



**Dr. Karlheinz Steinmüller**

**Z\_punkt GmbH Agency for Shaping the Future**

# **Wild Cards for Europe**

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## **Some thoughts on alternate futures**

**March 2003**



# Overview

- Methodological introduction
- Wild cards
- Wild cards for Europe
- Conclusions





# The Future: A Blind Spot?

The observer  
doesn't see  
that he doesn't see  
what he doesn't see.

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Is the future developing behind the backs of the futurists?



# Europe: A Blind Spot?

Is everything clear about the future of Europe?

Challenges:

- Enlargement
- European institution building
- Demographic ageing
- Role in global power-play
- ...



# Futures studies on the quest for emergent developments

## Problems

- Recycling of ideas: futurists quoting futurists
- Lack of concepts and notions for new developments
- Lack of monitoring / analytic methods

## One approach:

- New things do not develop within the mainstream but at the periphery.
- Observe marginal groups!
  - „Trendsetters“
  - Artists
  - Science Fiction
  - Socially marginalized / excluded persons



# New things – Words & Concepts

New **catchphrases** during the first decade of the journal *futures* (Oct. 1978, p. 346):

- Stagflation
- Energy crisis
- gay lib
- Limits to growth
- new international economic order

New **catchphrases** during the first decade of the journal *Zukünfte* (1990-2000)

- Multimedia
- Millennium Bug
- New economy
- Dot.com
- Gender mainstreaming
- September 11
- RIO process
- Mobile commerce

We do not speak the language of the future.



# Methods for identifying emergent developments

## Environmental monitoring

- Monitoring,
  - E. g. the media
- Surveys
  - E. g. market research
- Trend scouting
  - Trendsetter analysis
- Expert panels
- Observing the arts
  - Movies
  - Advertisement
  - Video Games
  - Painting
  - Science Fiction
- „dense communication“ with everybody / within futurist community
- Giving room for „crazy things“?
  - Channeling???

„This is a good idea – but is it crazy enough?“



# Two kinds of trends

<b>Trends of trend research</b>	<b>Trends of futures studies</b>
Ideas, issues, topics which just are emerging	Developments which run (already for some time) into a certain direction
Mostly from life styles and consumer behaviour	From all areas
Anecdotic evidence only, examples	Statistical data
Described by coining new words (catchphrases)	Described within an established conceptual framework
High uncertainty, often of ephemeral character	Discontinuities are always possible
From the point of view of futures studies: „Fashions“	From the point of view of trend research: „Megatrends“

