

YOUTHQUAKE 4.0

For Review Only

Discover how demographic change associated with Millennials and the Fourth Industrial Revolution collectively influence the way we think about our social, cultural, economic and technological future.

Youthquake 4.0 analyses the confluence of two inextricably linked global forces – Millennials and the Fourth Industrial Revolution. With research from world leading institutions and insights from eminent thought leaders, this compact volume presents a new understanding into global challenges, economics, society, technology and innovation and the role of business as the world enters the Fourth Industrial Revolution.

A book for individuals, leaders and policymakers seeking to unlock opportunities through developing specific strategies on the interplay between the Millennial mind and the Fourth Industrial Revolution. The insights here will inspire professionals to consider the role they can play in adapting and transforming their organisations to reap the benefits of the Millennials and to thrive in the new industrial era.



Rocky Scopelliti is a world-renowned futurologist, media commentator, international keynote speaker, thought leader and author of internationally recognised thought leadership research reports, whose advice on strategy is sought after by boards and leadership teams, including Fortune 100 corporations.

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A WHOLE GENERATION
AND THE NEW INDUSTRIAL
REVOLUTION



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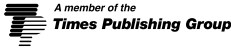
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Rocky Scopelliti

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For Review Only

*To my beloved family, late father and brother,
thank you for giving me this life.*

*To my friends who, in the face of my adversity,
awoke the stillness in my heart, thank you.*

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INTRODUCTION

We are living in the age of accelerated transformation. While transformation itself is not necessarily new to us, the frequency, pace and impact of transformation today is unprecedented. There has never been a more important time to stop and consider the question: *How will we increase our capacity to adapt to a world of accelerated change?*

To answer this question, we will explore demographic change within the context of the environment that we can anticipate it will be exposed to. This is what we will examine in this book.

We know that populations are ageing, and that life expectancy has steadily been increasing by two to three years each decade. At the other end of the age spectrum, Millennials (18–34 years) have now become the largest demographic group on the planet, representing one in three (2.1 billion)¹ people. They are likely to be the first generation to have a 50 per cent chance of living to 100 years². This means they are also likely to see the emergence of four-generation families, so our notion of family structure will profoundly change from what has come before. Their proportionate representation in society—whether it's as business leaders or policy makers in the workplace, government or

institutions, or whether they are influencing spiritual, academic, scientific or technological advances—will only increase from here on. Millennials are integral to the question and the subject of this book.

Demographers Neil Howe and William Strauss invented the label ‘Millennials’, but this demographic cohort is also commonly referred to as Generation Y, those born between 1981–2000. Social researchers applied that label as it follows Generation X, or those born between 1965–1980. ‘Baby Boomers’ is the label used to describe those born between 1946–1964, most of whom are the parents of Millennials.

Millennials have become aware of the 100-year life and are planning accordingly.

From an environmental perspective, while the world’s cities cover just two per cent of the Earth’s surface, today they account for 55 per cent of its population³. Cities are predicted by the United Nations to be home to 86 per cent of global populations by 2050⁴. We are indeed *homo urbanis*.

These cities will become smarter as they, and our lives and businesses, become increasingly digitally connected. Until now these connected devices, sensors and systems have generated 90 per cent of the total data that has ever been produced⁵. Many analysts, however, predict that by 2020, some 200 billion objects will be connected—26 smart objects for every living person⁶. Just imagine what data will be produced

and what new services and businesses these will give rise to by 2020?

Data has become the 21st century's energy, increasingly originating from urbanisation.

Intelligence is becoming predictive and artificially developed. Lifestyle processes and services are being automated. Healthcare quality and life expectancy is improving with advances in biotechnology, innovation and genetic engineering. Major threats to life, property and privacy are now digitally industrialised and borderless. Industries, organisations and ecosystems are regenerating or disappearing at exponential rates as they reprogram for the 21st century.

Life is anything but predictable and uncertainty has become the new normal as we transition into the imagination economy⁷.

The convergence of demographically fuelled behavioural change associated with the Millennial demographic and emerging technologies associated with the Fourth Industrial Revolution are affecting every industry and every part of our global economy. The Fourth Industrial Revolution builds on the Third Technological Revolution and is characterised by the augmentation of technologies from the physical, digital and biological spheres⁸.

Collectively, this convergence gives rise to an accelerated multiplication effect, which is why this book is titled

Youthquake 4.0. The impact of this effect is challenging our notions of how time is structured, innovation pursued, and how traditional models of production, distribution and scale are becoming decoupled from growth and the supply of scarce resources through exponential models.

