 years time. People will look back in astonishment that people were expected to spend a few decades working, then stop and do nothing. This will be thought madness. Of course it will have to happen because we cannot support large numbers in idle retirement. I do not mean that people will be forced to do the same job until they drop. That was what happened in 1948 when the Beveridge Report was first implemented. The average person in Britain, the average wage earner, left school at 16, stayed with the same firm until 65, then left to do nothing, and died two years later. That was average. Now you have them living for another thirty active years and you realize that retirement will simply disappear.

If these predictions are calculated to interest a teenage audience, I wish to make a series of predictions, each in a different area, about how Britain and the world will probably develop over the course of the next half-century. These are, I think, of more general and wider interest.

World wealth

The first is that in fifty years time, the gap between the rich and the poorer nations will never have been narrower. The whole world will be wealthier, and the wealth will be spread more evenly. Of course, the anti-globalists, anti- free trade lobby, and the international aid brigade, tell us the opposite. They say the poor are getting poorer.

On the international scale it is simply not true, and the economist Paul Ormerod has done us all an enormous favour by working out and publishing the figures to show it is not true. Indeed, by inspection it is not true. Fifty years ago, Western Europe, America, Canada, Australia were rich and everybody else was poor. Since that time Japan has become spectacularly rich. South Korea is rich and on a course to overtake Britain in a decade when its economy regains its steam. Taiwan is rich. Hong Kong is rich. It already has an income per head greater than we do in Britain. Singapore is rich, and we have coming along behind them Thailand and Malaysia, among others.

Do not regard the troughs as being significant in the long term. If you trace them over the last thirty years, these economies are on that upward road: Thailand, Malaysia and the others. Therefore when you look at the distribution today, countries that were poor 50 years ago have joined or are joining the ranks of the rich. You can forever say that the gap is wide and getting wider if every time a nation becomes rich you take it out of the accounting.

We look at what is happening in India and China, with their growth rates sometimes averaging 8-10 percent per year. We look at what is happening in Latin America, and see that it, too, is pretty good. With the exception of parts of Africa, the world is getting richer year by year. This means that in fifty years the gap will have closed considerably. There will be many more rich countries around, including India and China.

Not only will the world be a richer place, but in Britain most people will live like the very rich do today. That was true of the period between 1950 and 2000, the last fifty years. Reflect that in 1950 rich people had telephones, ordinary people did not. Rich people had TVs, ordinary people did not. They had cars but not for ordinary people. They took holidays abroad but not ordinary people. All of these things, of course, are well within today's average lifestyle. It will be the same in fifty years time: people will live like the rich live today.

Environment

The second prediction is that Britain will be known as the Green Island. We will have the cleanest air, the cleanest water and the least polluting industries of any advanced country, and we will be far ahead of most of the poor ones. The tree cover in Britain will go from 8% to 65%. Why will all this happen? Because, as they used to say on that TV series, "We have the technology." We are already heading that way. Between 1900 and 2000, over the last hundred years, there were enormous improvements to the cleanliness of the air, water, our industries.

The improvements have been steady. Of course the mantra on television from the merchants of doom and gloom is that Britain is the dirty man of Europe. They tell us that we pollute more, that life is bad and getting worse, and that we are poisoning the rivers. It is not true.

The reverse is true. London used to be heated by coal a hundred and fifty years ago. There used to be ten thousand horses in the streets with all of their outpourings, so to speak. London was a dreadfully dirty place to live. Most of our cities were. They are now cleaner than they have ever been and they are getting cleaner. We will have the money to afford it, too, in that Britain will still be a leading economic player playing in the big league in fifty years time. Armed with the technology, the will and the resources, we will continue even better than we have, and see Britain revered as "Mr Clean."

Scientific progress

Thirdly, Britain will be the world leader in genetically modified organisms. It will be British scientists who have produced crops that are salt water tolerant, that can survive extremes of temperature, and that can produce their own insecticides and even produce their own fertilizer. In addition to these advances in crop technology it will be British scientists who will have made malaria extinct, together with most of the other parasitic diseases. It will be British scientists that will lead in the conquest of most cancers, heart diseases, and Alzheimers disease. I think British scientists will be there among others, if not the leaders, in the conquest of AIDS. And the same is true of those two lifestyle downers which, while not actually killing people, cause a great deal of distress. I refer to impotence and baldness.

The family

My fourth prediction is that well within fifty years it will be quite normal to have a fifty year age gap between parents and children. Why? Nature says twenty years is the best time to reproduce. That is when we are most fit and most fertile. Human common sense and intelligence says fifty. We are richer at fifty. We can afford to pay for help. Children need not be so much hassle. Our careers are already established. We do not need to argue about money. It will be quite normal, since we already have the technology, to assert human common sense instead of what nature tells us. It will be quite normal to have that fifty year age gap. So John Major born to a father age 66, and Jeffrey Archer born to a father aged 64, or Rupert Murdoch, siring a child at age 75, will no longer be freaks, in the statistical sense of the word.

Employment

My fifth prediction is that in fifty years time most people will be self employed. Why? Because of the new people economy. The old division between bosses and workers will be replaced increasingly by contracts with a much more equal basis between them. There also will be far fewer manufacturing industries. Look at the implications though. It means trade unions have to become service organizations providing facilities for their members but not representing them in conflict situations with their employers. They will lose their remaining political clout. People will need to own their own pension accounts and insurance funds. The different employers will pay into these over the course of working life. People will need different types of financial services to help them plan their lives. Do remember that a very large proportion will be what are now called high net worth individuals. Ordinary people will live in fifty years time like the rich live now.

Government

I saved the best one for last. Number Six: In another half century, the British government will not be doing most of the things it is doing today. It will not be in the pensions business. It will not be in the health business. It will not be in the education business either at primary, secondary, or university level. It will not be involved in agriculture. It will own and run no industries at all. Why? Because it cannot. Government is not actually very good at doing most things. It is certainly no good at running industries and utilities and is pathetic at running services.

Added to this, government is finding it increasingly difficult to fund its disparate activities. The new mobility especially across frontiers means taxation is a problem. Richer people will be able to emigrate to a more tax friendly zone. The other thing to remember about services is that if everybody or most people are going to be high net worth individuals, they are going to demand better services and they are going to be able to afford better services. What government will do is to use private agencies to deliver services under contract using modern and future technology and novel management techniques to do these things

efficiently. It will be a huge transfer of functions. Services will be improved not only because of efficient techniques and technology, they will also be depoliticized by then. Of course there will be hiccups in delivery and there will be crisis management as in any private industry but these will be ordinary humdrum human responses that are done every day in the business and financial sector. They will not be political crises. There will be continuity, of course, in that Government will still govern, and will almost certainly still do it badly.

On a global scale there should be no major war between powers, perhaps a sort of punctuated peace. Local conflicts, not global conflicts. So the future is prosperity and peace. Prosperity, peace, human development, opportunity and with Britain in the front of the action. Governments could ruin it, of course, as they have limited our potential before. But I do not believe they will. I am optimistic enough to believe they will be just clever enough to strand back and allow it to happen. One thing I am convinced of: the future will be exciting. It usually is.