

### **THE HISTORY OF THE WORLD ... A DECADE DOWN THE ROAD**

Without question, this decade will go into the history books as being, inter alia, the period that:

1. Terrorism went international on a grand scale and graduated into being a formidable military force, pitted against the world's superpower, and being responsible for more indiscriminate killings than ever before;
2. The arrogance of the world's only superpower, the United States of America (US), showed its true face to the world;
3. The People's Republic of China (PRC) was recognised as a very real and powerful economic force, the envy of many nations; and,
4. The cartel, known as The Organisation of Petroleum Exporting Countries (OPEC), proved itself to be nothing more than a band of individuals of a handful of greedy nations, holding the rest of the world to ransom by raising crude oil prices on international market – by non-action.

And the future?

By all accounts, today, in the next decade or so, international terrorism will graduate and obtain a doctorate degree in nuclear and biological guerrilla warfare, waving the flag of Muslim fundamentalism as its standard, in the same way that the National Socialist German Workers' Party, founded in 1919, waved the Swastika as its official flag in 1935, the PRC will become the second-largest economy of the world, knocking Japan off that perch, India will be the biggest challenge to the PRC and will emerge as the third largest economy of the world, and, the US will continue to be the biggest, strongest, richest and most-arrogant nation of the world, as well as continuing to be the Number One economy of the world and maintaining the largest and most-powerful military force that the world has ever, shamefully, had to witness.

In addition, there is strong evidence to suggest that, in the next decade, the currency of the PRC, the renminbi, will challenge the current dominance of the US dollar and the euro as one of the preferred international currencies for commerce.

#### **The Future of the US**

It is the first million US dollars/pound sterling/Deutschmarks, etc, which is difficult to accumulate for most people, who aspire to be rich.

After that, it is, usually, easy for wealth, like a loadstone, to attract more wealth.

In the same way, it would appear that the US will continue to attract more wealth to its shores.

Its currency, the dollar, will continue to be the preferred international medium of exchange in a similar fashion as the English language has, over the years, emerged as the dominant, international language of commerce.

By the end of the next decade or so, the Gross Domestic Product (GDP) of the US is quite likely to be about \$US55,000 per capita, dwarfing the then GDP of India by at least 9 times and by at least 5 times that of the PRC.

Nothing will be able to stop the run of the US.

However, one recalls the fall of Rome, an empire, which endured for some 500 years before it became evident that the once Roman Republic, a dynamic and flexible political organism, which was, at its peak, a noble system of government for a small city state, was unsuitable for a large and very diverse empire and, certainly, it was very unsuitable for rule, being controlled by a small group of the elite, so-called aristocratic class.

Today, the ruling class of the US is the plutocrats.

This could well be the country's undoing.

### **The Future of the PRC**

It is unquestionable that the PRC, with its form of government, being a dictatorship, fashioned after rigid and unforgiving paternalism, for the most part, will, within the next decade or so, become the second-largest economy of the world, as well as being the most-populous nation in the world in spite of itself.

One must assume that its current policy of limiting the family to one child will be relaxed – because the population will demand it and because, if the government does not recant, the female population will be depleted at an even faster rate than today.

That scenario, being inevitable, the human population will rise to at least 1.40 billion people.

This is double the population of the entire European Continent.

The per capita income in the PRC is expected to reach about \$US11,000, which will be about 20 percent of that of the US.

The most-likely future for the PRC appears to be that of a manufacturing base for a goodly part of the world, where shoes, textiles, garments, electronics, condoms, crockery, etc, will be produced and exported to every corner of the globe.

As more wealth is created in the Middle Kingdom, internal social reforms will be demanded.

The population of the country will, certainly, mature and exert more pressure on the ruling junta, which, in turn, will cave into the demands of the people.

As the PRC gains more stature, internationally, and as it becomes more integrated into the global economy, even further domestic reforms will be demanded by the population.

The system of government of the country will be forced to change and to become more flexible and democratic and, probably, to evolve as a type of social democracy à la Deng Xiao Ping.

This is the most-likely scenario for the PRC at this juncture in its political history although, as economists and political scientists have come to learn, things change rather rapidly in the PRC and its leaders come and go as through a power-driven, revolving door, which has no-stop switch.

One thing is, absolutely, certain about the PRC: The political system of the country will not survive in its present form.

However, any and all reforms may well be challenged by the military arm of the government, which will attempt to cling onto its power base and to resist change ... at all costs.

Cracks in the existing, hard-core fabric of the government of the PRC are, already, in evidence: Greater attention is being paid to the idea of a fast-track, market-driven economy; the successful of the country are being fêted; the known fat cats of the country, those that have fallen from political grace, especially, are being rooted out and charged, openly, with corruption offences; and, autonomous regions are being given more power to solve their own problems, without seeking, outwardly, Beijing's express permission for unilateral actions.