It is worth reflecting that the First Industrial Revolution occurred from the 18th to 19th centuries, when mostly agrarian rural societies became industrial and urban. The development of the steam engine and textile industries were central to this revolution's development. The Second Industrial Revolution occurred between 1870 and 1914. This era saw the rise of steel, oil and electricity used to power and create mass production in assembly. Major technology advancements were in the areas of telecommunications, lighting, the phonograph and the internal combustion engine. The Third Industrial Revolution of the 1980s saw advancements in analogue through to digital technology, mechanical devices and automation. This period gave rise to the personal computer, the internet and information communication technology, including wireless technology, which is why it is also referred to as the Digital Revolution.

While our traditional linear view of the future, the models and methodologies we use to forecast and operate our businesses and the associated legacy technologies may have served us well in the First, Second and part of the Third Industrial Revolutions, they are inadequate and unreliable predictors of the future needs of societies, value creation, behaviour of markets, and economic performance or survival in the Fourth Industrial Revolution.

Welcome to ‘Youthquake’—Oxford Dictionaries’ 2017 word of the year

Youthquake is defined as a ‘significant cultural, political, or social change arising from the actions or influence of young people’⁹. This is not a new term. Youthquake was first coined by *Vogue* magazine’s editor-in-chief Diana Vreeland in 1965¹⁰ to describe the cultural movement on the streets of London by a new generation of young people we now know as Baby Boomers. Vreeland wrote in her article entitled ‘Youthquake’:

Youth is surprising countries east and west with a sense of assurance serene beyond all years. First hit by the surprise wave, England and France already accept the new jump off age as one of the exhilarating realities of life today. The same exuberant tremor is now coursing through America, which practically invented this century’s youth in the first place.

Ironically the term ‘renaissance’ five decades later has been used to describe Baby Boomers’ children—the Millennials. We shouldn’t be surprised that the first and most powerful influence on Millennials was their parents. Youthquake for Baby Boomers was so well captured in the lyrics ‘There’s a whole generation, With a new explanation, People in motion’ in Scott McKenzie’s 1967 hit song and generational anthem ‘San Francisco (Be Sure to Wear Flowers in Your Hair)’¹¹. That song reached number one in the United Kingdom, encapsulating the spirit of a generation during the 1960s craving significant cultural, political and social change.

An unusual generation? A problematic generation? A puzzling generation? A preoccupied generation? An entitled, ungrateful generation? Was there ever a rising generation in history *not* given those labels? As George Orwell so well articulated: ‘each generation imagines itself to be more intelligent than the one that went before it, and wiser than the one that comes after it’.

Or are Millennials simply a generation that, like their Baby Boomer parents, have formed their social, cultural and economic beliefs from the environment in which they grew up? For example, might Millennials’ perceived lack of loyalty reflect their perfectly understandable need to explore life’s many options? Might their perceived entitlement be a misinterpretation of their empowerment? Might their preoccupation with technology reflect their desire to remain socially connected? The tsunami of stereotyping and typecasting directed at Millennials would seem to be over-generalizations born of misinterpretations, since they seem to have a clear idea about how to live in the contemporary world and they have a vision for its future. To them, the world is their neighborhood.

It is worth reflecting on one of the many essential points about their mostly Baby Boomer parents to help explain their influence on Millennials. In their view of the future, Baby Boomers were shaped by two different and contradictory influences.

First, Baby Boomers grew up in the postwar economic boom of the Second Industrial Revolution, where electric power was used to achieve mass production and the division of labour. There

wasn't just a baby boom, but manufacturing, mining and housing booms. That period also saw the rise to power of the working class. Baby Boomers were enveloped in prosperity, developing an unquenchable thirst for in-home appliances, telephones fixed to walls, white goods, televisions, motor vehicles and leisure activities that fueled the creation of many new consumer markets.

The era ushered in suburbia. New neighbourhoods sprang up and the locality symbolized status, class and lifestyles. To Baby Boomers, life was a never-ending pathway of gratification, with the promise of success, wealth and opulence.

But this was tempered by the threat of no future at all.

The second powerful but contrasting influence on them was the Cold War. They grew up in the era of mutually assured destruction (MAD). This was the era of nuclear weapons being massively stockpiled by the United States and the Soviet Union, and the threat they would be used, triggering World War III. Baby Boomers grew up amidst this superpower tension.

So how did they reconcile these contradictory influences? Their motivation shifted from delayed gratification, to embracing *instant* gratification, despite this description being synonymous with Millennials. Baby Boomers' generational catch-cry was 'We're not here for a long time; we're here for a good time.' They became famous for their impatience—rushing into marriage, rushing into parenthood, rushing into debt—for their frivolous spending, and for their reluctance to plan for the long term.

Baby Boomers were labelled the ‘Me Generation’ by their parents—the ‘Silent Generation’ born between 1927–1945—who were puzzled by their self-indulgent, live-for-now mentality and liberated sexuality brought about by the contraceptive pill. But Baby Boomers were living in a way that was consistent with those contradictory influences.

