

# School of Global Recovery

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## SAMPLE

I have identified earlier the qualities of individuals we need to lead us out of exceptionally difficult economic turmoil which, for most, will demand a lower standard of living; to these must be added the abilities to face an increasingly hostile and dangerous climatic environment with the conflicts already evident in the Middle East and almost certainly elsewhere. They will have to persuade nations, used to easy living and rising state support for fifty years, to tighten their belts further and accept rising defence and security expenditure.

These are the conditions SOGR was aimed to address and its objects are twofold: to train and prepare individuals to manage the transition into the new era and to assist organisations to carry through the major changes described. It has available initial presentations and course material but these will certainly have to be enlarged, modified and adapted in the light of new situations and the experience of different nations. I anticipate this will be achieved by a form of licensing enabling a rapid and continuous process of learning and cross-fertilisation of ideas.

History teaches us that humans can adapt rapidly – albeit reluctantly – to new situations when conditions demand it but, like all recoveries, I anticipate the transition to the Digital Age will be one of the most difficult. The industrial era mostly required individuals to fit into a pattern of employment where they could expect a regular income, support when things went wrong and probably the expectation of a comfortable retirement. There were exceptions, of course, but the welfare state was designed to take care of those who fell through the net. Now a large minority, together with those retirees whose pensions have been destroyed by inflation, will be obliged to become self-employed and earn a living due to a major change in the workplace.

The Industrial era was based on the centralisation of power. At first this was physical with the advent of the steam engine which then grew into industrial, financial and political muscle; it was this that enabled Britain to defeat Napoleon and what Bismarck created in Germany to beat Napoleon III. It was also based on the mining, smelting, casting, forming, manipulating and turning of metal. The Digital Age (DA) will be based on the taming and manipulation of the atom.

Whereas much of the industrial age benefitted from the economics of size, this will not be true for most enterprises of the DA when there will be many more smaller specialised plants; there will still be large process industries, of course, but many larger firms will be obliged to downsize in the anticipated harsh business climate to add to the SME sector. Unlike before when large towns and cities were needed to man the factories, the new enterprises can be formed nearer to the countryside or to their customers. The other trend will be the rise of specialised ‘back office’ operations formed by the need of governments and enterprises obliged to sub-contract most routine operations to save costs.

Unlike the Mittelstand, the small company sector of Germany, who act largely as sub-contractors to major manufacturers, many of the new units will be supplying an increasingly

discerning customer base demanding bespoke products; I suspect, like Silicon Valley, they will tend to congregate around their own centres of excellence that could also be around universities.

These changes will demand different employment profiles to those of working age which the US and the UK is already tending towards; they differ from the 1930s because after the Great Depression there were the same jobs to go back to now, with advent of the DA, the structure is more likely to be:

Government – like Swiss – 2%

Agriculture 2%

Manufacturing 10%

Supporting services 50%

Self-employment 36%

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