

1984

## Bull market for predictions

Keith C. Epstein

---

### Repository Citation

Epstein, Keith C., "Bull market for predictions" (1984). *1976–1985: William B. Spong, Jr.* 36.  
<https://scholarship.law.wm.edu/wspong/36>

# LIVING TODAY



- **Getting Together:** Improvements in computer dating will lead to more happy couples.
- **Splitting Up:** More than half the people getting married last year will be divorced.
- **Bouncing Around:** In Scenario 1, the family survives, only different. Divorce is the common, but so will remarriage. People will average three partners in a lifetime. Society will not used to it.
- **Blowing Out:** In Scenario 2, the family wobbles. Children will be born outside of women, and stay away, leaving the TLC to warm, furry robes.
- **Bouncing Back:** In Scenario III, the family is born again. Shocked by divorce, people plibbed via work-at-home technology.

## Bull market for predictions

Future is very difficult, especially about the prediction.

— Physicist Niels Bohr

**Stories by Keith C. Epstein**  
Times-Dispatch staff writer

Brokers scan stock projections. Corporations live on the next quarter. Families plan budgets so they can afford a summer vacation.

Multinationals seek modern soothsayers to help decide whether to sell smaller roasting plants. Hit-tech firms hire specialists to predict whether tomorrow's workers will demand in-office day care.

For tary so much as a glimpse of what the future holds, government at all levels spends millions.

Call it a human condition, this hankering after fortune.

Howard Orzoff. "Everything has a future, so I guess you'd always be in business."

Indeed, there's a virtual bull market for futures out there — at least 2,000 full-time professional prognosticators and more than 200 research groups busy plucking the future for everything from foreign troop strengths and famine to deforestation and dental floss.

We're not talking palm readers. And we're not talking pennants.

The future's industry pulls in more than \$10 million each year from corporate and government clients — the sort of success that even futurologists, the handful of them who were around a few decades ago, couldn't foresee.

And comes now the new year, which means futurists analysts are booked solid, cranking out forecasts just as soon as their computers can spit out the numbers.

"Business — indeed, life — is like a chess game. Those who play skillfully look ahead a few

moves," explains Joseph L. Fisher, secretary of human resources and no stranger to Future Fever.

Some of this look-ahead at the future is hairbrained, visionary and impractical, but a lot of it has become quite technical. And so vital that it can be serious to make decisions without it," says Fisher.

Two years ago, Fisher's own boss saw the virtue of future-gazing, as several other governors in other states had done. So Gov. Charles S. Robb urged a 37-member bipartisan panel to look at Virginia in the 21st century.

The group — no mere assortment of supermarket astrologers, what with a former secretary of defense, retired chief justice and several corporate executives aboard — has reported its findings. Some of the forecasts are so

Continued on page 4, col. 1

the decline of tobacco? The rise of samurais?

Virginia women and youngsters who now lawns? Next year's children, living until 80? Tomorrow's marriages made in computer bytes. Ben sign-roy's marriages made in computer bytes. Ben sign-roy's marriages made in computer bytes. Ben sign-roy's marriages made in computer bytes.

"You've really got a good glimpse" of an enviable Virginia Commonwealth University colleague once equipped to futurologist



● **Domestic Demand:** Within a few decades, only one in 10 workers will produce goods; the other nine will work in service and trade industries.

● **Virginia Taxes:** The state, without anything close to the \$22 billion budget for critical roads, bridges and other facilities, will need to borrow at unprecedented levels.

● **Social Welfare:** Virginia's social programs will dwindle in a "contract-down," then be replaced by new methods, such as giving tax credits to companies involved in community projects.

● **Blue Collar Workers:** By the end of the century, blue collar workers will make up less than one-fourth of the work force.

● **Foreign Trade:** More than 30 per cent of America's worth will be tied up in foreign trade, compared with 1950, when it accounted for a mere 2 per cent of the GNP.

● **The GOP:** Virginia will become even more Republican, lately because Republicans seem most programs.

● **The Dems:** The Democrats will be back in the White House in 1988.

● **Power:** Virginia's power-brokers will then, the latter of which will become so devoted that they'll look like Fairfax County.

● **Conservatism:** Even Virginia's Reds will move away from fundamentalism. Groups like the Moral Majority will remain. Yet the workload of Congress increases as it fewer workers, resulting in more delays and conflict.

● **Pre-schoolers:** Women, increasingly demanding that the state take a greater role in caring for its young, will pressure students behind in the job market, and use their status due to lack of good jobs.

● **More Homework:** By 1990, students will spend the time with two-way TVs, at some of the high schools declining, the number of adults needing education for job retaining will rise.

● **Urban Virginia:** By 2000, at least 650,000 more persons will live in a megalopolis extending from Washington through Richmond to Hampton Roads, clogging highways, choking the air and spurring waste shortages.

● **Rural Virginia:** Just into the next century, only one-fourth of Virginians will still live in the countryside, compared with 44 per cent in 1950.

