

ASAE GLOBAL DAY

ASAE's Global Partners:

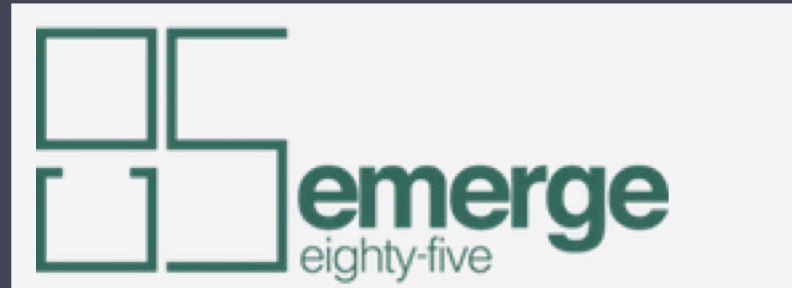


Supporting ASAE Alliance Partners:



Supporting Organizations:





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Co-Director, emerge85 Lab

Senior Fellow, The Foreign Policy Institute

Johns Hopkins University School of Advanced International Studies

The Five “Everything” Trends and What They Mean for the Future of Business, Politics, Culture, and Everything Else

Where are we going?



Moore's Law



Mike Tyson's Law: "Everyone has a plan...."



“till you get punched in the face”



A world of geopolitical risk



Technology Disruption



Markets...



Climate Change



Social Storms - “Facebook-istan”



Five Key Trends



Five Key Trends: Disruption Proof

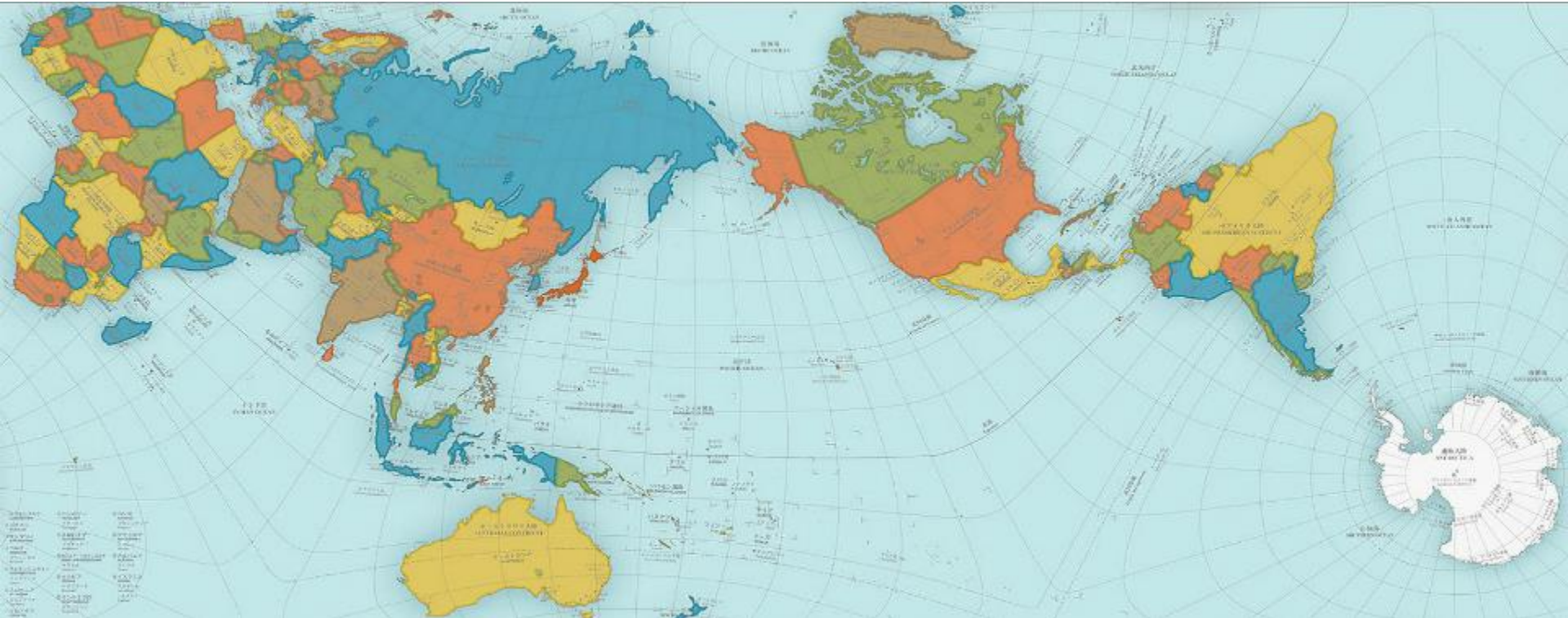
- **85%**
- 129 million per year
- 1.5 million per week
- 5 billion
- Under 30



