

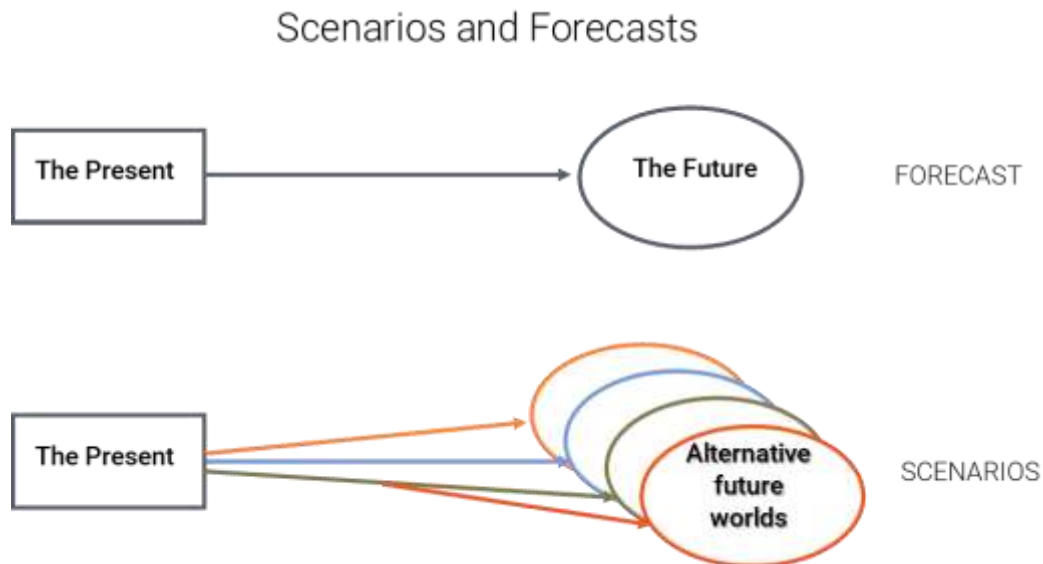
SAMI Consulting



Britain in 2030
four post-Brexit scenarios

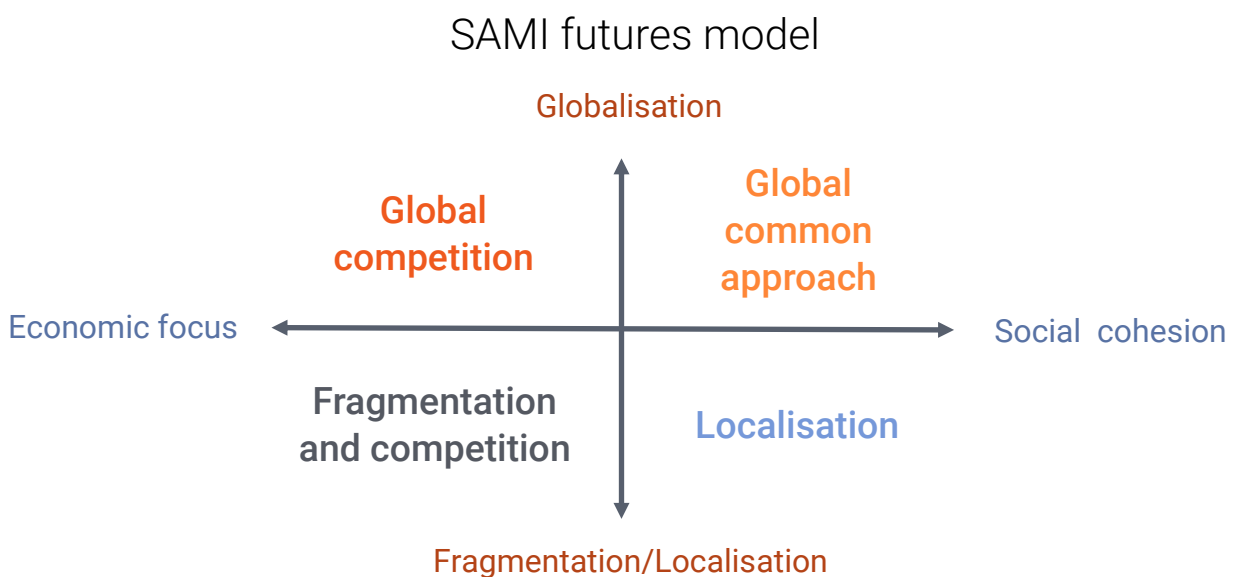
Thinking about the future of Britain

The future of Britain in a post-BREXIT world will depend on both our aspirations in the UK and also what is happening in the rest of the world. So we make no apologies for setting our exploration of Britain in 2030 in the context of global forces. The uncertainties are many and so, rather than a forecast, we use four global scenarios.



In the next few pages we describe some possible future worlds by 2030 and pose the question: how does Britain in 2030 sit within this world? What are the implications for BREXIT?

Organisations seeking to make robust decisions in uncertain times need to be aware of these possible futures and the underlying trends which shape them.



Global common approach

Imagine a world by 2030 where, after a major crisis, the Olympic spirit of global synergy rebuilds society and the economy. So for instance, migration is welcomed to rebalance declining economies and ageing societies.