● **Mobility:** Fewer Americans migrating from the Northeast and Midwest to the Sun Belt in the South. Businesses will build overseas instead.

● **The World:** Superpowers of more than 25 million people will require unprecedented and often unavailable — resources.

● **Leisure Time:** With less time than ever for play, Americans will pay to get their minds off work. The printed word, still the only medium that can be carried in a minivan, will survive the Hi-Tech Age.

● **Watching:** TV, some of which will provide viewers with state stations, will become such a part of Americans lives that most future families will have a "media room."

● **Talking:** Cellular radios will make it possible for businessmen to sell and log inventories from a bunch thousands of miles from either customers or warehouses.

● **The Bomb:** There's less than a one per cent chance of a nuclear exchange between the US and the Soviet Union.

● **Smaller Bombs:** Watch these spots for ahead: Lebanon, South Africa, Argentina and the Republic Brazil.

● **Civil War II:** An economic disaster similar to the Depression, leading to a 20 per cent unemployment rate, will in turn provoke a revolt.

● **Virginia:** With a two per cent cut next year in defense spending, except for research, which will be built and many workers will change jobs in the shipping industry of Hampton Roads.

● **Virginia:** Unless people change Laid, the Commonwealth faces inadequate supplies of clean water.

● **Egypt:** If population continues unchecked, Egypt will run out of farmland, becoming unable to feed itself or even pay for imports. A revolutionary high-tech way to whisk off the excess food is to escape polar bears.

● **Coal Demand:** Next year will increase by 2.3 per cent, but production will fall 1.1 per cent because stockpiles are so high.

● **Medicine:** Doctors will prescribe a need spray to bring back memory and install artificial fingers in the hands of accident victims. Health 1985, or one-half of the GNP.

● **Tropical Forests:** Outlook is dim with destruction continuing at the rate of 17.3 million acres a year.

● **Robots:** By the early 1990s, robots will move freely through shipyards, construction sites, fields, forests and water.

● **Quakes:** By 2000, a destructive earthquake measuring more than 7.5 on the Richter scale will strike, not California, but Puerto Rico.

● **Older Americans:** By 2000, more than 750,000 Virginians will be 65 or older, 100,000 Americans by 2000, more than half that number.

● **Older Nurses:** Unprecedented numbers of the frail elderly will need more care, either at home or in nursing homes.

● **Older Realtors:** With changing attitudes and retirement drugs, some beauty queens will be able to stay in the workforce.

● **Social Security:** With earlier retirement, fewer workers will contribute, leading to a need for Social Security and call for labor reform.

● **Driving:** By 2040, seat belts will be obsolete, dashboard computers common.

● **Shopping:** By the mid-1990s, when two-thirds of U.S. households will have personal computers and cable TV, shopping will be common.

● **Eating:** By 1990, one-half of the average American's food dollars will be spent eating out.

● **Reading:** The printed word, still the only medium that can be carried in a minivan, will survive the Hi-Tech Age.

● **Watching:** TV, some of which will provide viewers with state stations, will become such a part of Americans lives that most future families will have a "media room."

● **Talking:** Cellular radios will make it possible for businessmen to sell and log inventories from a bunch thousands of miles from either customers or warehouses.

● **Virginia:** By 2000, nearly a quarter of the state's population will be non-white.

● **Blacks:** Education levels will improve, particularly in the suburbs. In rural areas, too, blacks will be better educated and have higher incomes.

● **Farmers:** They'll become the Minority of the Future. Education levels will improve, particularly in the suburbs. In rural areas, too, blacks will be better educated and have higher incomes.

● **Farmers:** They'll become the Minority of the Future. Education levels will improve, particularly in the suburbs. In rural areas, too, blacks will be better educated and have higher incomes.

● **Dr. Howard Omon,** professor of education, Virginia Commonwealth University and coordinator of Richmond's World Future Society.

● **Marvin Cohen,** president, forecasting international, Arlington.

● **Dr. Joseph L. Fisher,** Virginia's secretary of human resources, former congressman, former president of Resources for the Future Inc. and author of "The scenario in America's Future."

● **David C. Gordon,** president World Future Society, Bethesda, Md.

● **Mark Roddam,** senior research associate, The Futures Group, Gloucester County.

● **Press reports on** economist Richard Hayes, the National Club Association's annual forecast, published by Cambridge University and the National Association of Business Economists' quarterly survey.

# There's bull market for futures

Continued from first page

significant they could result in legislative action as early as next year. But the committee's view of a "New Dominion" was only part of a trend that is sweeping the land. Nothing is too grandiose or too insignificant to escape the divining instruments of these modern-day soothsayers, who use computers instead of crystal balls and "trend extrapolation" instead of palms.

And who usually come up with a whopper of a bill. (For a study on the feasibility of raising power in the 1970s, a large West Coast think tank charged Union Carbide \$275,000.)

Another think tank — in a 10-year forecast that partly considered the fate of demobleses among lower-income families — predicted that, in the future, "an increasing proportion of males may not wear underpants because trousers can be washed easily and often."

