

## GLOBAL TRENDS 2030: AN OVERVIEW

### MEGATRENDS

<b>Individual Empowerment</b>	Individual empowerment will accelerate owing to poverty reduction, growth of the global middle class, greater educational attainment, widespread use of new communications and manufacturing technologies, and health-care advances.
<b>Diffusion of Power</b>	There will not be any hegemonic power. Power will shift to networks and coalitions in a multipolar world.
<b>Demographic Patterns</b>	The demographic arc of instability will narrow. Economic growth might decline in "aging" countries. Sixty percent of the world's population will live in urbanized areas; migration will increase.
<b>Food, Water, Energy Nexus</b>	Demand for these resources will grow substantially owing to an increase in the global population. Tackling problems pertaining to one commodity will be linked to supply and demand for the others.

### GAME CHANGERS

<b>Crisis-Prone Global Economy</b>	Will global volatility and imbalances among players with different economic interests result in collapse? Or will greater multipolarity lead to increased resiliency in the global economic order?
<b>Governance Gap</b>	Will governments and institutions be able to adapt fast enough to harness change instead of being overwhelmed by it?
<b>Potential for Increased Conflict</b>	Will rapid changes and shifts in power lead to more intrastate and interstate conflicts?
<b>Wider Scope of Regional Instability</b>	Will regional instability, especially in the Middle East and South Asia, spill over and create global insecurity?
<b>Impact of New Technologies</b>	Will technological breakthroughs be developed in time to boost economic productivity and solve the problems caused by a growing world population, rapid urbanization, and climate change?
<b>Role of the United States</b>	Will the US be able to work with new partners to reinvent the international system?

### POTENTIAL WORLDS

<b>Stalled Engines</b>	In the most plausible worst-case scenario, the risks of interstate conflict increase. The US draws inward and globalization stalls.
<b>Fusion</b>	In the most plausible best-case outcome, China and the US collaborate on a range of issues, leading to broader global cooperation.
<b>Gini-Out-of-the-Bottle</b>	Inequalities explode as some countries become big winners and others fail. Inequalities within countries increase social tensions. Without completely disengaging, the US is no longer the "global policeman."
<b>Nonstate World</b>	Driven by new technologies, nonstate actors take the lead in confronting global challenges.

In a likely tectonic shift, the United States could become energy-independent. The US has regained its position as the world's largest natural gas producer and expanded the life of its reserves from 30 to 100 years due to hydraulic fracturing technology. Additional crude oil production through the use of

"fracking" drilling technologies on difficult-to-reach oil deposits could result in a big reduction in the US net trade balance and improved overall economic growth. Debates over environmental concerns about fracturing, notably pollution of water sources, could derail such developments, however.

TECTONIC SHIFTS BETWEEN NOW AND 2030	
<b>Growth of the Global Middle Class</b>	Middle classes most everywhere in the developing world are poised to expand substantially in terms of both absolute numbers and the percentage of the population that can claim middle-class status during the next 15-20 years.
<b>Wider Access to Lethal and Disruptive Technologies</b>	A wider spectrum of instruments of war—especially precision-strike capabilities, cyber instruments, and bioterror weaponry—will become accessible. Individuals and small groups will have the capability to perpetrate large-scale violence and disruption—a capability formerly the monopoly of states.
<b>Definitive Shift of Economic Power to the East and South</b>	The US, European, and Japanese share of global income is projected to fall from 56 percent today to well under half by 2030. In 2008, China overtook the US as the world's largest saver; by 2020, emerging markets' share of financial assets is projected to almost double.
<b>Unprecedented and Widespread Aging</b>	Whereas in 2012 only Japan and Germany have matured beyond a median age of 45 years, most European countries, South Korea, and Taiwan will have entered the post-mature age category by 2030. Migration will become more globalized as both rich and developing countries suffer from workforce shortages.
<b>Urbanization</b>	Today's roughly 50-percent urban population will climb to nearly 60 percent, or 4.9 billion people, in 2030. Africa will gradually replace Asia as the region with the highest urbanization growth rate. Urban centers are estimated to generate 80 percent of economic growth; the potential exists to apply modern technologies and infrastructure, promoting better use of scarce resources.
<b>Food and Water Pressures</b>	Demand for food is expected to rise at least 35 percent by 2030 while demand for water is expected to rise by 40 percent. Nearly half of the world's population will live in areas experiencing severe water stress. Fragile states in Africa and the Middle East are most at risk of experiencing food and water shortages, but China and India are also vulnerable.
<b>US Energy Independence</b>	With shale gas, the US will have sufficient natural gas to meet domestic needs and generate potential global exports for decades to come. Increased oil production from difficult-to-access oil deposits would result in a substantial reduction in the US net trade balance and faster economic expansion. Global spare capacity may exceed over 8 million barrels, at which point OPEC would lose price control and crude oil prices would collapse, causing a major negative impact on oil-export economies.

## POTENTIAL BLACK SWANS THAT WOULD CAUSE THE GREATEST DISRUPTIVE IMPACT

<b>Severe Pandemic</b>	No one can predict which pathogen will be the next to start spreading to humans, or when or where such a development will occur. An easily transmissible novel respiratory pathogen that kills or incapacitates more than one percent of its victims is among the most disruptive events possible. Such an outbreak could result in millions of people suffering and dying in every corner of the world in less than six months.
<b>Much More Rapid Climate Change</b>	Dramatic and unforeseen changes already are occurring at a faster rate than expected. Most scientists are not confident of being able to predict such events. Rapid changes in precipitation patterns—such as monsoons in India and the rest of Asia—could sharply disrupt that region's ability to feed its population.
<b>Euro/EU Collapse</b>	An unruly Greek exit from the euro zone could cause eight times the collateral damage as the Lehman Brothers bankruptcy, provoking a broader crisis regarding the EU's future.
<b>A Democratic or Collapsed China</b>	China is slated to pass the threshold of US\$15,000 per capita purchasing power parity (PPP) in the next five years or so—a level that is often a trigger for democratization. Chinese "soft" power could be dramatically boosted, setting off a wave of democratic movements. Alternatively, many experts believe a democratic China could also become more nationalistic. An economically collapsed China would trigger political unrest and shock the global economy.
<b>A Reformed Iran</b>	A more liberal regime could come under growing public pressure to end the international sanctions and negotiate an end to Iran's isolation. An Iran that dropped its nuclear weapons aspirations and became focused on economic modernization would bolster the chances for a more stable Middle East.
<b>Nuclear War or WMD/Cyber Attack</b>	Nuclear powers such as Russia and Pakistan and potential aspirants such as Iran and North Korea see nuclear weapons as compensation for other political and security weaknesses, heightening the risk of their use. The chance of nonstate actors conducting a cyber attack—or using WMD—also is increasing.
<b>Solar Geomagnetic Storms</b>	Solar geomagnetic storms could knock out satellites, the electric grid, and many sensitive electronic devices. The recurrence intervals of crippling solar geomagnetic storms, which are less than a century, now pose a substantial threat because of the world's dependence on electricity.
<b>US Disengagement</b>	A collapse or sudden retreat of US power probably would result in an extended period of global anarchy; no leading power would be likely to replace the United States as guarantor of the international order.