As history now records, Baby Boomers were thankfully here for a long time. The good times of the 1960s were not fulfilled by the events of the 70s, 80s and 90s. Life was much harder for the Baby Boomers than they envisaged.

They were living through a ‘Youthquake’ that was characterised by transformations such as the gender revolution, which reshaped our views on marriage and divorce and redefined the nature of family life. Economies were restructured, including a radical redistribution of work and wealth between classes; there were levels of unemployment not seen since the Great Depression; and there was the beginning of the information technology revolution. While Baby Boomers were living the dream of retiring at 55, changes to the retirement age in many countries, a lack of planning, and the global financial crisis has seen most continue working for longer to achieve financial security in retirement.

Youthquake for Millennials, on the other hand, will be quite different to that of their parents. They traverse three distinct life stages. Stage one is the shift from youth to adulthood. For most, this occurs around the 17–18 year mark. Importantly, Millennials’

participation in education is the highest of any generation. Among OECD countries, 42 per cent of Millennials aged 25–34 years hold a higher education degree, compared to 26 per cent of their Baby Boomer parents¹², and so this stage is very different to that of their parents.

Stage two, the transition from student life into professional life that occurs broadly between the ages of 18 to mid-20s, sees many Millennials graduating with a student debt, something that didn't exist for their parents. Stage three, the transition from single life into family life, sees many Millennials, unlike their Baby Boomer parents, staying single for longer. For example, in the United States, 48 per cent of Baby Boomers were married by the age of 32, versus 26 per cent of Millennials¹³.

While these stages are being deferred for longer compared to their Baby Boomer parents, as each of these transitions occur, their needs, expectations, economic value and attitudes toward life fundamentally change. Why is it, then, that they continue to be typecast as though they are the same globally? It doesn't make sense, right? We need to smash the 'smashed avocado on toast' stereotype, because Millennials have grown up in a different environment to other generations.

Millennials grew up during the Digital Revolution that began in the 1980s, where the advancement of technology saw the shift from mechanical and analogue electronic technology to digital electronics. Amidst that information technology environment, they developed into the most highly-educated, diverse, media-

saturated and connected generation. They are now shaping the 21st century and will propel the Fourth Industrial Revolution.

To Millennials, their voice and influence is global through the social media they continue to fuel. It's instantly delivered to their smartphones, and that's become as natural to them as the air they breathe, efficiently consumed through the artificially intelligent, personalised, platform-based, exponential models serving them. We need to embrace them, not ostracise them. We need to go beyond just listening to them as they crave to be heard. For this generation, their catch cry will be: 'We're here for a good time and we're here for a long time, so we'd better take care of our world.'

Just like their parents, who gave rise to the *economic boom*, this generation will give rise to the next *technological boom*.

Welcome also to the *Fourth Industrial Revolution* that is augmenting our physical, digital and biological systems

As Klaus Schwab, founder and executive chairman of the World Economic Forum describes: 'we are at the beginning of a revolution that is fundamentally changing the way we live, work and relate to one another'. He also proposes that 'businesses, industries and corporations will face continuous Darwinian pressure and as such, the philosophy of "always in beta" always evolving will become more prevalent'¹⁴.

This philosophy directly informs the question at hand: in this environment, how do we increase our capacity to adapt? The

evidence to date suggests that nations, industries and corporations are yet to fully capitalise on the benefits of the current digital revolution, which may well be the single biggest barrier to unlocking the potential of the Fourth Industrial Revolution.

This revolution is characterised by emerging technology breakthroughs with potentially highly disruptive effects in the areas of artificial intelligence, robotics, the Internet of Things (IoT), autonomous vehicles, 3D printing, biotechnology, nanotechnology, materials science, energy storage, blockchain and quantum computing. Mastering the Fourth Industrial Revolution was the theme of the World Economic Forum Annual Meeting in 2016 in Davos-Klosters, Switzerland. According to Klaus Schwab, the Fourth Industrial Revolution differs from the previous ones in its speed, scale and impact.

It will be a cyber-physical system characterised by new technologies that are augmenting our digital, physical and biological worlds. In this book I will argue that ‘interconnected trust’ is what fuses those worlds, requiring a paradigm shift in relationships between ideas, people and technology—and, as such, is a further reason why this revolution differs from those in the past.

Why write this book?