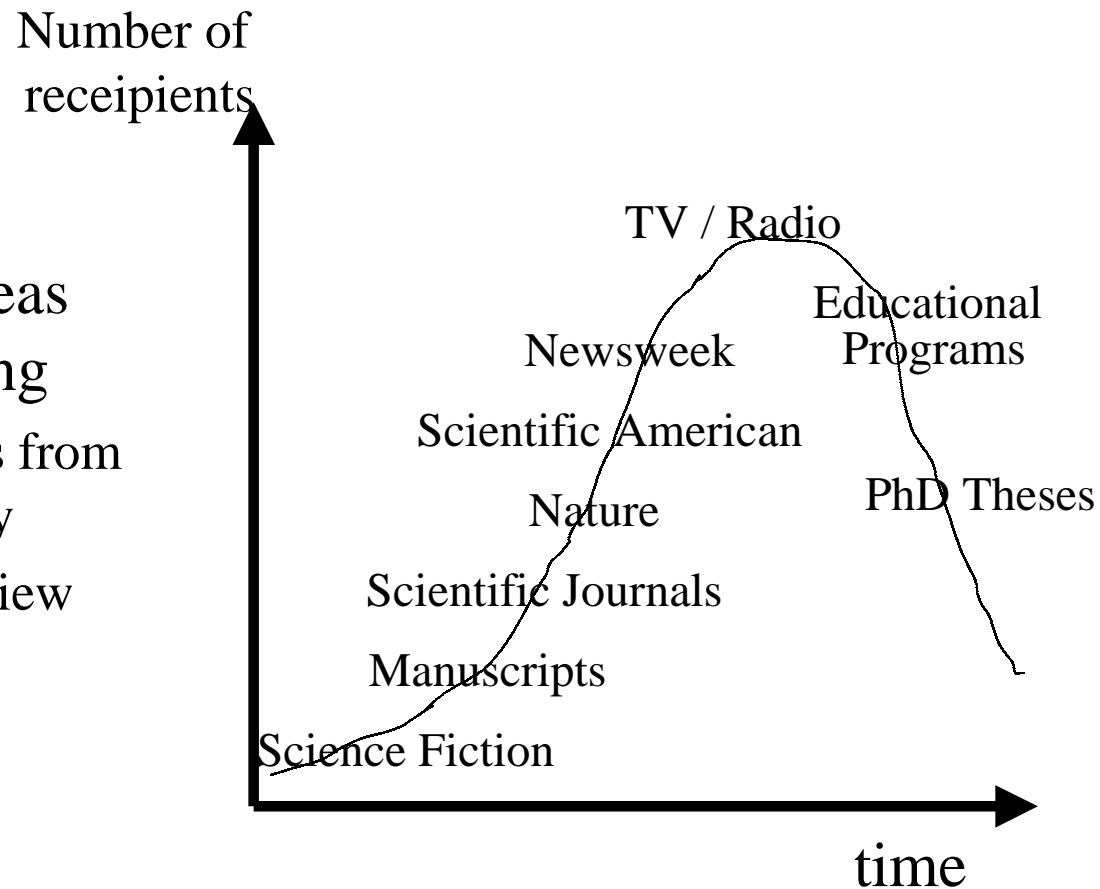




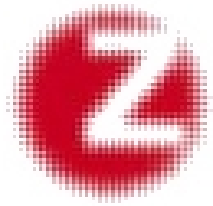
# Science fiction as an early warning system

Working hypothesis:

- SF writers use new ideas which are just emerging
  - Concepts, speculations from science and technology
  - New social points of view
- One reason: quest for originality



Adapted from Krampe 1983



# Europe in recent science fiction

1991	Norman Spinrad	Russian Spring	A strong European Union cooperates with Russia, e. g. in the field of space flight
1995	Andrew Roberts	The Aachen Memorandum	The integration of Great Britain into a centralized Europe is based upon a conspiracy.
2003	Wolfgang Jeschke	A Chicken for Cusanus (to appear)	Alternative history about a Europe which followed the path of industrial development much earlier.

Europe is nearly inexistent in recent science fiction!!!

- Why? Uninteresting? No challenges?



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# Wild Cards – unexpected discontinuities

Sudden events with:

- Low probability  
(less than 0.1)
- High impact
- Surprising character



“A wild card is a future development or event with a relatively low probability of occurrence but a likely high impact on the conduct of business” (BIPE *et al.* 1992, p. v)



# Wild Cards - Examples

- **Financial sector**

- Global e-cash supplants national currencies
- Complementary (local barter) currencies take over
- Introduction of the Tobin Tax
- New oil price shock

- **Political sphere**

- End of the nation state
- A new arms race
- Dissolution of the UNO
- Waves of ethnoterrorism
- Populist take over
- The USA goes protectionist

- **Ecology / Environment**

- A new Tschernobyl
- Asteroid impact
- World food crisis
- Gentech disaster
- Sustainability backed by the US

- **Technology**

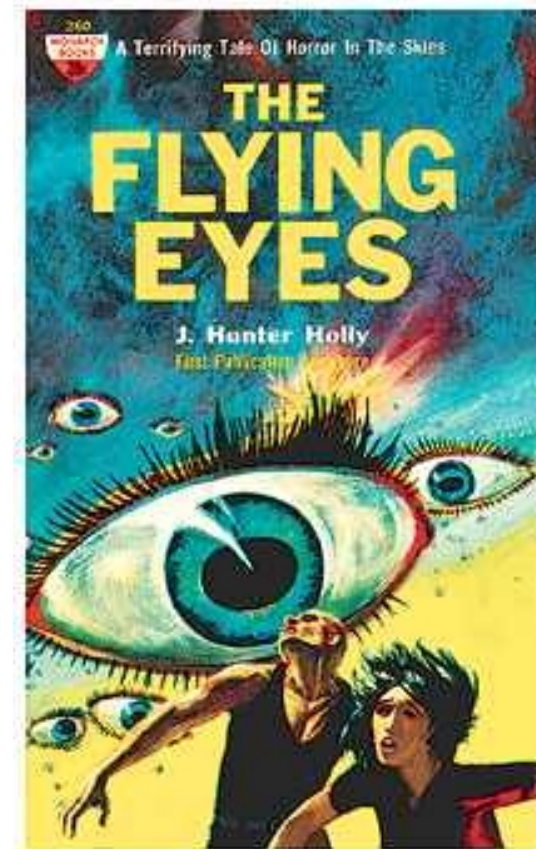
- Airship cargo successful
- Fetal sex selection possible
- Revolution of nano-materials
- Mobile electrosmog panic
- Personal fabrication



