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*** IAF moved in March. We have the same street, phone, and fax number, but we are now in Suite 307. Please update your records. Thank you. ***

Forward Perspectives

Looking Back on Looking Ahead

by IAF President Jonathan Peck



In March of 1987 IAF published a pamphlet titled "The Future of Work and Health – implications for health strategies," and during our move to a new office in March of 2011 I picked up a copy of it. This pamphlet was produced with the help of two people who have become very dear friends, Willis Goldbeck – now on the IAF Board – and Anne Kiefhaber – now married to Willis. Looking back the three of us have much to celebrate, including what we wrote 24 years ago.

The introduction Willis wrote began, "During the next 15 years, business and government leaders may face many new challenges for which they are ill equipped." Here are six challenges Willis saw by looking ahead:

1. Through technological advances, full productivity may be achieved with much less than full employment.
2. As the workforce ages, many companies will have more retirees than active workers.
3. With changing demographics, companies that eliminated older employees from their workforces in the early 1980's will, by the early 1990's, recruit workers who are in their 60's and 70's.
4. Technological advances may eliminate much functional disability.
5. Sophisticated genetic markers to identify an individual's predisposition to certain diseases will be commonly available by the year 2000.
6. Health protection, health promotion, and preventive health services will continue to expand the average life span.

None of these look quaint or irrelevant today. Here are a few other points from the pamphlet that strike me as prescient. "Self esteem" and "optimal health" were identified as important in a "work environment supportive of employees". Think now about the most creative work environments that high-growth Silicon Valley companies created over subsequent decades and it's clear that some companies grasped this point. IAF now sees this as a vital strategy for our employees, encouraging healthy eating and focusing on the "joy meter" we individually and collectively monitor. Perhaps this idea first emerged for us back in 1987 when Willis wrote, "Mental health issues will expand beyond the treatment of mental illness and alcohol and drug abuse to the design of work environments that support emotional well-being."

Perhaps readers will find what we got wrong just as interesting. Our demographic forecast for 2010 was for 289 million,

including 39 million elders, constituting about 14% of the U.S. population, but we were off. The actual census numbers estimate 310 million with 40.2 million over 65 constituting about 13% of the U.S. population (www.census.gov/prod/2010pubs/p25-1138.pdf). What were we thinking? Drawing from the U.S. Bureau of the Census we forecasted that the country would add from 450,000 to 1.5 million people per year. The influx of people from Latin America and their higher birth rates accounts for the fact that there is a larger, younger population than we anticipated back in 1987. Yet even while the numbers were off, we did identify important implications from the demographic trends. "When workers of the baby-boom generation retire, the burden of higher Social Security taxes will fall to the younger generation, which is expected to comprise a higher proportion of poor people." We also noted that "poorer, less educated mothers of the baby-boom population have not delayed childbirth as have their more prosperous and educated counterparts," which would lead to more children in poverty.



Teens, the Poor, and the Future of Business

by IAF Vice President Eric Meade

The Center for Science in the Public Interest (CSPI) is launching a campaign to encourage people to drink less soda after Coca-Cola's chairman and CEO expressed pride in "creating new strategies that are winning over a massive new generation of teens to drive growth of Trademark Coca-Cola." As CSPI Executive Director Dr. Michael Jacobson writes, "Considering that soda is the single largest contributor of calories in the U.S. diet – about seven percent – the last thing we need is a doubling of servings of Coca-Cola, which is one of the company's stated goals."

One is reminded of some press coverage Coca-Cola received a few months ago – a cover story in the Nov. 1, 2010 issue of Bloomberg Businessweek about Coke's focus on Africa as the source of future earnings growth. The article writes, "Coca-Cola will rely on some of the poorest nations to generate the 7 to 9 percent earnings growth it has promised investors." To achieve this growth, Coke is looking to places like Alexandra, South Africa, a township near Johannesburg with 65 percent unemployment, and Nairobi, Kenya, where a seamstress mentioned in the article spends 14 percent of her income on the drink.

The emphasis on teens and Africa is not an idiosyncrasy of Coca-Cola's business strategy. Rather, it reflects the logical consequence of applying the business practices of the past in the face of a global shift in values. This shift has been anticipated by many futurists (e.g., Willis Harman, Duane Elgin, and Ken Wilber) and is likely to reshape society in the years to come. Around the world, many societies are evolving to a higher set of ethics focused on health, equity, and sustainability. For Coca-Cola, this means that many people who used to drink soda have shifted their consumption from soda to healthier products.

This is related to demographics. In Japan, Western Europe, and to some extent the U.S., for example, aging populations are prompting changes in markets and in society. Developmental psychologists have shown that as people age, they move through stages. At the earlier stages of this development, the emphasis is on impulse, adventure, and immediate gratification. At subsequent stages, there is an emphasis on status and achievement. At later stages, a more complex perspective emerges that appreciates health and equity. Taking the demographic perspective, Coca-Cola's strategic focus on Africa could be seen as a subset of its efforts to market to teens more generally, since more than half of the continent's population is under the age of twenty.

