The Next Ten Years: What They Will Look Like

Contributed by Chuck Burr
26 March 2009

[revised for Culture Change] The next ten years will not look like the last ten. They will be a shock to many people. Theories such as petrocollapse will become mainstream; the first world will begin to look like the second and third world.

Industrialized Countries Back Slide

If you want to see what the next decade will look like, look no further than France, Ukraine, and Iceland today. Last week one to three million people took to the streets of France for a second round of protests against President Nicolas Sarkozy's handling of the economic crisis. Protests later turned violent as youths clashed with police.

Protests have also erupted in Ukraine. Ukraine's economy has gone into a nosedive, its banking system is paralyzed and millions of people have lost their jobs in recent months, industrial production has plunged 26.6 percent in the past year, the national currency, the Gryvna, has lost 50 percent of its value since last summer, default on Ukraine's $105 billion foreign debt may be imminent or barely avoided.

In a 24-page internal memo leaked to the Ukrainian media, Finance Minister Viktor Pynzenyk warned in late January that Ukraine's economy is on the verge of collapse, "We have entered an extremely serious and deep crisis. Ukraine's [economic] situation is the worst in the world."

"It's a war of all against all," says Dmytro Vydrin, an independent deputy of the Supreme Rada, Ukraine's parliament. "Our best hope at this point is that chaos will win out over ill-intentions, because the worst thing will be if one group wins and establishes a monopoly of power."

In October of 2008 Iceland's three largest banks failed unable to pay about $61 billion of debt, 12 times the size of the entire economy. The Iceland banking failure slashed more than two thirds off the value of the krona last year, pushing inflation 20 percent and sending unemployment to a record high. The inflation rate fell to 17.6 percent in February.

Worldwide, a wave of social and political unrest could sweep through the world's poorest countries if G20 leaders fail to come to their aid, the World Bank warned on March 22, 2009. A new report from the Overseas Development Institute says a collapse of the global economy would cost developing countries $750 billion in lost output, drive millions more into poverty, lead to an increase to nearly a billion in the number of people going hungry, and cost 90 million lives.

If all of the above spreads to China and Mexico in the form of political instability and disrupts production, there will be a bunch of clueless formerly middle class people wondering what happened to their limitless supply of cheap products to consume.

U.S. May Face Bankruptcy

I will spare you the details of Stimulus's, TARPs, derivative bubbles, toxic bank asset market plans, to just focus on the big picture.

Ordinarily, U.S. federal spending is about 20 percent of the total Gross Domestic Product (GDP). But as a result of the economic downturn and rapidly increasing spending, federal spending as a percent of GDP has risen by almost a third to 26 percent. Add state, county, and municipalities, I estimate total government spending to be about 36 percent of GDP. Of the proposed $3.6 trillion 2009 federal budget, almost 40 percent or $1.38 trillion will have to be borrowed because of plunging revenues. Just two years of deficit this size would equal 93 percent of the entire 2008 federal budget.

The end of cheap natural resources compounded by the debt collapse will prevent the future growth needed to pay the interest on federal, corporate, and consumer debt. We are seeing a last ditch spending effort to revive growth while other nations will still lend the U.S. money. After this, it is game over.

President Obama went to Harvard, but it was in law not economics, and even if he studied economics it would have been the wrong kind; universities need to retool and start teaching powerdown and steady-state economics because that is all we will have left within ten years. We will have to develop new economic models that do not rely on indefinite growth to pay interest on our debt.

Don’t be fooled by the Obama-bump in the global casino stock market. The current surge from the toxic assets plan will end soon as it ignores the fact that the government is responsible for guaranteeing half the value of the toxic assets. The toxic assets won’t disappear; they will just be moved from one pocket to another on the taxpayer dime. It’s like creating a market to sell shares in the Titanic. Don’t get back in the market. Financial players are running the market back up so they can get out of it.

A U.N. panel will recommend at next week’s G20 summit that the world replace the dollar as its reserve currency in favor of a shared basket of currencies, a member of the panel said on Wednesday, adding to pressure on the dollar. The world knows the dollar will lose its value over the coming years. This month Chinese Premier Wen Jiabao expressed concern about the outlook for the U.S. and the safety of its Treasury bonds. "We have lent a huge amount of money to the U.S., so of course we are concerned about the safety of our assets. Frankly speaking, I do have some worries."

A new world reserve currency will be a fatal blow to the dollar and may make it more difficult or impossible for the U.S. to finance our hemorrhaging deficit. Watch for China also to call for a new reserve currency at next week’s G20 summit.

What We Will See by 2019

Over the next ten years we will probably see: The end of the go-anywhere any-day airline industry as we know it. A 20 to 50 percent reduction in long-haul trucking. The mothballing of the international space station. $6-$10 gallon gas and the end of one or all of the big three automakers. Closure of several national retail chains. A DOW of between 4000 and 6000. Pension benefits cut by half. The Great Depression II will not have ended. Resurrection of the “victory garden” now called the “I need to eat garden.” Mass migrations. Reinstatement of the draft to fight resource wars or mandatory national service. Shortages of spare parts. Gas lines and rationing. Ideas such as petrocollapse and a steady-state economy will have joined global warming in mainstream consciousness. With a decline of world oil production of 6 to 9.1 percent per year, we will see GDP drop from $14.58 trillion in 2008 to between $7 and $9 trillion by 2019.