# Wild Cards – „futurequakes“

## Wild cards

- undermine current trends.
- create new futures.
- influence our thinking about the future.
- influence our thinking about the past.
- give rise to new concepts and new perceptions.

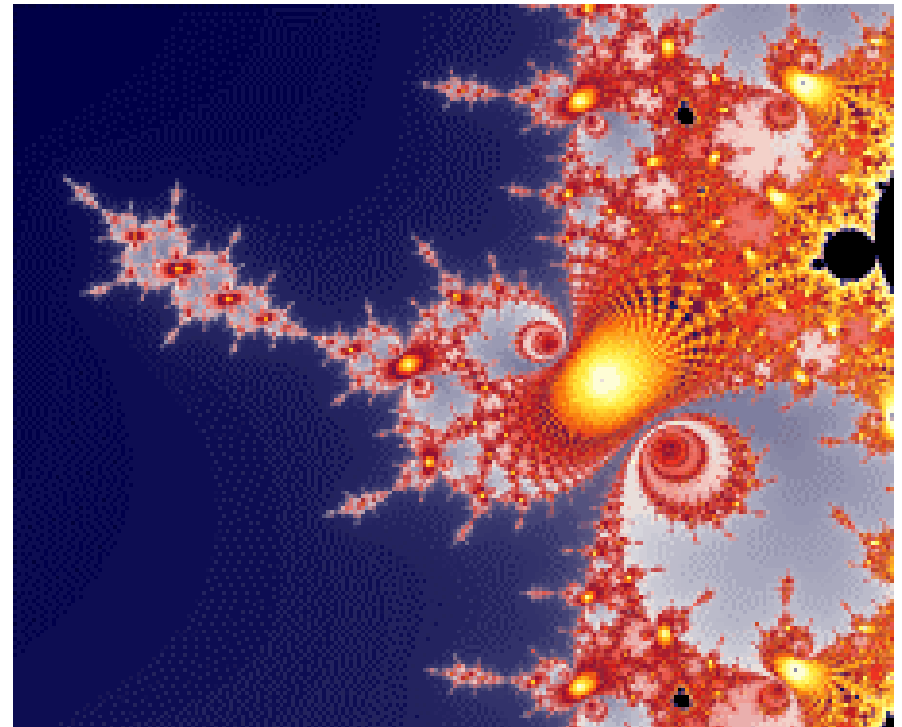


Wild cards are earthquakes of the mental landscape!



# Causes for Wild Cards

- Chaotic behaviour of complex / non-linear systems
  - Creeping catastrophies
- Paradoxies of intervention
  - Self-fulfilling prophecies
  - Self-defying prophecies





