

How do you Research a Tsunami? Market Research at the End of an Era.

For The Market Research Event 2009
Red Rock Hotel, Las Vegas, Nevada
October 19, 2009

Jim Dator

Hawaii Research Center for Futures Studies
Department of Political Science
University of Hawaii at Manoa

<www.futures.hawaii.edu>
<dator@hawaii.edu>

In the outline for this talk in your program,
I said in the opening paragraph:

The era of endless economic growth is over.

*With the end of oil in sight,
the end of the global economy well underway,
and the seas rising everywhere
we are left with a well-worn lever
without a firm fulcrum to place it on.*

But then I said:

Is that so?

*Will steady growth soon revive?
Will the job of the market researcher
once again be a matter
of fitting a straight line from the past,
through the present,
and out into the future,
with a few wiggles of uncertainty--
terrorism,
new technologies,
fads, and the like?*

Well,

I don't know for sure.

And neither do you.

But I wonder how seriously
you have considered
those alternatives.

From what I can make out from
the presentations I have heard so far

and from the titles of
the remaining presentations

You guys all seem pretty confident
that the economy of the past thirty years

is revving up

and good times

as defined by some people
over the past thirty years

is just around the corner.

And so you guys seem to be
focusing entirely on
figuring out how

to sell the most widgets

to the largest number of buyers

at the highest possible prices
once again.

Or,
more accurately,

how to persuade
the largest number of people

to go into
as much debt as possible

to acquire the
surplus production

to get the economy

growing once again.

Well,
maybe so.

Maybe not.

I think our old
political economy
may be transforming into
something quite new,
exciting,

but unpredictable
as it emerges from the ashes of the past/present.

If market researchers like yourself
intend to catch the waves of change,
you may find you will not be surfing mere waves
but raging tsunamis.

You may be on a more exhilarating ride
than you bargained for.

Why should you believe me?

You shouldn't.

You should find out for yourself.

And that is what I intend to do
for the next few minutes:

Help you begin to do the only research
that really matters:

Is the old political economy

that we have known for so long

about to end?

about to return?

about to transform into something new?

I have been involved in futures studies for many years.

I taught the first officially-approved university course

on the future

at Virginia Tech in the late 1960s

I came to the University of Hawaii in 1969
and have been director of the
Hawaii Research Center for Futures Studies
which was created by
The Hawaii State Legislature
in 1972.

Since then, I have done futures research and
consulted widely
in the State of Hawaii,
the Pacific island region,
east and southeast Asia,

all of the American States, Canadian Provinces, and
central America
and Europe, east and west.

I have also coordinated a two-year graduate
MA option in Alternative Futures
through the Department of Political Science
of the University of Hawaii
since 1974.

During the 1980s and 90s,
I was president of the World Futures Studies Federation.

I had the opportunity to visit forty nations in all regions
of the world
and to talk with ordinary people and top officials
about the futures.

I spent a great deal of my time in what were then
the socialist countries of Europe and Asia;
invited by top officials who used "the future"
as a way safely to criticize the present
and to dream of a better future.

The WFSF played a modest but important role
in the transformation of socialist countries at that time.

So it is out of nearly 45 years work in futures studies
that I offer you some thoughts about
the futures of the world broadly;
the futures of the economic systems specifically;
and hence the futures of "marketing research".

But first of all, I need to find out something.

How many of you, in all of your years of education
from Kindergarten through your highest degree,
have had at least one course that was primarily
devoted to the study of the future?

Raise your hands.

And now, how many of you,
in all of your years of education
from Kindergarten through your highest degree,
have had at least one course that was primarily
devoted to the study of the past?

Please raise your hands.

Yes. I thought so.

Even though I--and many other people--
have been involved in futures studies
for a long time,

futures studies still remains largely ignored
in the US,

though it is fully a part of educational curricula
in some other parts of the world.

So I think I should tell you a bit about what
futures studies is
and

is not
from my understanding.

(ETC)

But if much of the futures will be novel

then there is a second implication
that leads to what I call

"Dator's Second Law of the Futures."

Never forget it.

Be willing to be ridiculous;

to be laughed at;

and sometimes to be wrong;

very, very wrong;

because while every useful idea
about the futures
should appear to be ridiculous,

not every ridiculous idea is useful.

Some are truly ridiculous.

But take the chance!

Not only are the same old
debt-instruments
that brought about the collapse
being sold briskly once again
by the same old suspects,

but also

The gnomes of Wall Street
are busily dreaming up new and
even more scandalous
debt instruments,
among the most appalling being

"securitized life settlements"

which bundle together
thousands of life insurance policies
in the obscure and unstable manner

analogous to other derivatives.

Moreover, Morgan Stanley and others are
repackaging
their money-losing securities
into higher-rated ones,
called re-remics

(re-securitization of
real estate mortgage investment conduits)

worth \$30 billion
in residential re-remics

so far this year.