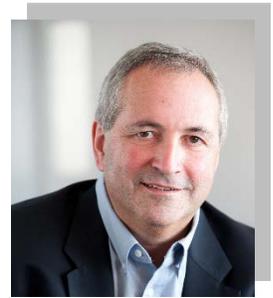


Aug 2017:

As part of the *Café Insights* series of interviews with inspiring speakers, The Insight Bureau recently caught up with Daniel Franklin, Executive Editor of *The Economist*. Daniel is a writer, editor and commentator on the world's political, economic and business developments, speaker and moderator of business dialogue.



Andrew Vine Well, hello, and welcome to another in the series of Cafe Insights. I'm Andrew Vine, CEO of The Insight Bureau and today having a conversation with Daniel Franklin of *The Economist*.

Daniel Franklin Hello.

AV So, Daniel, it's great to see you again. I think it was a year ago that I was here. So just give me an update. What keeps you busy these days?

DF Well, a lot has happened in a year. It's been a busy year. For myself, I've edited a book called *Megatech: Technology in 2050*, so that's kept me quite busy, and quite a few trips talking about the book in America, and in Asia, in Japan, and Korea. But the world is keeping us very busy at The Economist. There's so much happening to engage, try to explain to our readers, obviously Donald Trump in America, Brexit here. Funnily enough, I think if I were to do a hierarchy of the big political surprises as viewed from a year ago, I think, actually, the biggest shock is not so much Trump or Brexit, it's actually Emmanuel Macron in France. Although we'd spotted him a long time ago as someone to keep an eye open for, I think the fact that he could actually come through and win the presidency and then win a majority in the National Assembly, when previously he didn't have even a party behind him, that's an extraordinary thing.

AV Yes, so when you think back, to when we were sitting together a year ago, there was a percentage chance that some of these things could unfold; there been a lot of unexpected results that have happened in the last year. And we seemed to have lived in a year of turbulence, and also a year of the unexpected.

DF Yes. Well, I think Brexit, actually, was always going to be close. So that was one where the opinion polls were showing this was a close-run referendum. Britons have always been rather sceptical about Europe, so although I think the conventional wisdom was that in the end, the country would opt for the safer of the option -- the status quo is what tends to happen in referendums -- and that's more or less what I thought would probably happen. But I always thought there was a fairly significant chance that it would go the other way.

Trump was a bigger shock. I think, even actually a few weeks out from the election, it looked as if Hillary was going to win. But in America it's a two-party system. The big thing for him was capturing the Republican party nomination. Once you've done that -- out of a very crowded field, where all of the other candidates were disappointing, and where he put them down very effectively, it has to be said -- once you've got that Republican-Democrat contest in what is essentially a 50/50 nation, there's always a fair chance that you're going end up as president. And of course, it's been quite a show ever since!

AV Yes, of course, a lot of what's happening with Donald Trump at the moment is having ramifications all around the world ...

DF Yes. I think people are having to get used to the idea that it's a very different America, and that's going to be the case for some time. Not necessarily only three and a half more years of a Trump presidency; you could have seven and a half more years of the Trump presidency. So, I think there's serious thinking going on about how you adjust to this, but there are countervailing forces. I mean, I mentioned Macron in France, and that's very much an internationalist view, more of an open-world view. And I think there is a real argument going

on between the forces of an open-world and the forces of a more national-minded world, which is going to be playing-out over the next year or so. And you have some unlikely champions on each side; I mean, Xi Jinping presenting himself as the champion of globalization and environmentalism, when in many ways, of course, China is much more complicated than that in reality.