As 2017 drew to a close, I was saddened by the illnesses impacting my family and friends. I couldn’t wait for the year to end. Serendipitously, it was announced that the term ‘Youthquake’ was the Oxford Dictionaries Word of the Year 2017. The word

not only reflected the ethos, mood and preoccupations of 2017, but was also judged as having lasting potential as a word of cultural significance. My sadness immediately dissipated, replaced by an overwhelming sense of joy and happiness. Yes, I thought, the world finally gets that it's *their* (Millennials) time, and this juvenescence is a singularity for us all to embrace and celebrate.

As heartbreaking as it is witnessing loved ones' lives evaporating, it's important and joyous to imagine what life can be. My life's purpose is to make the world a better place through thought leadership and those personal experiences presented me, in that moment, the gift of Youthquake. As an ambassador of this amazing Millennial generation, this was just the best news. Thoughts of Youthquake, then, became my happiness sanctuary.

Through this book I will explain how this remarkable generation, equipped with the most exciting technological advancements of the Fourth Industrial Revolution, will impact all facets of our society, making our world a better place.

For many years, I've been privileged to research how Millennials and digital technology are impacting our world. Importantly, we have now crossed two major inextricably linked inflection points that require new thinking and leadership about human and technological adaptation. The Millennial demographic has now become the largest demographic on the planet and a global phenomenon, together with next-generation technologies, in shaping humanity with the Fourth Industrial Revolution.

I'm often surprised by the number of organisations that report they are 'customer centric', 'employees are engaged', 'stakeholders consulted', 'investor aligned' and 'technologically transformed'—yet what's missing is an integrated strategy that puts a 'face' to those customers, employees, policy makers, partners and investors. If it's about customer acquisition, 'well that's marketing's area'; if it's about employment, 'well that's human resources' area'; if it's about innovation, 'well that's digital's or IT's area'. Millennials are treated as though they have multiple lives, but they are the same people, they just don't compartmentalise their lives like previous generations; they expect their lives to be intertwined.

I'm equally intrigued by the simultaneous fascination and anxiety that leaders have around disruption, innovation, and transformation, and the treatment of these forces as though they are mutually exclusive from human capital and demographic change. Digital is often referred to as a contemporary descriptor for the IT department. Or what marketing and sales does to attract and sell to customers. Or what operations does to improve productivity or efficiency. What's missing is a wholistic view and strategy about what digital means to their customers, employees, business model, the industry ecosystem within which they function, and what this means to their organisation's purpose.

The globalisation of disruption shows no signs of abating. The investment environment is awash with capital and has developed an unquenchable thirst for entrepreneurship. Global annual venture capital funding surged 50 per cent in 2017 to US\$164 billion invested across 11,042 deals, propelled by Asia

now representing 43 per cent of that investment, United States 44 per cent, and Europe 11 per cent¹⁵. Start-ups, accelerator programs and innovation hubs are now globally thriving from locations in Silicon Valley, New York, London, Israel, China, Sydney, Berlin, Singapore, etc. Whichever way you look at disruption, the numbers are staggering. And while studies show that age is not a predictor of the success of start-ups, the Millennial generation has had more access to capital and resources, as well as the desire and skills, than the generations preceding them—which is demonstrated by the capacity that investors, corporates and governments have created by investing in their ideas and initiatives.

These forces are not mutually exclusive, but rather symbiotic.

This book aims to be the *Desiderata* of how the Millennials and the Fourth Industrial Revolution collectively influence the way we think about our social, cultural, economic and technological future: ‘a whole generation, with a new industrial revolution and they are both in motion’. I will analyse the confluence of these two inextricably linked global forces, leveraging research from world-leading institutions and thought leaders to provide insights toward global challenges, economics, society, technology and innovation. It will transform the way you think about this remarkable generation and the influence they will increasingly have. It will invoke excitement for the unimaginable innovation that awaits us in the Fourth Industrial Revolution and the numerous resulting opportunities for citizens, societies and businesses.

The insights in this book are for individuals, leaders and policymakers seeking to unlock opportunities by developing specific adaption or transformation strategies from the interplay between the Millennial mind and the emerging technologies in the Fourth Industrial Revolution. Importantly, I hope these insights inspire you to consider the role you can play in adapting your organisation's immune system, which today may be resisting change. For individuals, the pursuit of making the world a better place might be one of your most rewarding life experiences. Organisations that reinvent themselves effectively will become the beneficiaries of the future sources of leadership, skills, entrepreneurship, corporate social responsibility, innovation and resulting profits.

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SECTION 1

WELCOME TO
YOUTHQUAKE

Chapter One

DEMOGRAPHIC INFLUENCE

Millennials aren't entitled; they're empowered

*The future promise of any nation can be directly
measured by the present prospects of its youth.*

— **John F. Kennedy**

35th President of the United States

I'm sure most of us can recall where we were when major events occur in the world. For me, 24 June 2016 is a date I'll always remember. After a 22-hour flight from Sydney to London, my family and I were somewhat fatigued, but eager to experience the first leg of a wonderful three-week holiday in Europe. I was excited to witness my children's first classic English experience—the black cab at Heathrow airport. I had elevated my children's expectations about these iconic vehicles and the extensive training English taxi drivers undertake to perform their job.