The 85% - “The Rest”



The 85% - Three out of Four - World Population 7.35 Billion



- Asia – 4.39 billion
- Africa – 1.186 billion
- LAC – 634 m
- Europe – 738 m
- Northern America – 360 m
- Oceania – 39 m

Asia 2030

- Nearly 6 out of 10
- 78% in either Asia or Africa
- In China, 400 million cars
- 2/3 of all air travel EM, mostly Asia



October 10, 2018 - 353,424



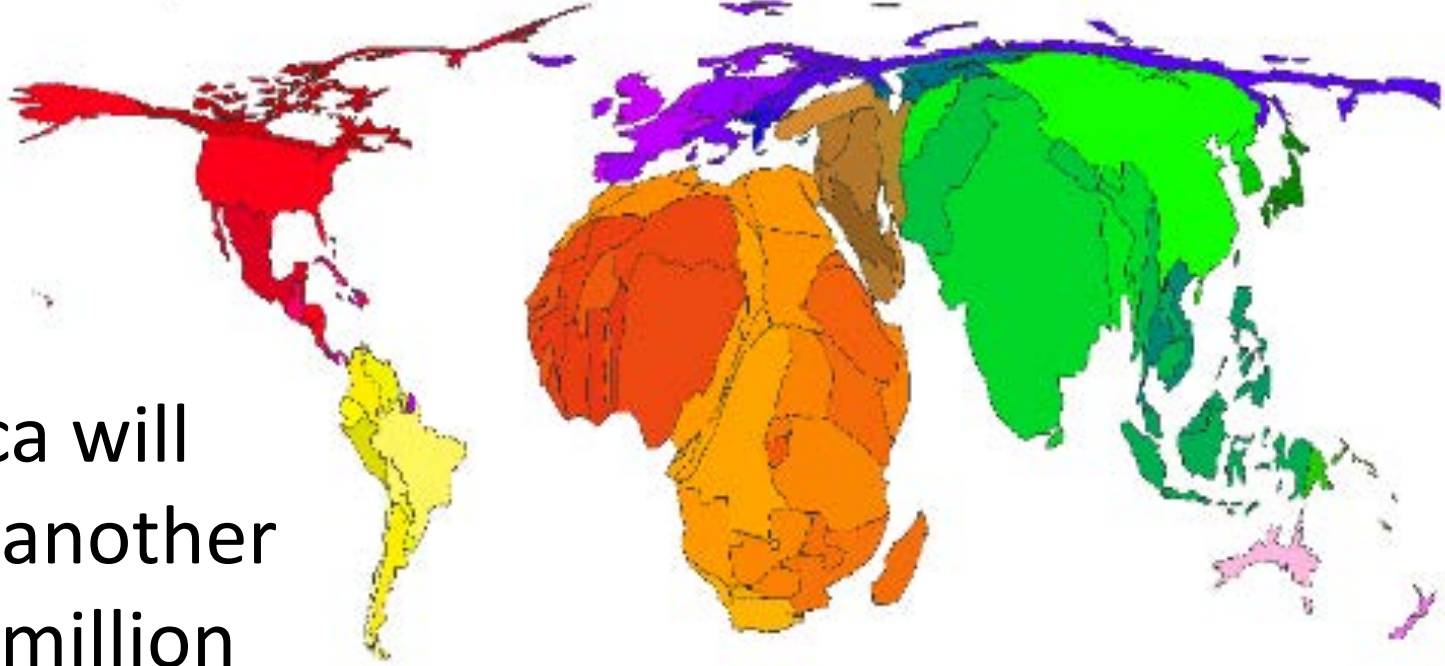
129 million



Demographic Domination



World Population - 2030



- Africa will add another 500 million people
- Asia will add another 600 million people
- Europe will shrink by 4 million
- Northern America will add 60 million people

UN Projections 2050

- World Population:
 - 9.8 billion
- Most populous countries:
 1. India
 2. China
 3. Nigeria
- Global life expectancy gaps to diminish



129 million



129 million



1.5 million per week



Our Urban World

- The World Today
 - 54% Urban
- The World in 2050
 - **66%** Urban
- Africa in 1950
 - 3 cities of one million
- Africa today – **56+ cities of one million**
- **Asia 48% today headed for 64% by 2050**



1.5 million per week



1.5 million per week



1.5 million per week



Cities as Economic Engines



Asian cities

In 1900, only one of the world's largest cities was in Asia.

Today, 4 of the top 5 and 6 of the top 10 largest cities are in Asia.