Less outrageous was the formulation, during the 1989 World's Fair, that picture phones would sweep the land. The experts were right about the technology; wrong about consumers' demand.

Then, during the 1960s, there was talk of tourists on salary in war-torn Viet Nam reduced for the 1960s. Close, but most futurologists then failed to predict the energy crisis.

Time and again, forecasting has failed. Many forecasters have simply failed to read the record — one which won't likely improve.

Some predictions have led economist Lester Thurow among others, to conclude that futures research is "the intellectual's version of going to the palm reader."

Government has had its share of soothsaying analysts. In 1970, experts predicted that the United States could become energy independent by using certain minerals. There was one slight catch: America didn't have enough of the minerals.

Then, there's the fish story. During the Carter Administration, some specialists forecast that, as the human population grew, greater numbers of fish would be caught. One problem: other experts concluded there weren't any more fish that could be caught.

This is to say nothing of the complaints over America's weathermen. Which leads to a basic question: Just how reliable is any of this multi-million dollar, high-tech prognosticating?

"We've come a long way since science fiction. H.G. Wells and the speculations of Nostradamus," maintains Dr. Ozmon, an education professor at VCU. "We've gained a lot of respectability."

Two universities, in Massachusetts and Arizona, offer degrees in futures studies. In Virginia, the World Future Society — an eclectic group of futurists — includes marketing experts and career planners, college professors and architects, and the secretary of human resources.

The magazine they read, "The Futurist," dwells on such issues as hyperintelligence, the use of video games to build a personal sense of accomplishment, robot burglar alarms, and Europe's changing taste for lighter beer.

**More science than art**  
"Very little of it is crystal ball gazing," says Maria Rubolman, a senior researcher at The Futures Group, an 80-person Hartford, Conn., think tank whose clients include soft drink makers and the CIA. (Government contracts account for half of the firm's \$6 million business.)

"It's much more science than art," says Marvin Cetron, a former Navy planner who claims his Arlington-based firm, Forecasting International, is battling an enviable \$60 — which includes predictions of the Shah of Iran's fall, Ronald Reagan's rise, and of Poland's turmoil.

Dr. Cetron's staff of 35 literally takes on the globe, among their ch-



Spong Ozmon Fisher

ents are 76 industrial firms, 17 foreign countries, and 10 U.S. government agencies — all of whom make it a booming \$2 million-a-year business. Dr. Cetron insists his views are founded in fact and bolstered with pure science. "We look at quantitative indicators and do trend extrapolation. We use computers... We've got hundreds of global events in our data banks."

But, warn most futurologists: don't count on any of it. As noted William and Mary law school Dean William Spong, who chaired Gov. Robb's panel on the future, "This represents our best judgment, but we don't pretend to be Meses."

**Avoid assumptions**

In a classic episode of "The Twilight Zone," a man manages to get a copy of a future newspaper. He duly scans the stock report and invests in the stocks that will gain the most. In his frenzy, the man fails to notice one small item in the same news-

paper: his own obituary. Perhaps that's a good tale to illustrate a common warning issued by soothsayers these days: be careful, especially about assumptions.

"If you're a very responsible futures researcher," says Ms. Rubolman, "you tell your client that 'there's no way I can tell you the future, only of things evolving.' We make it clear to people that we're not going to give them the magic bullet."

"The artistry is in knowing what assumptions to make," says Fisher. "And what assumptions not to make."

Fisher, a successful businessman and three-term congressman before joining Robb's cabinet, counts among his failures numerous predictions in his once-acclaimed 1960s book, "Resources in America's Future," one of the first compendiums of large-scale projections for the American economy.

He wasn't far off the mark on the gross national product, industrial production figures or the aggregate work force. But these successes, he

said, "covered up a cancellation of errors in many other directions."

"In energy, we overestimated the nuclear. [But who could have foreseen all the problems that have arisen?] We missed on gas. [But we weren't so bad on coal.] We missed on women, too. Ironically, we'd been criticized for overestimating the number of women entering the labor force; in fact, we way undervalued it. In some cases, we were really wildly off the mark."

Some futurologists have gone so far as to deny they're making forecasts. "A lot of people still believe we're in the business of making predictions. That's not the case. We're just trying to describe the possibilities," says Edward Cornish, president of the 30,000-member World Future Society, a multidisciplinary group of future-minded academicians and businessmen.

This group, too, is nothing to scoff at when it comes to names. Directors include, besides Virginia's Fisher, former U.S. Secretary of Agriculture Orville Freeman, former U.S. Atomic Energy Commission Chairman Glenn T. Seaborg, and former Secretary of Defense Robert S. McNamara.

"If we know more about the possibilities, we ourselves will choose the future," says Cornish, summing up their credo. "That's the only way that our future won't just be imposed by some fate."

It would be irresponsible, for example, for a corporation to make a 20-year investing plan says Fisher, without first getting the best projection it can.

"When it comes to the future," he says, "even a poor view is better than none."