'Covent Garden, thanks driver,' I said, followed by 'This is my kids' first trip to Europe and I'm sure they'd love to know what they can expect this week in London?' The driver replied disappointedly, 'We're no longer part of Europe. Yesterday was

Brexit day and it's going to be a gloomy week.' He then shared with us for the 45-minute drive into London how this was a tragic day in English and European history. What caught my attention in the driver's comments was how disappointed he was in the result, given that pre-polling indicating that 73 per cent of young people wanted to remain part of the European Union (EU). 'They didn't vote,' he said. His point was that Millennials did not participate in the referendum to the extent they could have, and if they had, the result would have been completely different, given the narrow margin of victory. When we got out of the taxi, my daughter said to me, 'Gee, English taxi drivers know a lot about politics too, don't they?'

That first day in London was quite surreal, as was that week, as predicted by that taxi driver. Commentators, bus drivers, politicians, business leaders and the British public were asking questions: How did this happen? What does it mean? Who do we blame or thank? Exit polls reported that older voters favoured exiting the EU and younger voters favoured remaining in the EU. The 'Remain' supporters looked on in despair, stunned and bewildered by the result. A student from Staffordshire University interviewed by BBC News¹⁶ said: 'I'm annoyed that Baby Boomers have messed things up for us again.' Had a generational divide opened up in the UK, I wondered? And is this divide global?

Let's begin by considering some very significant statistical demographic changes occurring throughout the world, how they may impact society, and the policy dilemmas and opportunities they present for politicians and business leaders.

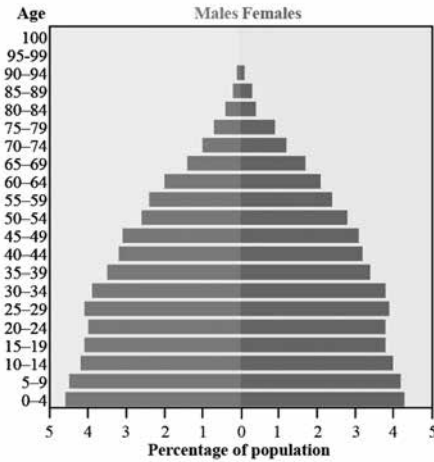
First, the ageing population. The increasing proportion of older persons in a population is poised to become one of the most significant global social transformations of the 21st century. According to the United Nations¹⁷, between 2015 and 2030 the number of people in the world aged 60 years or over is projected to grow by 56 per cent, from 901 million to 1.4 billion. Between 2015 and 2050, when today's Millennials reach 60 years of age, the global population of older persons is projected to double to nearly 2.1 billion. The number of people aged 80 years or over, the 'oldest old persons', is growing even faster, and the United Nations predicts it will almost triple between 2018 and 2050 to 434 million (see Figures 1, 2 and 3).

This massive ageing trend has implications for nearly all sectors of society, including labour markets, financial markets, and the demand for goods and services, such as housing, transportation and social support, as well as family structures and their intergenerational ties.

Second, 2015 was a landmark year demographically, with Millennials between the ages of 18–35 years rising to become the most populous age group on the planet. Almost one in three humans are part of a Millennial population that numbers more than two billion people (see Figure 4). By 2050, they'll be 54–69 years old and will occupy positions of leadership across government, businesses, religious institutions and broader society.

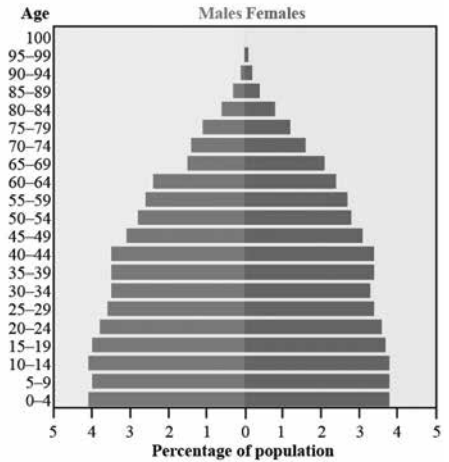
As a result, Millennials have now become a leading indicator for social, political, economic, cultural and technological

Figure 1: World Population 2018



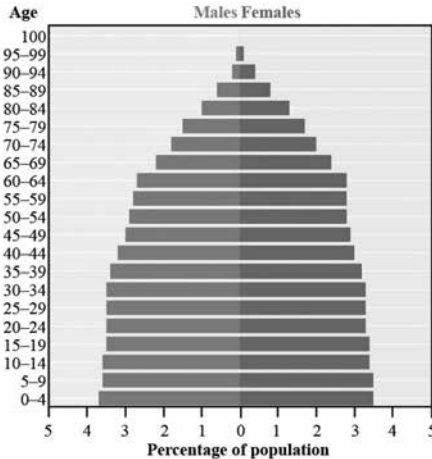
2018 World Population 7,597,175,534
 Source: Population Pyramid.
 Reproduced by permission.