The multi-polar world has devised better international governance, no longer based around the US.

Europe has a eurozone of Federal Europe and a common market stretching into Africa and the Middle East.

Financial services had contributed to the crisis, as linked systems imploded.

Governance is rethought as “we cannot let this happen again”.

Solar energy dominates the new economies, as generation is modular and can be rebuilt quickly following environmental disasters.

The prevailing spirit of international co-operation and governance fosters a spirit in which new technologies advance rapidly in Europe, as elsewhere, although this leads to criticism from some politicians that the governance standards are too favourable to global corporations. The risk of cyber crime remains a serious and growing concern.

The world is older, so migration of young people and families is eagerly sought. The resulting problems of social cohesion are a major challenge to the new international system. However the personal aims and ambitions of new generations encompass this new world order and they tackle issues as they arise,

attuned as they are to the global infrastructure.

For people with skills, there are plenty of opportunities for work, although work is more flexible, and contract-based. This leads to a global market in the brightest and best, and there is concern within Europe that the most skilled gravitate to the wealthiest regions,

leaving other parts of the EU behind. For less skilled, less flexible workers opportunities are reducing, and the health and welfare of these people is a major political issue.

The big disrupter, globally, has been biotech – with many advances originating in Asia, and adopted

slowly by the global system.

The role of Britain

The current Brexit issues are short term as the European Union changes its ambition. The UK could take a leading role in the multi-polar society, providing expertise and role models of governance and regulation. Trade within the common market is the focus, with Africa taking an increasing role.

Questions for organisations

What are the implications of an increased stress on governance?

What opportunities are there in biotech and renewables?

Are you set up to take advantage of Africa?





Global competition

In this version of 2030, the nations of the world compete economically as ferociously as in a football World Cup. For instance, migration of skilled people is eagerly sought to rebalance declining economies.

The world consists of a patchwork of changing bilateral agreements as blocs and nations seek competitive advantage. Europe has become Fortress EU 24, with Scandinavia absent.

In financial services, competing systems have been built with different tolerances for cyber threats and systemic collapse.

Europe seeks to build up its own base for IT and other hi-tech sectors, through large-scale and coordinated investment in innovation and research, although it is at a disadvantage against the established giant corporations in the USA and East Asia, and it is uncertain whether this investment will pay off.

Problems of social cohesion are a major challenge to all governments. The personal aims and ambitions of new generations drive them to find a “better life” – they use the global infrastructure to go where that can be found, as well as to escape from environmental disasters.

The inward migration of skilled young people from Africa in part offsets an outward flow of skilled people from Europe to the USA (as well as the UK and Scandinavia). Inward migration of less skilled people leads to rising competition within a gradually shrinking market for low-skilled work, and thus social tensions in some places.

The big disrupter, globally, has been biotech – whilst many advances originate in Asia, other blocs and nations are continually seeking competitive advantage.

The role of Britain

The current Brexit issues continue as the European Union faces loss of more countries. The UK could become a role model in effective but looser collaboration with countries outside the EU, if it can remain competitive in terms of skills – which means being open to migration.

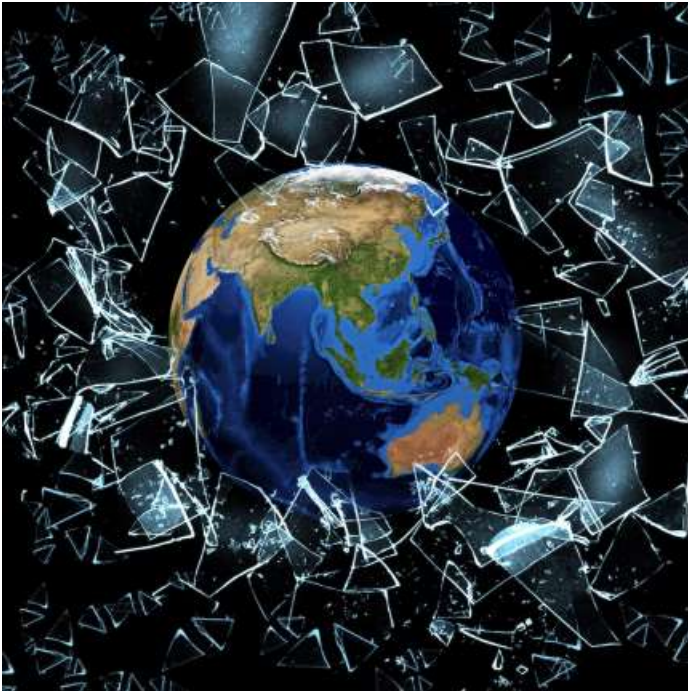
Questions for organisations

Is your organisation resilient enough to cope with the demands of increased competition?

What investment and growth models will you be developing—and are they flexible enough to deal with an uncertain future?

Where do your people come from—and how do you ensure you continue to hire the best?

Fragmentation and competition



Imagine a world by 2030 where many of the current trends continue, with the US retreated from global engagement. Blocs and nations have become inwardly focused on competitive advantage and need migration of skilled people to rebalance declining economies.