Megacities



Top 10 Megacities by size

- 1) Tokyo – 38.4 m**
- 2) Delhi – 26.4 m**
- 3) Shanghai – 24.4 m**
- 4) Mumbai – 21.3 m**
- 5) Sao Paulo – 21.2 m**
- 6) Beijing – 21.2 m**
- 7) Mexico C. – 21.1 m**
- 8) Osaka – 20.3 m**
- 9) Cairo – 19.1 m**
- 10) New York – 18.6 m**



The Next Ten

- 11) Dhaka – 18.2 m
- 12) Karachi – 17.1 m
- 13) Buenos Aires – 15.3 m
- 14) Kolkata – 14.9 m
- 15) Istanbul – 14.3 m
- 16) Chongqing – 13.7 m
- 17) Lagos – 13.6 m
- 18) Manila – 13.1 m
- 19) Guangzhou – 13 m
- 20) Rio – 12.9 m



Fourth Industrial Revolution

- 3-D Printing will disrupt manufacturing supply chains in many megacities
- Automation and robotics will shrink manufacturing jobs pool
- E-commerce sinks shopping centers



5 billion (by 2030)



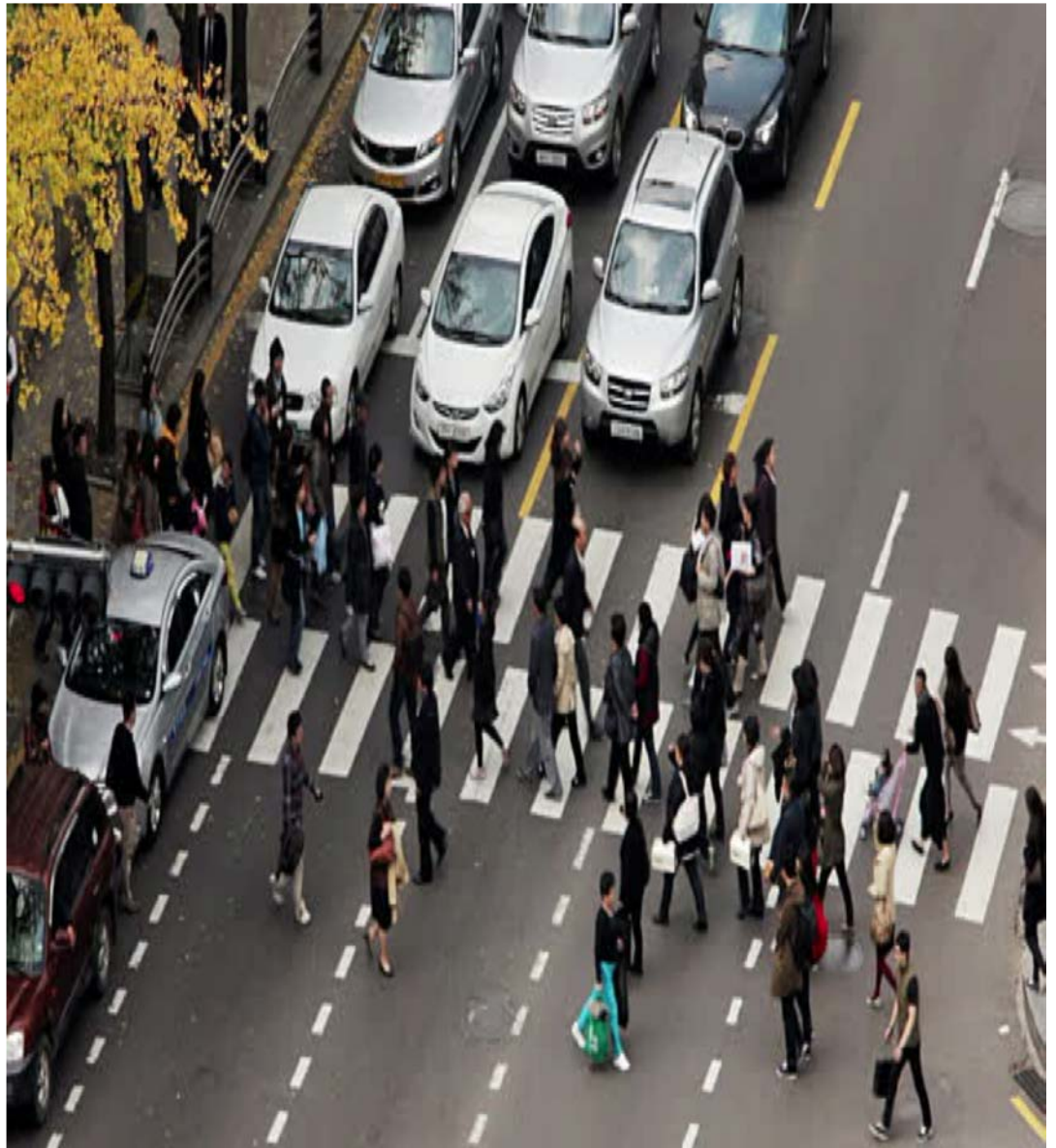
Asian Middle Class

By 2030:

