

DRAFT



Global Macroeconomic Trends

July 2007

Melanie Swan, Futurist
MS Futures Group
Palo Alto, CA
415-505-4426
melanie@melanieswan.com
<http://www.melanieswan.com>

Global macroeconomics – summary

- Money is not the only currency, evolution to multi-currency economy (reputation, social networks, ideas)
- Wikinomics model - massive global multidisciplinary collaboration
- Free agents – free from the corporate apparatus, working on multiple projects, greater exercise of agency
- Markets 2.0 - democratic capital allocation obsoletes traditional financial institutions
 - Examples: Grameen microfinance, Prosper
- Prediction markets predict worldwide events

Global macroeconomics – detail

- **Markets 2.0 – social finance and affinity capital:** P2P finance models like Prosper and Kiva are disintermediating traditional economic distribution and allowing individuals to make their own capital allocation decisions and direct resources by affinity (e.g.; to libertarians, female entrepreneurs, Hurricane Katrina victims, etc.) Capital allocation will likely continue to become increasingly democratized and instantaneous.
- **Distributed, self-directed production:** With the economic shift to information goods and away from agriculture and manufactured goods, industrial modes of production are no longer required. Less hierarchical distributed production models such as open source, contractors vs. employees, prediction markets and user-generated content (YouTube, etc.) will likely continue to grow. A shift in how productive capacity is organized implies a possible reorientation of how all of society is organized (e.g.; urban centers and physical production facilities are no longer needed; capital markets and politics need not be organized to support big industry).
- **Multi-currency society:** Humanity is increasingly a multi-currency society with reputation and ideas supplementing, replacing and ultimately surpassing monetary currency as the medium in which value is reflected.

Economics: top revenue generating entities

Top Twenty Revenue Generating Entities		
Rank	Entity	Revenues (2006)
1	United States	\$ 2,409,000,000,000
2	Japan	\$ 1,411,000,000,000
3	Germany	\$ 1,277,000,000,000
4	France	\$ 1,150,000,000,000
5	United Kingdom	\$ 973,000,000,000
6	Italy	\$ 832,900,000,000
7	Spain	\$ 488,200,000,000
8	China	\$ 446,600,000,000
9	ExxonMobil Corp.	\$ 377,635,000,000
10	Wal-Mart Stores, Inc.	\$ 345,000,000,000
11	Royal Dutch Shell plc	\$ 318,800,000,000
12	Netherlands	\$ 304,300,000,000
13	Australia	\$ 267,000,000,000
14	BP	\$ 265,900,000,000
15	Brazil	\$ 244,000,000,000
16	Russia	\$ 222,200,000,000
17	Sweden	\$ 222,000,000,000
18	General Motors Corp.	\$ 206,500,000,000
19	Toyota Motor Corp.	\$ 205,000,000,000
20	Chevron Corp.	\$ 204,900,000,000

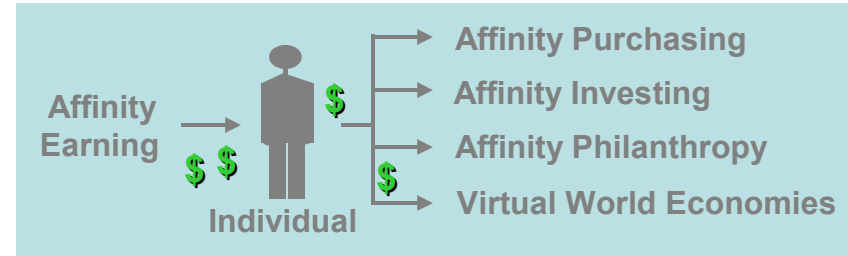
- Multinational corporations have a substantial presence in global economics

MNC Portion of Top Revenue Generating Entities		
Entities	# MNCs	% revenues from MNCS
Top 20	7	16%
Top 100	59	32%
Top 200	132	37%

Sources: CIA Factbook,
http://en.wikipedia.org/wiki/List_of_the_world's_largest_companies