But it isn't *just* demographics. The data presented in Abhijit Banerjee and Esther Duflo's recent book, *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*, serves as a starting point for applying models from developmental psychology to communities where poverty is prevalent. This data captures behaviors among poor populations that are surprising to the authors, yet are consistent with earlier development stages. Because individual development is to some extent a function of the environment in which one lives, it can be hindered in the highly stressed environments associated with poverty, violence, disease, etc. Thus, as the human population ages and evolves, businesses that market certain types of products may find their customers concentrated among increasingly vulnerable populations.

This is anticipated by the fact that many of the frameworks used by companies to segment consumers either explicitly or implicitly approximate developmental models. For example:

- The "4C's" model advanced by marketing firm Young and Rubicam is explicitly based on Abraham Maslow's "hierarchy of needs." The model describes a consumer segment of "strugglers" who "live for today...make few plans for tomorrow...[are seen by others] as victims, losers and wasters...[and] are heavy consumers of alcohol and junk food."
- The ValueScope framework used by market research firm GfK Roper closely resembles Jane Loevinger's eight stages of ego development. This model describes a consumer segment of "hedonists" that "constitute one of the most attractive target audiences for producers of different goods as they save less and spend most of all."

By marketing unhealthy products to these "segments," companies are in fact targeting the most vulnerable among us – e.g., the young and the poor. This is the approach that seems to guide business strategy at Coca-Cola, as well as many other companies. The fact that polite society continues to applaud companies who sell unhealthy products to consumers in

"segments" that explicitly or implicitly reflect earlier stages of development may be the ethical challenge of our time. As global values change, however, these companies will likely find themselves the target of widespread public criticism and government regulation. By contrast, companies who recognize this value shift and align their strategies with their customers' well-being will garner widespread acclaim and strengthen their relationships with customers and society.

News & Events



James Marks, Sr. VP at RWJF Starts Conversation on Vulnerability Scenarios

In an article entitled "[If Nostradamus Was a Philanthropist](#)" on the Stanford Social Innovation Review blog, Senior Vice President and Director of the Robert Wood Johnson's Health Group James Marks writes about the important insights he and his colleagues have gained from the [Vulnerability Scenarios](#):

"First, the factors that will have the biggest impact on the health of vulnerable populations will likely come from outside the health care system. . . . What will matter most are things like jobs, schools, crime, food, housing, and energy. That has huge implications for health foundations, NGOs, and government agencies, all of which typically look for solutions within, not across, sectors."

and

"The best solutions will be innovations that help the most people – that is, cost-effective solutions that are practical to adapt and replicate in other communities. Wherever possible, we should seek policy changes that can support implementation and spread. Even better, those solutions will address the intertwined problems – such as health, education, employment, and housing – that affect our most vulnerable at the same time."

What do you think? We invite you to join the conversation at www.ssireview.org/opinion/entry/if_nostradamus_was_a_philanthropist.

IAF Appreciates Donation from Mei Lin Fung, Chairman of the Board for Institute for Service Organization Excellence

We received another remarkably generous donation from a colleague whom IAF President Jonathan Peck has had the great privilege to work with and learn from: Mei Lin Fung, Chairman of the Board for the Institute for Service Organization Excellence. He called to thank her and ask about her motivation for making a donation to IAF. Here is her response:

I see IAF through you, Jonathan, and how you bring caring, empathy, and compassion to the work of futuring. Too often futuring work leaves unremarked and unrecognized those moments of beauty and compassion so essential to the human spirit. For me, the core work of futuring is to make our efforts of today count in benefiting the unknown others of future generations. My donation is recognition of your capture of that spirit in your words calling people to action on behalf of the future of our humanity.

On behalf of IAF and with great personal gratitude, thank you Mei Lin!

Upcoming Events

[Wiser Futures: Using Futures Tools to Better Understand and Create the Future](#), pre-conference workshop at WorldFuture 2011: Moving from Vision to Action. Clem Bezold. July 8, 2011 in Vancouver, British Columbia, Canada.

[The Future and Urban Health Equity](#), session at WorldFuture 2011. Clem Bezold and Trevor Hancock. July 2011 in Vancouver, British Columbia, Canada.

leading organizations understand the likely, challenging, and visionary developments that may take place in their environments, and to develop robust and visionary strategies that account for the inherent uncertainty of the future. IAF's past clients include the World Health Organization, AARP, American Cancer Society, and Rockefeller Foundation, as well as a wide range of multinational corporations through its for-profit subsidiary, Alternative Futures Associates. To learn more about what we can do for your organization, call us at (703) 684-5880 or write to futurist@altfutures.org.

We'd like to know what you think! Please send us your comments, questions, and things you would like to see included in future issues to futurist@altfutures.org.

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