Figure 2: World Population 2030



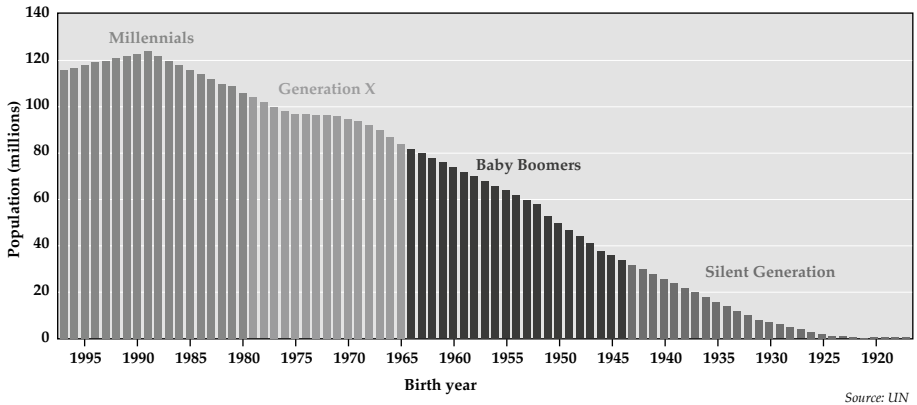
2030 World Population 8,500,766,052
 Source: Population Pyramid.
 Reproduced by permission.

Figure 3: World Population 2050



2050 World Population 9,725,147,993
 Source: Population Pyramid.
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Figure 4: World Population by generational group 2015



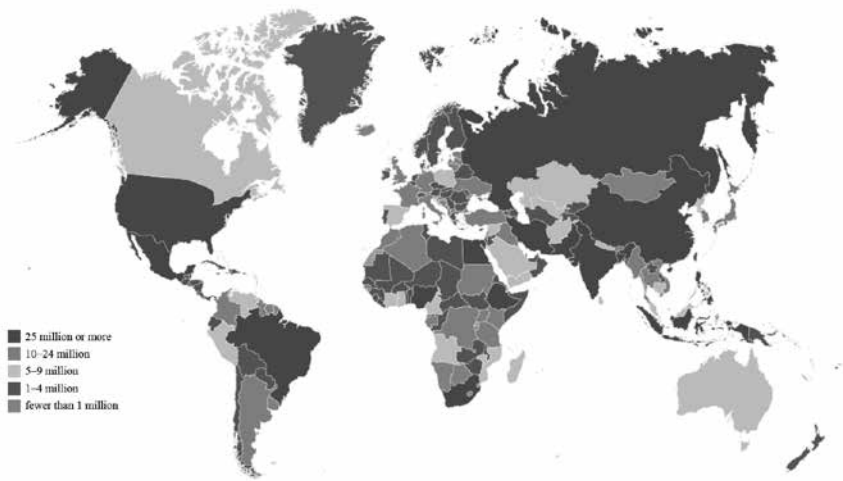
development. For political parties, their global voice will increasingly influence policy direction. For businesses, their value will influence economic performance. For employers, their technological proficiency will see the adoption of emerging disruptive technologies that fundamentally change our world at rates and scales of unprecedented levels. For society, their values and beliefs will influence our cultures.

So, let's consider the concentration of Millennials by country. Most of them, i.e. 86 per cent, live in large emerging markets¹⁸, with half from Brazil, India, China and Indonesia¹⁹. These countries are also the most heavily populated. We can also see that at a regional level Asia has become the 'Millennial epicentre', where 58 per cent of Millennials live (see Figure 5).

The scale of Millennials in those countries' populations provides the opportunity for economic growth through what the International Monetary Fund describes as the 'demographic

dividend'. This is achieved in two ways. Through investment in economic development and family welfare leading to growth in per capita income; and through the accumulation of assets that become invested domestically, or internationally, resulting in rising national income.

Figure 5: Global Millennial concentration by country and region 2015



Source: UN World Population Prospects 2015; A.T. Kearney analysis

In developing countries such as Bangladesh, the Philippines and Vietnam, this means that deploying their vast Millennial populations could lead to rapid growth projected to be 6 per cent of GDP by 2020. In contrast, in some countries where unemployment is relatively high, such as Egypt (42 per cent), Iran (29 per cent) and South Africa (53 per cent), we see lower than average projected GDP growth (2-4 per cent) out to 2020, reflecting undercapitalization on the potential demographic dividend from their vast Millennial populations.