Among the most-significant advances of the PRC will be the emergence of the renminbi as one of the 3 dominant currencies of the world.

The renminbi is quite likely to challenge the current monopoly, held, internationally, by the euro and the US dollar.

International investors will look to the PRC as a place in which to park surplus investment funds, thus, driving up the relative value of the renminbi vis-à-vis the US dollar/euro.

### **The Future of India**

India is destined to be the third-largest economy of the world, nipping at the heels of the economy of the PRC.

In the next decade, one is likely to see India's GDP grow by about 5.50 percent per annum, or greater than \$US6,000 per capita, equivalent to about 11 percent of that of the US.

The widespread use of the English language will be a driving force for this huge country, whose human population is likely to equal that of the PRC, due in large part to the fact that there has never been a one-child per family policy in this democracy; and, it is unlikely that there ever will be such a policy.

At this point, India has a rather poor infrastructure, but, as the country becomes more of a service industry to the rest of the world – a base for the establishment of call centres for international banks, multinational producers of telecommunication devices, etc – the requirement for improvements in this sphere must take place.

India will, always, be a rival of the PRC and, in some respects, it may well outperform the PRC in many aspects of its economy.

However, ultimately, due to its lack of cohesion to a single political force and the diverse nature of its peoples, where religious/political conflicts are common, leading to periodic uprisings as one group attacks another, the country is unlikely to overtake the PRC's economic growth rate, during the next 2 decades, let alone the next decade.

India is quite likely to emerge as the next '*Microsoft Incorporated*' of the world, dwarfing the growth of the computer software development of the US and Europe.

### **The Future of Japan**

Japan is likely to fall from grace, internationally, over the next few years, being knocked off its perch as the second-largest economy of the world by the PRC.

It will, however, continue to be a big player in the motor-vehicle industry of the world, upstaging the giants of this industry, today, namely, General Motors Corporation and Ford Motor Company of the US.

The US motor-vehicle industry is unlikely, ever, to recover to its former glory, no matter how much money is pumped into this industry by the US Government and/or private enterprise.

Japan's biggest rival in this sphere of activity is South Korea, but, at this point, it is difficult to predict how South Korea will fare during the next decade, due to the antics of its northern neighbour, led by Kim Jong Il, who is known to be more than a little megalomaniac.

However, this undisputed leader of North Korea, who, by the divine right of succession, rose to power at the death of his father, President Kim Il Sung, in 1994, has let it be known that the country has hung out the '*for sale*' sign to the highest bidder.

Nobody can predict what this man will do if he does not get his way and there are no viable takers for the country.

For Japan, an emerging problem is the growing number of people of the country, those over the age of 65 years.

This ageing group is not as productive as the younger generation, but these 38 million people will continue to need to be fed and housed – at the expense of the government of the country if their offspring has not provided for them, sufficiently.

It will be a drain on the coffers of the government, no doubt.

Further, Japan clings onto its rigid past, where the cultural and religious '*mysteries*' continue to confound foreigners.

The code of the bushido is, still, very much in evidence in the country; and, it is unlikely to die a very fast death, if at all.

The ability of Japan to integrate itself, closely, into the world's family of nations is limited due to (a) its unflinching culture and religions (b) its language, both spoken and written (c) the closed ranks of the industrial moguls of the country and (d) the rising tide of militancy among many of the country's labour unions.

### **The Future of the Middle East**

At the rate and direction that this part of the world is moving, it has a very limited future on the world stage as a viable economic force.

OPEC is doomed to obscurity: It is just a matter of time.

The world will not tolerate the antics of greedy Middle-Eastern powers, which hold the (crude oil) Sword of Damocles over the heads of the West.

OPEC's power will be tested until, eventually, its credibility will be found only in the rubbish bin of history.

Alternate sources of energy will be discovered so that the world's dependence on fossil fuels will wane in favour of alternate sources of energy, sources which cannot be depleted.

Speeding up this process of the disintegration of OPEC will be those Middle-Eastern countries, which will seek alliances with Western nations, hoping to curry favour, leading to chasms to become evident in the very foundations of the current politics of the area.

Also, the lack of cohesion within the ranks of OPEC and the inability of Arab nations to work together toward a common goal guarantees disunity.

To the credit of the Arab world, aside from sand and oil, this part of the world has little to offer the international family of nations.

And, when oil revenues start to dry up, the Arab world will be left with little else but its sand.

### **The Future of Africa**

The African Continent is a non-starter, internationally.

The way in which this part of the world heals its chronic economic and political problems is by genocide, or permitting a large part of its population to die of starvation or by pestilence.

The rest of the world is, rightly, abhorred by these practices.

As such, the civilised world will continue to turn its proverbial back on what used to be, in the history of the world, the cradle of civilisation.

Today, Africa is the cradle of mass slaughter, only, as well as economic retrogradation.

One wonders whether or not the West will play a more active role in ameliorating the situation in this region.

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