The multi-polar world consists of a patchwork of changing bilateral agreements as blocs and nations seek competitive advantage. Europe has become Fortress EU 15; Schengen and the eurozone ensure internal cohesion but the borders are tight. China confidently uses trade as a bargaining tool, especially with Africa.

In pursuance of its Digital Single Market strategy, Europe has sought to regulate the behaviour of global technology corporations in order to bring them into line with European social and employment policies. This has led to a difficult relationship, and a lack of inward investment in hi-tech into Europe.

Financial services had once again contributed to a crisis, as linked systems imploded. The response has been to build competing systems with different tolerances for cyber threats and systemic collapse. Solar energy

dominates the new economies, as generation is modular and can be rebuilt quickly following environmental disasters.

The world is older, so migration of young people and families is eagerly sought. The resulting problems of social cohesion are a major challenge to all governments. The personal aims and ambitions of new generations drive them to find a “better life” and they use whatever methods they can to get where that can be found. The low investment in technology means that there are more jobs for low-paid workers than in the USA, but as technology grows, albeit slowly, there is a debate about the balance between protection of workers and the desire to increase productivity by moving to greater automation of work.

Advances in biotechnology offer great opportunities—but almost all of them for the rich.

The role of Britain

The current Brexit issues continue as the European Union faces loss of more countries. The UK could become a role model in effective but looser collaboration with countries outside the EU, if it can overcome the stagnating effects of the increasing isolation of its major markets.

Questions for organisations

Could your company adapt to a constantly changing global landscape?

Where are your markets going to be if there are regulatory and trade walls between states and transnational bodies?

What planning assumptions are you making for 2030?

Localisation



In this world in 2030, many of the current trends continue. The US has retreated from global engagement. People have become inwardly focused on social cohesion, leading to fragmentation - independence for regions – and barriers to migration.

The world consists of a patchwork of loose agreements on a range of issues. Europe has fragmented as attempts to coordinate ageing and declining regions proved fruitless. China's trade with Africa keeps their economy afloat.

Environmental disasters continue with increased frequency, with many cities affected by flooding. Solar energy dominates new supply as generation is modular and can be rebuilt quickly following environmental disasters. Financial services are nominally local but built on platforms supplied and operated by global corporations.

In this world there is a widespread movement towards self-sustaining and more localised economies. Communities of interest spring up in which groups of people look to use technology to develop alternatives to big corporations, to take ownership of their own data, provide accessible training and support for contract workers, and develop alternative currencies to underpin the local economies and provide small-scale finance. This sector is dynamic, but its diffuse nature leads to widening inequalities across Europe.

The world is older, and social cohesion is a

major concern for all governments. The personal aims and ambitions of new generations drive them to find a “better life” and they use the global infrastructure to find where that can be found, but are frustrated by barriers to migration.

Local communities of interest, where they are working well, help most people to find a niche and provide at least some “local work for local people”. Entrepreneurs, who are the “movers and shakers” in these schemes, have the opportunity to accumulate both economic and political power.

Biotech is disruptive, with many advances originating in Asia, and adopted by some localities but rejected by many.

The role of Britain

The current Brexit issues disappear as the EU's coherence decreases. However this has a negative impact on Europe's role in the world and economy. The UK could become a role model in devolved government as regions develop their social cohesion.

Questions for organisations

How quickly can you adapt to radical change in your marketplace?

Can your services adapt to a local scale?

What opportunities are there in local communities of interest—and how do you take advantage of them?



SAMI: robust decisions in uncertain times

The world is changing. Fast. You need to make decisions in the face of uncertainty. But you can no longer depend on looking to the past to make decisions about the future.

Evidence from McKinsey and others shows that companies with a long term view outperform their peers. You need to be one of them.

Companies planning for a post-Brexit world will need to do so in the context of these wider forces of change, but also through the lens of their own sectors.

- In finance, how far will Brexit inhibit the dominance of the City of London as the financial centre of Europe? To the extent that changes happen, where will be the growth locations?
- What will be the impact of Brexit on professional services, such as accountancy and legal, for example...
- ...If Brexit means that the UK no longer accepts key aspects of EU and European law, how will that affect the UK's position as a hub for international legal services and litigation and again, where will be the new hub (or hubs)?
- In health and pharmaceuticals, to what extent will the UK remain connected to the European systems for professional regulation and accreditation, for the licensing and monitoring of medicinal products, and medical research?
- For manufacturers (and their suppliers) how will Brexit affect trading relationships and costs, as well as existing joint ventures and supply chains?
- And how will it affect the UK's position in European Research & Development Initiatives?

Since 1989, SAMI's experienced consultants have delivered over 250 foresight and strategy projects in 21 countries.

SAMI's consultancy, research and training will support your futures thinking and help you develop strategies and policies that will stand the test of time.

For how SAMI has helped organisations like the General Medical Council, Grant Thornton, the European Bank for Reconstruction and Development, Glaxo and the European Agency for Health and Safety at Work, see our website at www.samiconsulting.co.uk.

Our expertise and empathy will give you insight, enable you to plan for alternative futures, and make robust decisions in uncertain times.

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