In developed countries and regions such as the United States, the United Kingdom, Australia, New Zealand, Japan and western Europe, lower fertility rates over many decades have led to relatively lower concentrations of Millennials in those populations. However, as we discussed earlier in this chapter, with ageing populations, and particularly Baby Boomers at the lower end of the age bracket now reaching retirement age, Millennials in many of those developing countries are rapidly becoming a larger part of the workforce.

As outlined earlier, according to projections by the United Nations²⁰, the number of older persons globally is growing faster than for any other age group. In contrast, over the same period, the number of people 24 years old or younger will grow a mere 11 per cent and the number of people aged 25–59 years will grow by 62 per cent. These projections underline the significant representation Millennials will continue to have through to 2050 as those born around 1980 reach 70 years of age. Importantly, with increased life expectancy, their democratic influence will continue to be felt.

In democracies, collectively the ‘Youthquakers’ (Millennials and Baby Boomers) have massive voting power to shape and influence policy. However, satisfying the economic and social demands of these very diverse groups is a major challenge for governments and political parties.

We are starting to see evidence of this demographic shift on the political stage. In the UK, Millennials make up approximately

31 per cent of the population. In the 2017 British general election, the greatest increase in voter turnout was among those aged between 18–34, reportedly a 16 point increase compared to any other demographic group (see Figure 6). Jeremy Corbyn’s Labour Party was the primary beneficiary of this surge in participation.

In the United States, in 2016, the estimated 62 million Millennials had overtaken Generation X and the Silent Generation to become the second largest influential voting demographic group (see Figure 7). As the Baby Boomer voting-eligibility population continues to decline from its peak in 2004, the eligible Millennial vote will continue to rise through immigration and naturalization and they will become the largest voting demographic in the US.

Figure 6: Britain voter turnout 2017 general elections – by age (%)

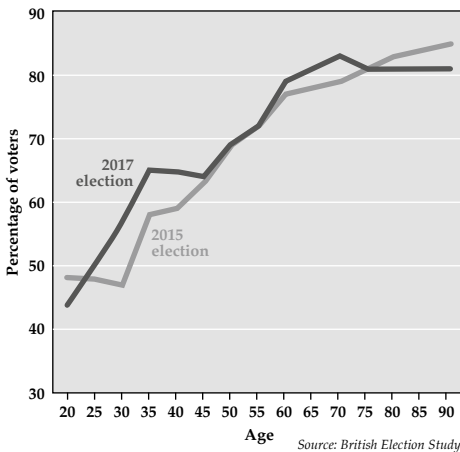
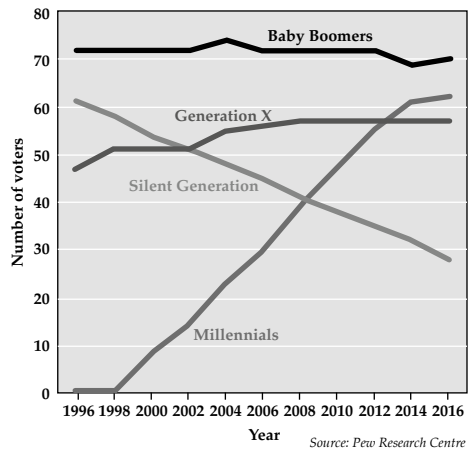


Figure 7: Number of USA Millennials (20–35 years) eligible to vote by generation (1996–2016 election)



Empowerment

How will Millennials change the world?

The answer, I suspect, will be based on empowerment. History is filled with examples of how empowered individuals, cultures, communities or nations have inspired profound change—such as the post-World War II economic boom, the social and cultural changes of the 1960s, and the technology revolution of the 1980s. Empowered people and societies can be found underpinning each of them. So it is important that we explore what empowers Millennials, and how they will exercise this empowerment.

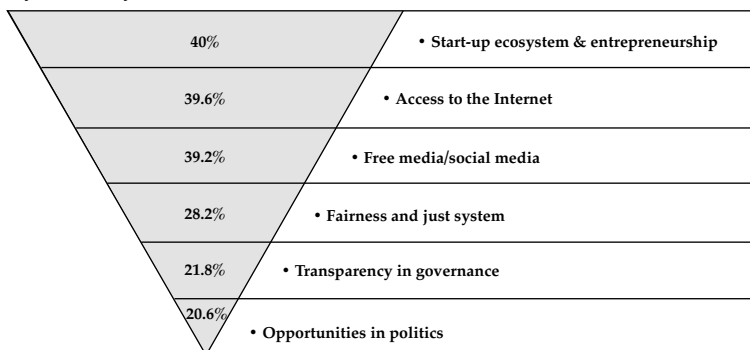
In its Annual 2017 Global Shapers Survey²¹ of 31,495 people aged 18–35 across 186 countries, the World Economic Forum identified Millennials' attitudes, views and values toward a range of key global developments and challenges. One of those was empowerment.