Asia will provide:

- 2/3 of the global middle class
- 40% of global consumption.
- 88% of new global middle class entrants

Source: Homi Kharas, Brookings Institution



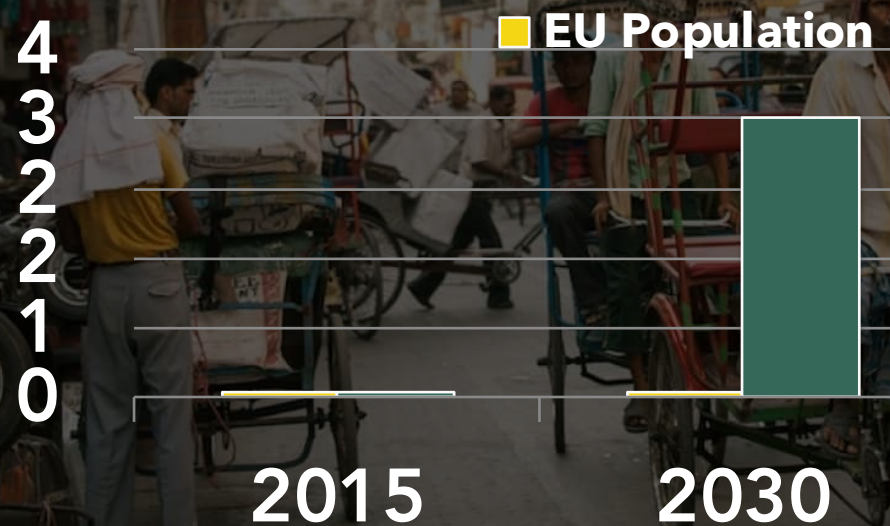
5 billion (by 2030)





Over the next two decades,
the middle class is expected to
expand by **3bn**

Projected Growth of the Asian Middle Class vs EU Population
(billions)



5 billion by 2030



5 billion (by 2030)



5 billion by 2030



5 billion (by 2030)



5 billion (by 2030)



\$56 trillion (by 2030)