# „What if...“

## Wild cards in scenario processes

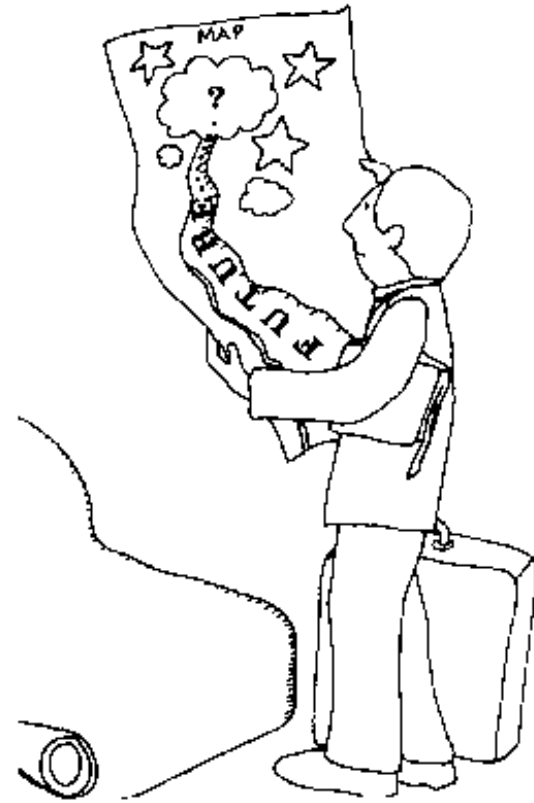
- To complement the approach
- To test the stability of the scenarios
- As eye-opener for participants in the process
- To counteract certain pitfalls
  - Lack of imagination
  - Wishful thinking / hyper-worst-case thinking





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# Wild cards for Europe

## Political wild cards

- Breakdown of the Euro
- Withdrawal of the US from the global political arena
- Fragmentation through strong regional movements
- Transatlantic confrontation
- The EU opens its doors for migration
- Islamic renaissance

## Other wild cards

- Breakthrough of language technologies
- Global epidemic
- Rise of the ocean level
- Superconductivity at room temperature



# More wild cards for Europa

<b>Trend</b>	<b>Wild cards</b>
<b>Globalisation</b> of markets: Finance, goods & services, labour	Crash of global financial markets Globalisation „with a human face“ Clash of civilisations
<b>Demography:</b> Ageing and shrinking of populations	A new baby boom „Breakdown of the sperm count“ Clash of generations
<b>European Union:</b> Enlargement and institution building	Europe orients to the East „Fraglargement“ Fortress Europe
<b>Life styles:</b> Erosion of traditional family	Return of the family Spiritual revolution
<b>Technology:</b> Rapid progresses of ICT and biotech	End of Moore's Law 100 Years Life Expectancy
<b>Environment:</b> Global warming, resources depletion	Collapse of the Gulf Stream Cold Fusion Energy



# Some extreme EU futures

Three wild card scenarios:

- Brusselisation
- Fraglargement
- Rejuvenation
- All rather improbable!



# WC1: Brusselisation

Present challenges lead to new and powerful EU institutions.

- Very strong European central power
- De-nationalisation
- EU as global player

Perhaps with:

- French administrative model
- Development of an Inter-European Pidgin language („Parlons Eurish“)

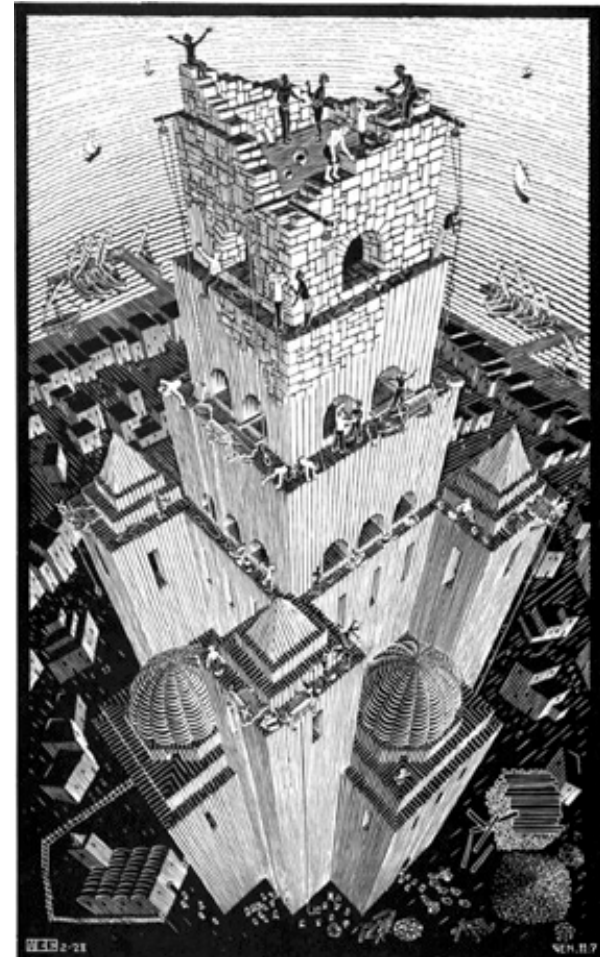




# WC2: Fraglargement

Enlargement leads to fragmentation.