Reaching Limits to Growth in the Next Ten Years

Our system is the mother of all Ponzi schemes. The three key lynchpins holding it all together will start coming apart in the next decade.

First, the house of cards construction of it requires several “ifs” to all be maintained. For instances, if the system can keep expanding to pay the interest on the debt, if the minority can continue to exploit the majority, if we can continue to find cheap energy and natural resources, if large nation states can be maintained to keep global markets open, if we can continue to operate at a high degree of inefficiency and waste, if we can maintain a consensus and motivation, etc.

Second, because we have put off our problems with economic and cheap energy technology adaptations, it is now becoming more likely that we will run into several of our problems at the same time. Our system will not run out of land or food or resources or pollution absorption capability. What it will run out of is the ability to cope. Today we are witnessing the Obama administration trying to maintain a consensus to spend at ever higher levels to solve our problems. When problems arise exponentially and in multiples, problems that could theoretically be dealt with one by one can overwhelm the ability to cope.

Third, as our population continues to grow, it’s weight upon the house of cards becomes increasingly crushing. More cheap energy, food, land, clean water, transportation, etc. are all needed. What was once a manageable problem at a population of 1 billion, starts to become a catastrophe at 7 billion. At some point limits to growth are reached.

The Future is Unavoidable

With the large population size we have for at least another generation, our auto-dependent suburban infrastructure, and our infinite growth economic model, we are set up for failure. Every step in the same direction is just digging a deeper hole: more debt, more decaying infrastructure, no real value employment, little population control, hopelessly inappropriate skills and education.

We need a shift in our mindset from “the world belongs to man” to “humanity belongs to the earth.” Mainstream consciousness does not yet recognize nor appreciate the great biodiversity of our planet is dying—millions of lost species just when we need the earth’s resilience the most. Our culture teaches us to wear blinders, and only think about “number one.” When we consume or till a field, we do not “see” the life we are taking or the habitat that is lost. We do not see what a field once was or could be if succession was allowed to again progress.

The Only Solution That Will Ultimately Work: One Child Families Through New Culture

If we are going to engineer a softest landing for the next generation we do need to strive for: a steady-state economy, re-localization and expanded nonprofits, local community, respect for our elders, dissolve the nation-state, indy-media, transition from agriculture to horticulture, and community education—basically a new culture(s). Standardized “no child left behind” should be replaced by “every child can plant a forest garden and feed their family.” But no matter your cause, it is a lost cause without reducing population. Planting a food forest and having four kids is one step forward and four steps backward.

Reducing our population to 1900 levels will go the furthest to a brighter future for our children and our fellow species from whom we have stolen so much. One child families can reduce human population each generation from 6.7 billion, to 3.4 billion, to 1.7 billion, to 838 million and so on all within one century. Everyone will still be able to nurture a loving family.

Change Has to Come From the Bottom Up

Change will not come from top-down centralized governments. Nation states protect assets of the wealthy, tilt the table to concentrate wealth up, and just do not inspire local change. We have to let go of the nation state, and re-localize more than just our food production. This will mean fewer big box stores and gadgets, but also a better future.

My own family is trying to make the transition now from consumers to food-forest farmers and educators. It's hard because our society does not give us alternatives. It's, "get a job or we don't give you any happy juju points to buy food or stuff with." "Free land, forget it." "Here, stare at this light box five hours per day, and zone out watching 21,000 commercials per year." "Sit down, shut up, and don't ask questions in school." "Don't save your seeds, buy this new and improved variety from us."

Restore the Original Cultural and Economic Model

The following short "solutions" sections are repeated from my previous essays. However, about half of my readers are new to Culturequake. So read on if you're new.

Moving towards a stead-state economy is an important first step, but it is only the beginning. It is time to dump the agricultural revolution economic model of privatizing the land, locking up the food, forcing people to get a job and work for the system just to live and eat. Humanity's anthropocentrism and dominion have gotten us where we are today: hot, dry, and crowded.

It used to be that you "give support to get support;" now it is "make things to get things." The new agricultural revolution or Taker model leaves us unfulfilled, and destroys the planet's biodiversity. The original model worked for three million years until the agricultural revolution. Small tribal communities provided cradle-to-grave security for everyone. No Medicare card required. The beauty is that thousands of different cultures used this model for millions of years, plus it works for the average person. You didn't have to be a walking Buddha or the second coming to be fulfilled, happy, and supported by your community.

So What Do We Do Now?

Find like-minded people and start the multi-generational journey to find more ways to support each other. Unplug from the matrix; unplug from your television and the private property debt treadmill. Create community and land trusts. Make things up as you go. Repurpose the best skills to support your community. Plant a food forest instead of an annuals only garden; emphasize perennials. Work from a sense of joy.

The majority is not ready to unplug from the system until it sees repeated examples of a better way to live—of new cultures. They need to walk towards something better, not away from something bad. We are not only becoming the change we want to see, but we will be the inspiration for more to follow. For those already becoming the change we want to see, we will be the inspiration for those who follow.

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