Markets 2.0 Taxonomy

- Increase of affinity-based (e.g.; socially responsible, etc.) economic transactions



Equity: SRI Funds

- Citizens Funds
- Calvert Funds
- GoodCap

Debt: P2P Lending

- Prosper
- Zopa
- Kiva

Real Estate: P2P

Prediction Markets

- Hedge Street
- Iowa Electronic
- LongBets

Crowd source donations

- Fundable (general)
- Sellaband (bands)
- Swarm of Angels (movies)
- HaveMoneyWillVlog (vlogs)
- OpenBasicResearch (R&D)

Personalization: crowd source badges, personal foundations

- Platform
- Wordpress plugin

Legacy

- Organic
- Hybrids
- Local

Certified products

- Forest/lumber
- Marine/seafood

GroupPurchase

Affinity Tagging

- MSFT's Aura
- Urban Logic
- FruCall

Personalization: ThisNext Shopcast

Ideagoras

- Rent A Coder
- Top Coder

Reputation-based

- Rent A Coder
- Top Coder

Attribute signaling

- MWOB, GLBT
- Hispanic-owned

MMORPG

- World of Warcraft
- Ultima Online
- Lineage

Metaverse Worlds

- Second Life
- There
- Sims Online

Platform

- Multiverse

Affinity Investing

Affinity Philanthropy

Affinity Purchasing

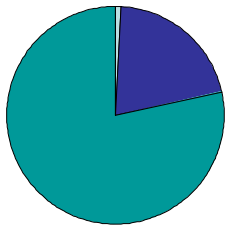
Affinity Earning

Virtual World Economies

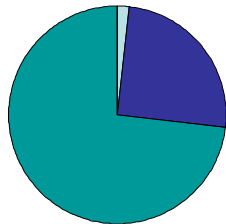
World Economies by Sector



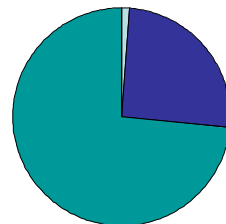
- Service sector increasingly dominates worldwide economies
- Implication: skills and production are more fungible, more portable; geography doesn't matter



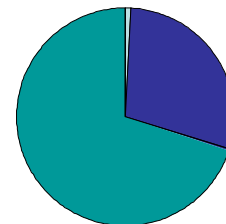
US



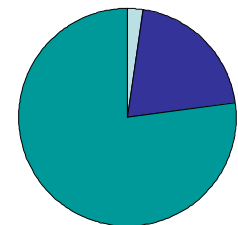
Japan



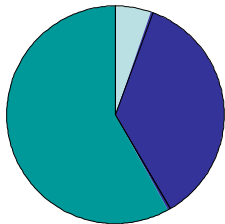
UK



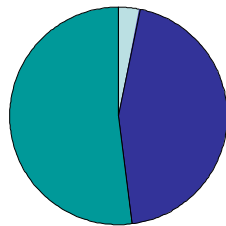
Germany



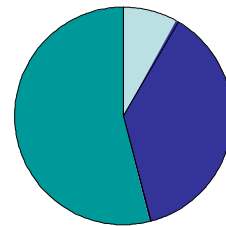
France



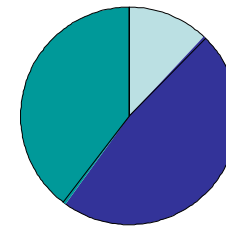
Russia



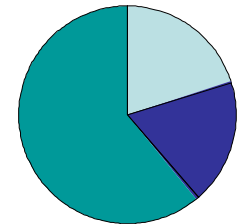
South Korea



Brazil



China



India



Thank you

Melanie Swan, Futurist
MS Futures Group
Palo Alto, CA
415-505-4426
melanie@melanieswan.com
<http://www.melanieswan.com>

Licensing: [Creative Commons 3.0](https://creativecommons.org/licenses/by/3.0/)