- Strong regions
- Reform of European institutions unsuccessful
- Enlargement costs too high
- EU no player at global level
- Prospect: „Balkanization“

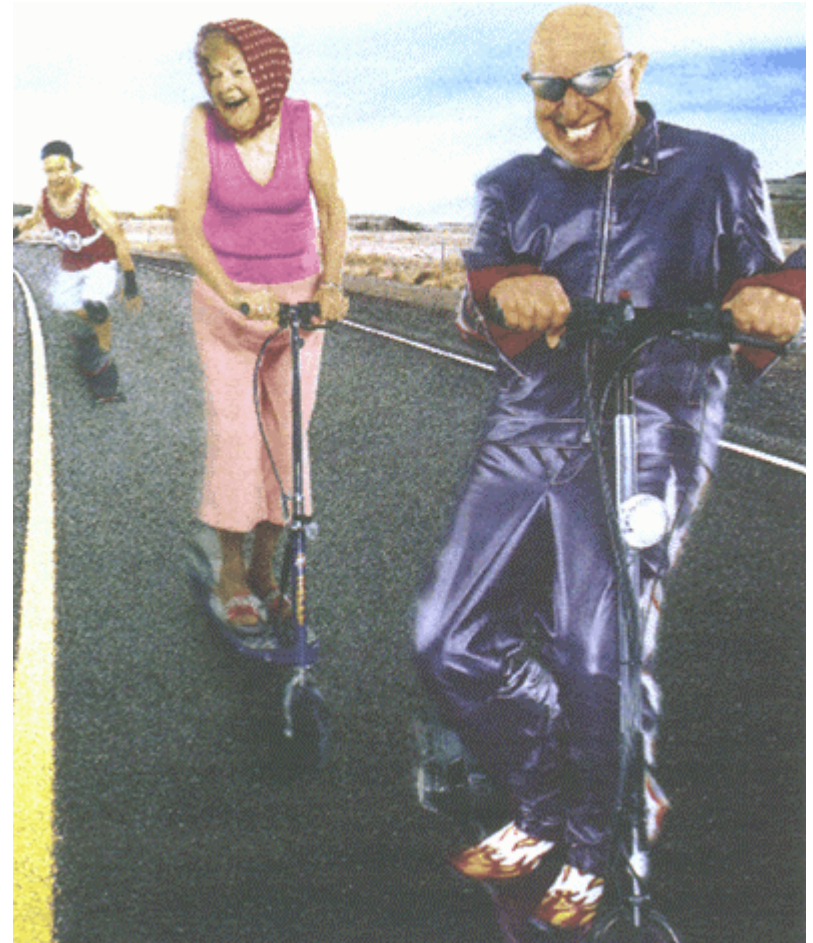




# WC3: Rejuvenation

„Rejuvenation of the old continent“

- New baby boom
- Much immigration and integration
- Successful enlargement
- Flourishing social and technological innovations
- Cultural diversity as driving force





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# Conclusion I

- ✘ Benchmarking forecasts
  - Scientists & engineers: mostly too optimistic
  - Social scientists: mostly too pessimistic
- ➔ The way into the future is paved with wrong predictions.
- ➔ Surprises are sure!



A. & K. Steinmüller:  
**Untamed future**  
(book on wild cards, 2003)



## Conclusion II

Wild cards:

- Low individual probability
- Large number – increasing with time

Even for  $p_i \ll 1$  holds for sufficiently large  $n$  ( $n \rightarrow \infty$ ):

$$\prod_i^n (1 - p_i) \rightarrow 0$$

The probability of realization of the standard scenario approaches zero.

In the long run, wild cards will shape the future.



# Conclusion III

Immanuel Kant:

A „predictive historiography of things to come in the future” is only possible, „if the foreteller himself makes the events happen, that he has predicted in advance.”

„Renewed Question: Whether the human kind is in steady progress to a better state?“ (1789)

