



THE PERFECT STORM

- Introduction -

- Session One -

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1. The “Perfect Storm”: What is it?

- Published reference to term dates back to 1718 – or before
- Popularized by Sebastian Junger’s book by same name in 1997
- Popular cliché representing: “A combination of events or circumstances creating an unusually bad situation.”
- This course: “A chain reaction of colliding forces triggering a massive paradigm shift that will forever change our way of life.”
- The challenge: We are on a collision course with a “Perfect Storm” and don’t see it coming . . .

2. Seven game-changing megatrends shaping the Perfect Storm

1. Population, demographics and resources:

- Global population – more than doubled in past 50 years
- Demographic shifts – changing the playing field
- Carrying capacity strains – water, food, space and resources

Prognosis: Future shortages will be frequent, severe and destabilizing

2. Energy disconnects:

- Demand for oil will soon outstrip supply
- No scalable energy to replace oil as transportation fuel
- New clean energy systems have long development times

Prognosis: Race against time to build new energy systems

Seven megatrends (continued) . . .

3. Climate change:

- Greenhouse gas emissions growing at an accelerated rate
- Climate-induced weather, floods, droughts and events intensifying
- Threat-multiplier impact - increasingly felt worldwide

Prognosis: Tipping points may soon make climate change irreversible

4. Global economic systems:

- An intertwined network of interdependent systems
- Failure in one sector triggers failures elsewhere
- A number of “bubbles” are on the cusp of bursting

Prognosis: A ‘black swan’ event could trigger a global meltdown in a heartbeat

Seven megatrends (continued) . . .

5. Geopolitical landscape changes and a new ‘cold war’
- Conflicts over scarce resources and markets - not ideology
 - Changing power dynamics - with China, the new super power
 - Asymmetric threats and new players

Prognosis: Risks of miscalculations and unintended consequences are at an all-time high and growing

6. Technological opportunities and threats:
- Digital revolution: Quantum leaps with systemic threats
 - Cyber-warfare: The newest battleground
 - Misalignment of moving parts to accommodate technologies

Prognosis: Great opportunities – but system-wide vulnerabilities to technological disruptions are staggering

Seven megatrends (continued) . . .

7. The “American Dream” at risk

- Built on cheap energy, abundant resources and a ‘can-do’ spirit
- Rising expectations as the “dream” is exported
- The ‘dream’ is now being challenged

Prognosis: What happens to the American Dream when the dream enablers disappear?

The Uber-Prognosis:

The implications are staggering; yet we continue to live in a ‘la-la’ land that ignores the explosive power of so many megatrends on in collision. Denial is not a strategy!

3. The Perfect Storm – What makes it a game-changer?

1. Vast mega forces are on a collision course
2. The insidious and incremental build-up is hard to detect
3. The power of exponential growth propelling it is staggering
4. Explosive growth rates - hard to visualize - are ignored
5. Active feedback loops are now turbo-charging growth trajectories
6. Tipping points are being reached - Irreversibility is a threat

In Summary: It's all new ground - we've never been here before.

4. The Perfect Storm: A structural map of forces in play . . .

- The E⁴ Storm Model -

1. Eco-Environmental Tsunamis:

- Climate change disease
- Carrying capacity issues
- Threat multipliers

2. Energy Challenges:

- Global oil/energy realities
- The race against time
- Tough choices and trade-offs

3. Economic/Geopolitical Threats:

- Global issues and hotspots
- American challenges
- Asymmetric game-changers

4. Expectation and Behaviors:

- American dream at risk
- The 'twilight zone' of change
- Pro-active strategies missing



5. Proactive Strategies for Weathering the Storm

1. Engagement: A “how-to” blueprint for developing a personal action plan for weathering the storm
2. Leveraging: Resources, tools, networks for leveraging our efforts with others
3. Advocacy: Strategies for “taking the message to others” and building grass roots support
4. A Vision: A message of hope for what could be if we respond with the totality of a Pearl Harbor or “man-on-the-moon” effort

American SWOT Factors: As we enter the perfect storm . . .

Strengths:

1. Military, economic and technological powerhouse
2. Human and physical resources, water and food
3. Global force for change with track record for meeting “impossible” challenges

Weaknesses:

1. Oil and energy dependencies over time
2. Weakened balance sheets, red-ink & over-commitments
3. Entitlement mindsets: The “good life” with strong elements of complacency, denial and unawareness

Opportunities:

1. To achieve energy independence, enhance national security and reduce threats of future wars
2. To energize and transform a tired economy
3. To re-establish a positive global role while fostering intergenerational responsibility

Threats:

1. Major shifts in balance-of-power
2. Threats to global oil supply and conflicts
3. Economic deterioration and threats to currency
4. Significant declines in standards of living if the hard edges of the *perfect storm* are not mitigated