The Third Industrial Revolution not only provided Millennials with universal access to the internet, it created a plethora of new, often decentralised, ways they could express their values, creativity and entrepreneurship. This they rate as the most important factor with youth empowerment (see Figure 8).

One of the most interesting questions in technology right now is about centralization vs decentralization. A lot of us got into technology because we believe it can be a decentralizing force that puts more power in people's hands.

— **Mark Zuckerberg**
founder Facebook

Figure 8: What are the most important factors contributing to youth empowerment in your country? (N=22,493)



Data Source: World Economic Forum

This decentralization allowed Millennials to become more engaged with the world around them, and more socially conscious, economically considered and environmentally informed. An entrepreneurial spirit, connection via the internet and the media it enables (both free and social), are the pillars of empowerment. Importantly, it gives them the means to gather information to define the values that matter to them and a platform to expound those values. Connectivity through technology has empowered this generation to link instantly to the world around them.

This desire is not unique to Millennials. All generations have hungered to connect to the communities that matter to them. What's different today is that technology has enabled Millennials to connect instantly and on a global scale. This is why we are seeing social, political, economic and other issues challenged at a global scale and in real-time. Their empowerment may explain why they are more attracted to experiences and

subscription model services rather than ownership, like their Baby Boomer parents.

Interestingly, empowerment isn't viewed by Millennials as an individual pursuit. To them it also includes empowering others to succeed. This strikes at the heart of their expectations of leaders, whether political, business, spiritual, or organisational. As we will explore in the following chapters, these expectations are falling short of the mark on matters of trust, and the role of business and the workplace. I'll close this chapter with a message from a songwriter who has become a worldwide success thanks to the support of Millennials.

I believe that every single one of us, celebrity or not, has a responsibility to get involved in trying to make a difference to the world. Our generation faces many challenges, some of which were passed down to us by past generations, but it's up to us to find solutions today so that we don't keep passing our problems on.

— **Shakira**
singer-songwriter

Chapter summary

- Both demographic change associated with Millennials and technological change associated with the Fourth Industrial Revolution are affecting every industry and every part of the global economy.
- Millennials are the children of Baby Boomers, another very disruptive generation, who are the former's first and most significant influence.
- Just like their parents who gave rise to the economic boom, Millennials will give rise to the next technological boom—the Fourth Industrial Revolution.
- The concentration of Millennials in a country's population has become a lead indicator of social direction, policy and economic performance.
- Emerging markets are home to 86 per cent of Millennials. China is a great example of what other developing markets can achieve when leveraging this demographic.
- Capitalising on the significant representation of Millennials in a population can give a country a demographic dividend leading to economic growth.
- The internet has empowered Millennials and their global voice will be felt through creativity and entrepreneurship.
- With declining birth rates from generations preceding Millennials, ageing populations will have global implications and their presence will be felt for a very long time.
- This empowered generation is more attracted to experiences and subscription to services rather than physical ownership. To them, empowerment extends to 'empowering others to succeed', which is their expectation of today's leaders. The reality of this expectation is falling short of the mark.

ABOUT THE AUTHOR



Rocky Scopelliti is a world-renowned futurologist. His pioneering research on the confluence of demographic change associated with Millennials and digital technology has influenced the way we think about our social, cultural, economic and technological future.

As a media commentator, his unique insights have featured on Sky Business News, *The Australian Financial Review*, ABC Radio National, *The Economist*, Forbes and Bloomberg. As an international keynote speaker, his presentations have informed audiences across the Asia Pacific, the United States and Europe, including Mobile World Congress in Barcelona. As a thought leader, each year over 150 boards and leadership teams, including Fortune 100 corporations, seek his advice on strategy.

A distinguished author, his 12 published thought leadership research reports have become internationally recognised for their influence, including by the World Economic Forum's Disruptive Innovation in Financial Services Program.

In an executive capacity, he is a member of the Optus Business Leadership team as the Director, Centre for Industry 4.0, where he leads a specialist team creating world-class thought leadership and innovation on the Fourth Industrial Revolution.

He is a director on the board of Community First Credit Union in a non-executive capacity.

Educated in Australia and the United States at Sydney and Stanford universities, he has a Graduate Diploma in Corporate Management and an MBA. He is also a graduate and member of the Australian Institute of Company Directors.