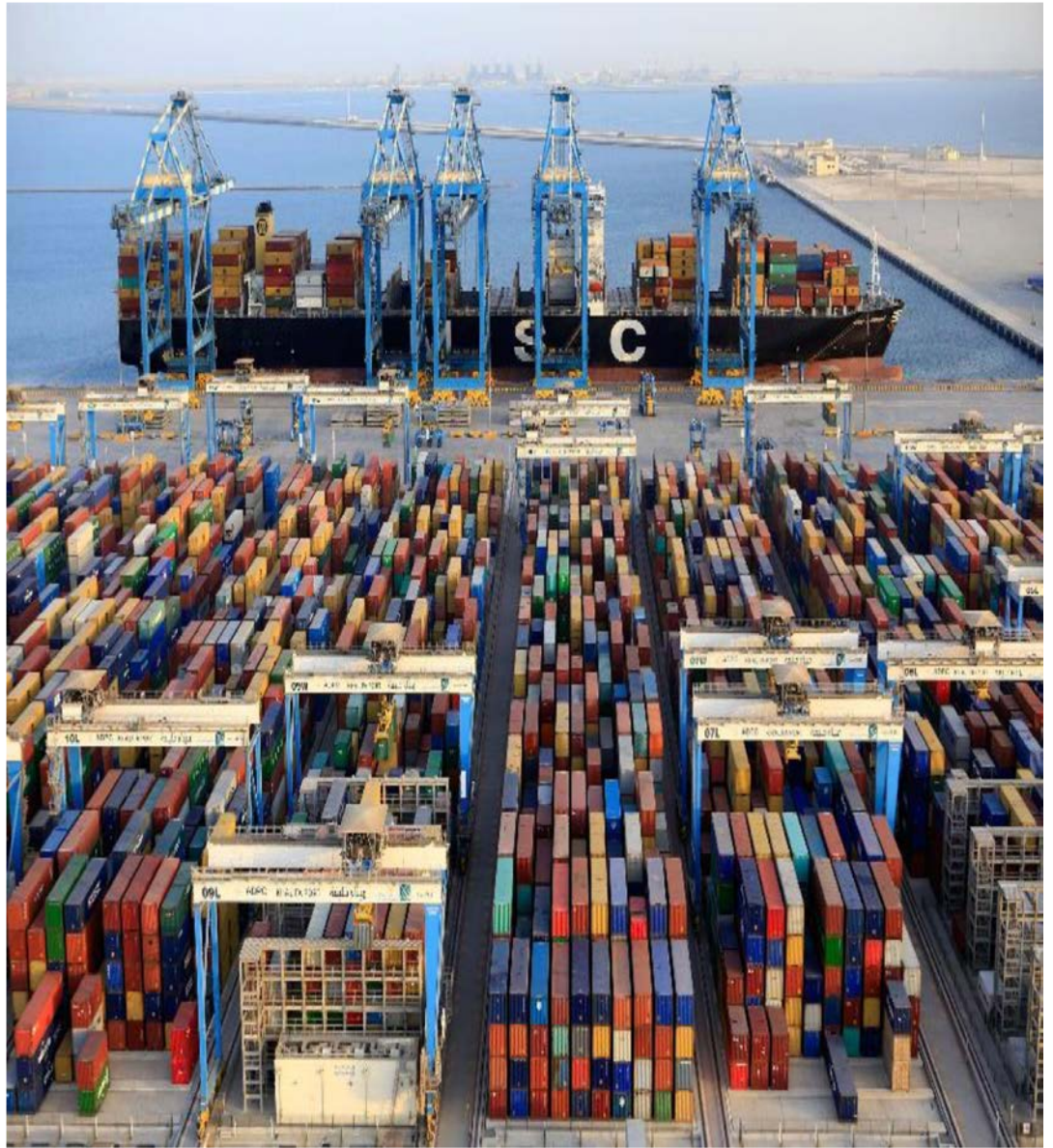


Asia Imports

The world's largest importing region

- **Asia: 36%**
- **US and EU: 31%**

Source: WTO



Under 30



Under 30



Under 30



Under 30



Smartphone Boom

7 billion mobile phone subscriptions globally

9.2 billion by 2019

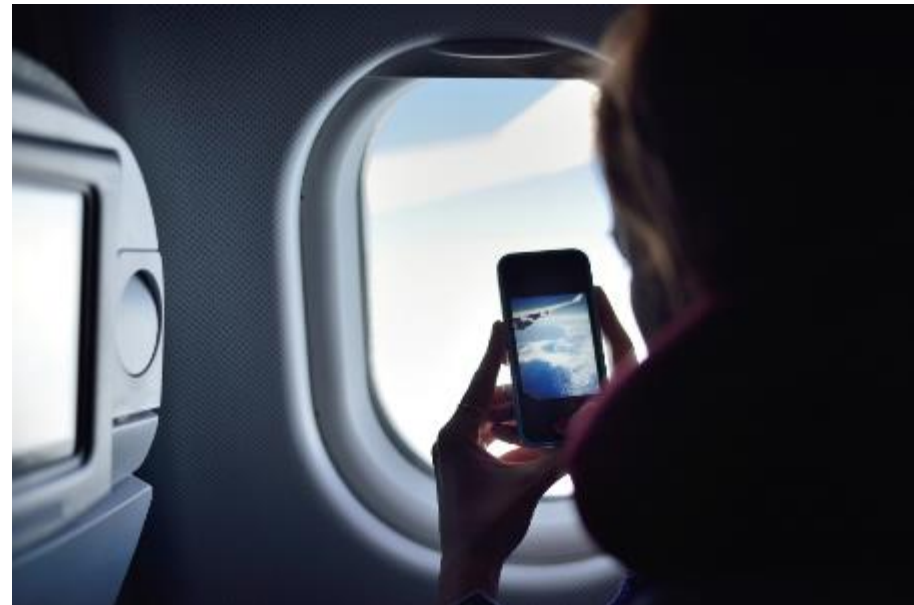
80% of those will be mobile broadband

3 billion smartphones today

6 billion smartphones by 2021



Connect-ism



Nexus States and Cities



Family Travel: Emerging Middle Classes

According to research, a family trip is the second highest priority for emerging middle classes, after buying a car



Source: World Economic Forum, Travel and Tourism
Competitiveness Report, 2016

Air Traffic Growth

- US = 2%



- Asia-Pacific and Africa = 6-7%
- Middle East = 10%+

Air Travel Revolution



Emirates Airlines - 1985

Emirates route map - 1985





CONNECT



90% of world trade takes place through shipping.



10m people board airplanes every day.



\$18bn worth of goods were sent by air each day.

Largest Emerging Market Mobile Networks



China Demand



“China Speed”



- Fastest growing outbound tourism market in the world
- Now accounts for 11% of global tourism expenditures

“China Size”

- Top spenders in international travel and tourism since 2012
- Top source market for international tourists worldwide



India Rising



- Every month, 1 million Indians turn 18

India Rising



- Every second 3 Indians experience the internet for the first time
- 70% of online sales are by smartphone

India Rising



- By 2027, population will overtake China and will also contain the world's largest middle class
- World's largest film industry

Winning the War on Poverty?

25 years ago:

- 37% of humanity lived below the poverty line

Today: 9%

1990 East Asia and Pacific:

- 60% lived below poverty line

Today: 7.2%

1990 South Asia:

- 50.6% of world lived below poverty line

Today: below 15%



We have come a long way....

