

5 Ways the World Will Look Different in 2030

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The world is changing. Are you ready? The COVID-19 pandemic is forcing companies to create new business models, causing consumers to rethink the way they buy things, inspiring entrepreneurs to innovate, and resulting in a lot of global economic uncertainty. It can be both energizing and unsettling to be part of such unprecedented times.

Wharton management professor Mauro Guillén has taken this opportunity to try to make sense of it all. In his new book, [*2030: How Today's Biggest Trends Will Collide and Reshape the Future of Everything*](#), he discusses how some of the business, financial and economic changes happening now will affect us in the years to come. “Everyone sees change everywhere, and I think it’s important to figure out where are we going to be five to 10 years from now,” Guillén said during an interview on the [Wharton Business Daily show on SiriusXM](#). “It’s extremely important for businesses and also for individuals – as investors, as savers and more generally as citizens – to figure out what the future’s going to look like.”

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Here are five ways, according to Guillén’s research, that the world will look different in 2030:

- 1. Demographics.** The pandemic has two different effects, depending on the trend. One is to accelerate and intensify things. For example, consider population aging. Inevitably in a recession, we have fewer babies. Postponing having babies accelerates the median age of a population when compared to the age of the total population (in other words, there are more older people), so problems related to [Social Security](#) and pensions will arrive earlier. Other types of trends get delayed, or even reversed, by something like this. One of them will be the growth of cities, especially in Europe and in the U.S. They won’t grow as quickly.
- 2. Population Shift.** While expansion in North America, Europe and Asia has been vital to the global economy in the last several decades, Guillén talks about other areas of the world starting to come on strong. “I am very bullish on sub-Saharan Africa [the area of Africa that lies south of the Sahara Desert] because of their demographic dynamism, and because the biggest cities in Africa are growing and creating an expanding middle class,” he said. “Now, only maybe 15% of the sub-Saharan African population is middle class. But that proportion is growing. That will change the world, because Africa will soon become the second most populous region in the world.” The expansion of the middle class – defined by how much a certain class of people spends, earns and saves – is thought to contribute to the growth of economies.
- 3. Techno-boom.** As a result of the pandemic, technology adoption has been progressing much faster, out of necessity. For example, we’ve been confined to the home, students cannot attend school, and so on. But we also need to watch carefully the new incentives for automation, especially in the service sector, that this public health crisis creates. “We’re going to see more automation,” says Guillén. “We’re going to see, unfortunately, more technological unemployment. Many other jobs have been lost in the American economy. I don’t think they’re coming back. We’re going to have to think very carefully in political terms and in social terms about the implications of further automation, especially in the service sector... We have to figure out how to retrain people and how to help those people find other jobs. We may have to consider very seriously ideas such as a universal basic income. Remember, two-thirds of the American economy is [made up of household] consumption (consumer spending). If people don’t have jobs or don’t have well-paying jobs, then we need to compensate for

that.”

4. **The Shape of Money.** Currencies may change, suggests Guillén. “We need to seriously consider how entrepreneurs can come up with new ideas as to what [cryptocurrencies](#), or to be more precise, crypto tokens, will be used for. If cryptocurrencies are just a substitute for the money that governments issue, then I don’t think we’re going to get too far because our regulators are always against cryptocurrencies as a competitor for legal tender. But if we add other functions or other uses to those digital tokens — like if they will help us vote, keep politicians in check or provide incentives for people to save the environment — then there is a bright future ahead for digital tokens. So instead of digital currency, I would say digital tokens, which would include a currency component to them.”

5. **People and Planet.** The wealth gap — economic inequality between different groups of people in society — is becoming more serious. “The pandemic only exacerbates inequality,” said Guillén. “Not everyone can work from the home, and therefore they have to expose themselves to the virus while taking public transportation to go to work. Consider students. It is estimated that up to 20% of K-12 students in the U.S. don’t have the hardware or the connectivity they need at home in order to continue school work. This is the most unfortunate part of this pandemic, and it exacerbates inequality based on income and race...We also need to focus on international collaboration between governments when it comes to climate change. And we need to be more pro-environment in our behavior as consumers.”

What do we need to tackle all these changes? A new mindset. Said Guillén: “The time has come to be a little bit more innovative, to explore things in terms of government policy making that 10, 20 years ago we thought were completely out of bounds. The problems have become so large.”