- AV** So, a lot of people are interpreting this as perhaps the beginning of the end of globalization ...
- DF** Well, I think it's certainly stalled. I think that much you can say. There's a questioning of who wins and who loses, and it's not all hunky-dory in the world of globalization, but on the other hand, I think there are strong forces pushing still for globalization. There's a lot further that globalization could go and technology is one of those forces. Technology is pushing very hard to stop ideas spreading, and technology moving, and maybe there will be some shortening of supply chains but in the ideas economy they're going to buzz around the world very, very fast. Even with Brexit leaving the EU, there's a lot of people who still want to have a very open Britain and to use the phrase of Brexiteers, a Global Britain. So, it's not quite as simple as globalization or not. It's sometimes what type of globalization you have.
- AV** And the flavour of it could be seeing a shift towards the East and we've seen this perhaps presenting a pristine opportunity for China to flex its muscles and assert itself even more in the world and given more space to do that it will certainly try.
- DF** That's certainly the case. And China is moving, and wherever you see America seeming to retreat, whether it be the Xi Jinping speech at Davos representing themselves as the champions of globalization, or in the sort of argument over who has greater influence in various parts of Asia. And a lot of Asian countries – and you live in Singapore -- feel this very keenly; they are pulled between America, as a strategic ally and long-term friend of the system that Singapore has thrived on, and China, a huge trade partner increasingly exerting its influence. And country after country in Southeast Asian and other parts of Asia are sort of feeling that pull and China is making the most of it right now.
- AV** When we're working together with conferences or client events, it's really trying to join the dots in terms of what this all means. It must be a very unsettling time for many organizations running global operations because the forces are simply changing.
- DF** Yes, but I think it's also a time when there's great interest and curiosity in trying to puzzle it out and they're trying to see the big picture, trying to see a kind of set of probabilities on what the likely scenarios are is particularly helpful because people need to plan and you can't just say, "we'll bury our head in the sand. and wait for it all to go away. It's not going away. And how do you assess the way that it's all likely to pan-out and what sort of contingency plans do you put in place? These are big questions for organizations around the world.
- AV** One major publication that you're heavily involved in every year is *The World in*, and so that comes out in November -- the middle of November or so or early November -- so that process has already started, I hear.
- DF** Yes, and it all begins actually in the spring. We have an initial editorial brainstorming and start to draw up a plan for it and then the team assembles in September to put it together. That's when the really intensive work starts, but yes, for a while I'm totally focused not on the here-and-now but what's going to be happening over the course of the coming year. And that's a fascinating project to work on. And then I look back on what I got right and what I got wrong. [laughter]
- AV** I think the wonderful thing about it is that it's pulling together the best minds in *The Economist*, but also invited guests from captains of business and conversations really pulling together a view, at least.
- DF** And I think it reflects the fact that no single view is going to be something you should depend on. It's good to draw different ways of thinking and that perhaps no time more so than now when there's a lot of challenges to what used to be conventional wisdom. It's incumbent upon

us to try and understand where all sorts of people are coming from and the way they want the world to move.

- AV** And then you mentioned *Megatech*, which followed on from the very successful *Megachange*: a lot of people scratch their heads thinking, "how on earth can you predict out as far as 2050? This is insane..."
- DF** Well, in *Megachange*, first of all, I mean there are certain things which you cannot know for certain. You can see the big tectonic shifts in geography, for example, or you mentioned the shift of economic power, strategic power towards Asia, and those are things that you can start to get your mind around. And I think that's helpful. Then there's technology, of course; here you are with your iPhone, it's only 10 years old. So, 30 years ago you couldn't have envisaged that you'd encounter this extraordinary computing power carried around you pretty much at all times. So, I hope that what *Megatech* does is something slightly more intelligent and intriguing which is to say, "How do you begin to peer into the tech future? What's the toolkit you need? And then what does the current state of physics tell you about what will become possible technologically in the next 30 years, or same for biology which is at a fascinating stage of development. Where's the money going? Follow the money is always a good question. So, Silicon Valley, venture capitalist, here's the money and you'll see it all surfacing in 10 years' time, in the shape of the companies that have come through this wave of technology and they're emerging as very big players. So, it's a sort of look-- from the beginning of it anyway -- a look at the real fundamental drivers of technology before you get on to saying, "Well, 2050, where are we?" And 2050 is a sort of metaphor anyway; it encourages you to look over the horizon, not at the immediate short term, but to look at the deeper trends that are going to be changing the way we all live and work.
- AV** When you do look at all these various trends and indicators, does it make you optimistic about the future?
- DF** I think if you read *Megatech*, for example, it's not a depressing read, although a lot of the people who think of the tech future, take a kind of a dystopian view about it. The focus is probably rather more on the enormous potential that technology has, but at the same time not ignoring the very real issues that it throws out. The concluding chapter is all about the unintended consequences.
- AV** It's great that someone's out here helping us to kind of peer over the horizon as it were. Daniel, great pleasure to see you again. Nice to catch up.
- DF** Let's catch up again in a year's time!
- AV** Thank you very much indeed.

<http://www.insightbureau.com/DanielFranklin.html>