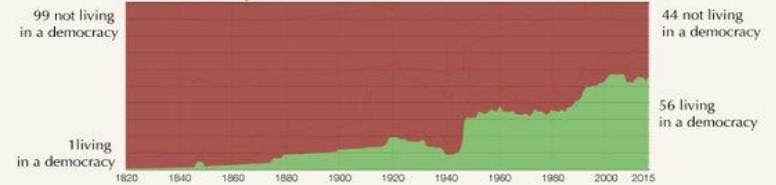
The World as 100 People over the last two centuries

Our World in Data

Extreme Poverty



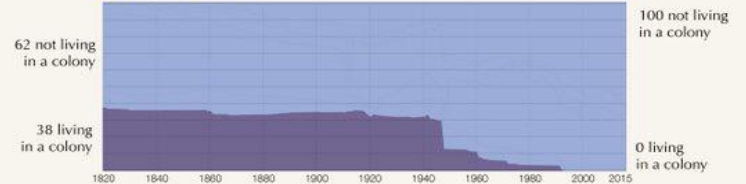
Democracy



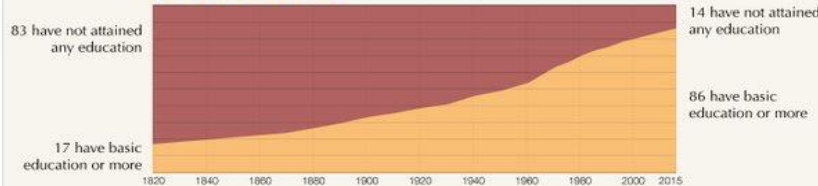
Vaccination against diphtheria, pertussis (whooping cough), and tetanus



Colonialism



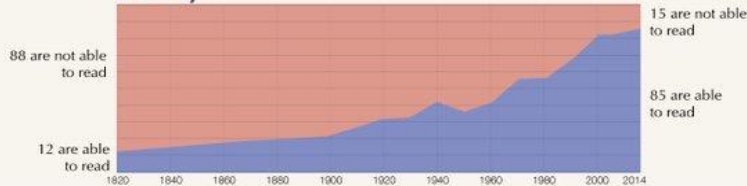
Basic Education



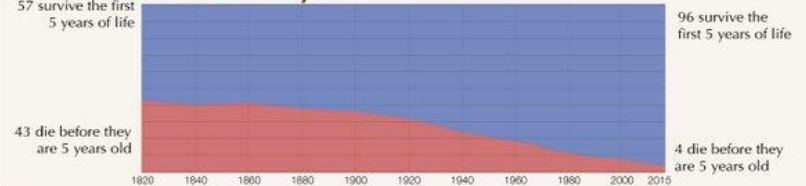
Continent



Literacy



Child Mortality



Data sources:

Extreme Poverty: Bourguignon & Morrison (2002) up to 1970 – World Bank 1981 and later (2015 is a projection).
 Vaccination: WHO (Global data are available for 1980 to 2015 – the DPT3 vaccination was licensed in 1949)
 Education: OECD for the period 1820 to 1960, IIASA for the time thereafter.
 Literacy: OECD for the period 1820 to 1990, UNESCO for 2004 and later.

Democracy: Polity IV index (own calculation of global population share)
 Colonialism: Wimmer and Min (own calculation of global population share)

Continent: HYDE database

Child mortality: up to 1960 own calculations based on Gapminder; World Bank thereafter



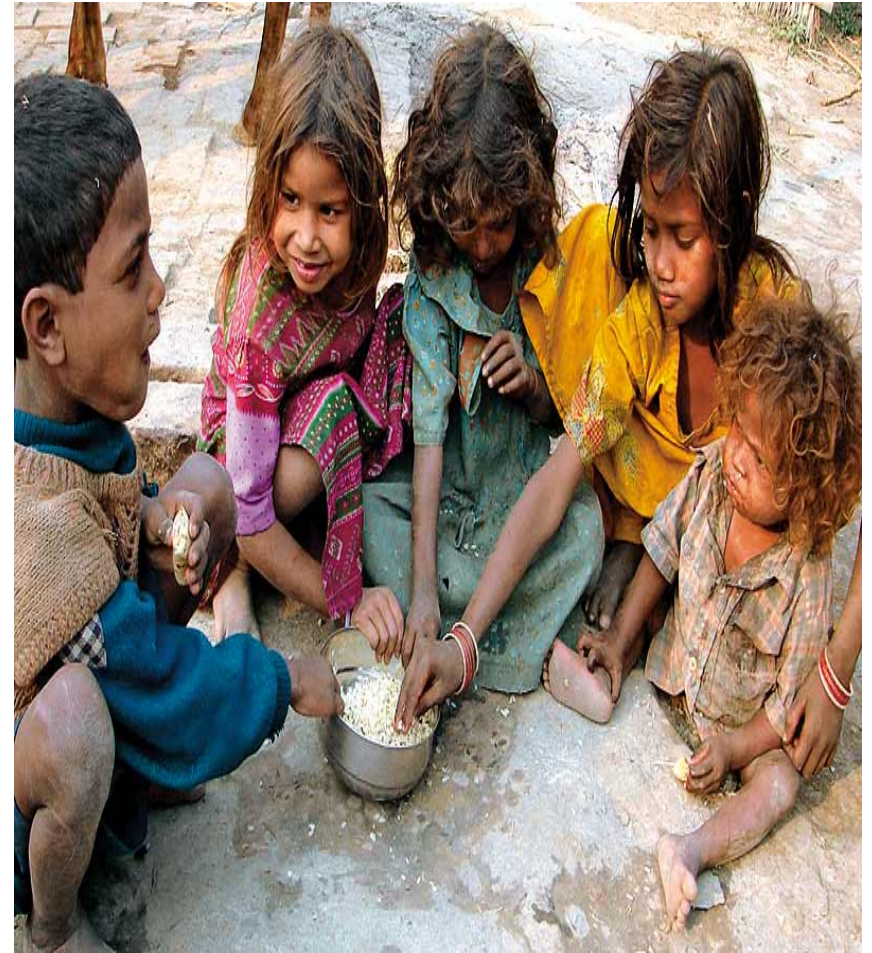
All these visualizations are from OurWorldInData.org an online publication that presents the empirical evidence on how the world is changing.

Licensed under CC-BY-SA by the author Max Roser.

Let's not forget Tyson's Law...



Let's not forget...



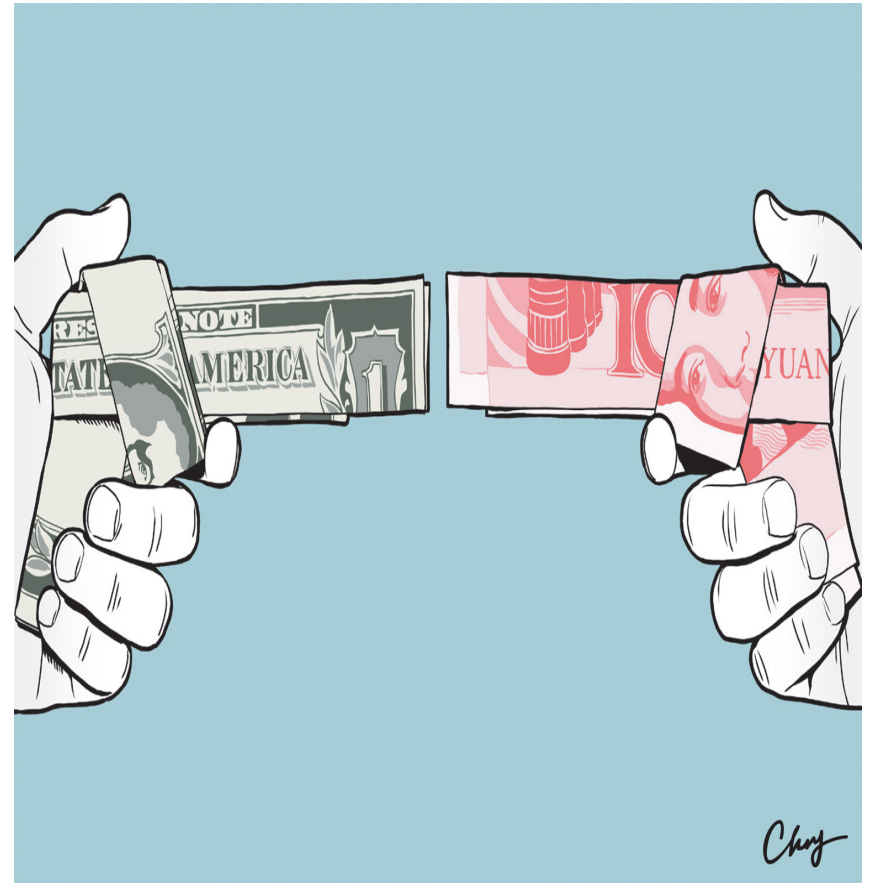
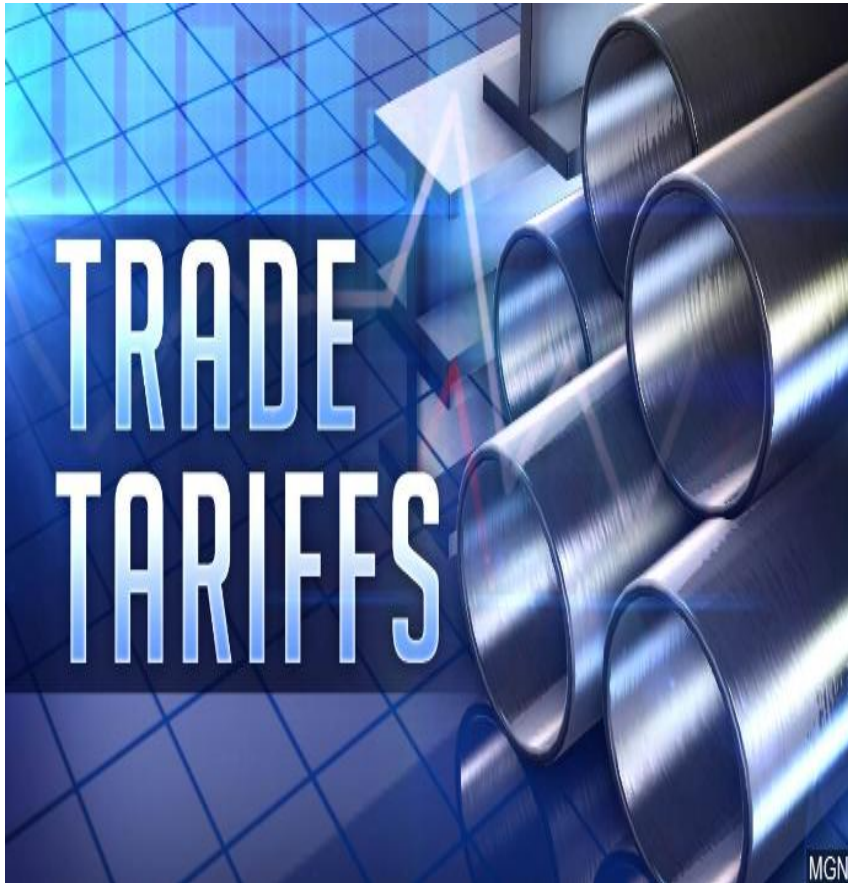
And this....



The Uprisings – “How am I supposed to make a living?”



Trade Wars?



Rising Populist Nationalism in Europe



U.S Still the Economic Colossus

US States Renamed for Countries with Similar GDPs, 2015

GDP (MILLIONS) 2015
\$30,000 \$2,500,000



SOURCES: BUREAU OF ECONOMIC ANALYSIS AND INTERNATIONAL MONETARY FUND

“I don’t skate to where the puck is. I skate to where the puck is going.”



Four Politics-Proof Trends

- Urbanization
- Connectivity
- Emerging Middle Classes
- Demographics



Urbanization

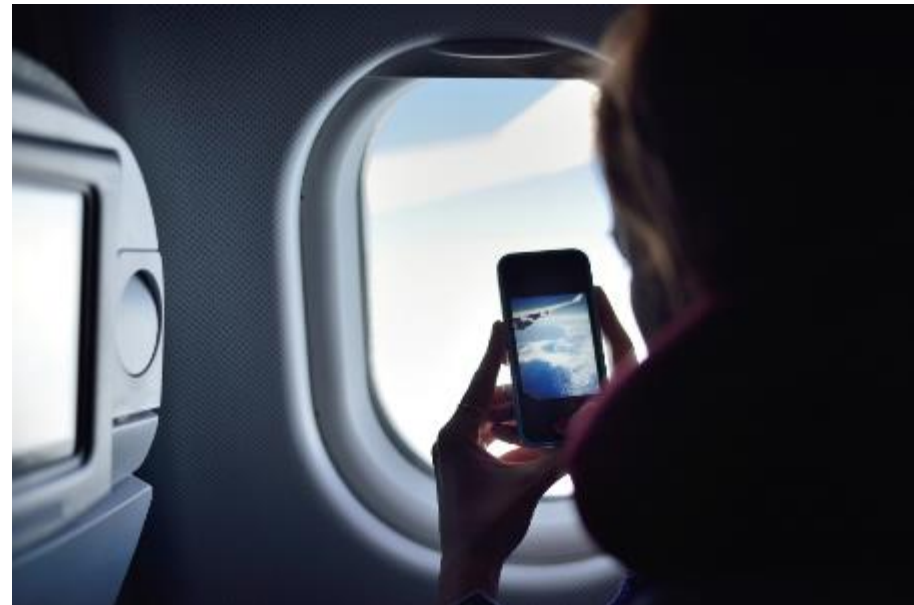


Notre-Dame Cathedral Basilica of Saigon
Ho Chi Minh City, Vietnam

Demographics of the “85 World”



Connectivity



Emerging Middle Classes



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Supporting ASAE Alliance Partners:



Supporting Organizations:

