

MIND SET!

ALSO BY JOHN NAISBITT

Megatrends

Global Paradox

Megatrends Asia

Reinventing the Corporation

(with Patricia Aburdene)

Megatrends 2000

(with Patricia Aburdene)

Megatrends for Women

(with Patricia Aburdene)

Japan's Identity Crisis

(with Shosaburo Kimura)

Megachallenges

(Japanese language only)

High Tech High Touch

(with Nana Naisbitt and Douglas Philips)

MIND SET!

**Reset Your Thinking and
See the Future**

JOHN NAISBITT



Collins

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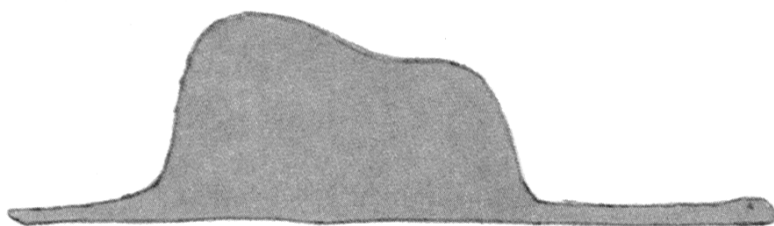
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For Doris

IT IS NOT OUR FEET THAT MOVE US ALONG—IT IS OUR MINDS.

Ancient Chinese proverb



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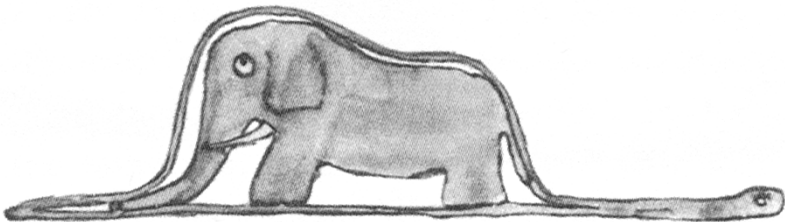
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PROLOGUE

The Elephant in the Boa Constrictor

It was a quiet winter evening. I had settled down by the fireplace with my grandson Eli to read him Antoine de Saint-Exupéry's classic, *The Little Prince*.

We were just starting, reading the first page where the six-year-old boy, strongly impressed by a book about the jungle, makes a drawing. To him the picture was clear: It is a boa constrictor digesting an elephant. How surprised he was when the grown-ups did not see what he had drawn—all they saw was a hat! He had to make a second drawing, so they would be able to understand. Only when the boy met the Little Prince did he find someone who looked at his first drawing with the same eyes, seeing it was an elephant in a boa. I had found my metaphor.



Saint-Exupéry's drawings visualize how much our mind can limit what we see. Once we remove the constraints, we will see what is there: an elephant being digested by a boa constrictor.

INTRODUCTION

I grew up on a sugar beet farm in southern Utah in a Mormon community called Glenwood, where most of the no more than 200 men, women, and children were my aunts, uncles, or cousins. As the mountains of Utah enclosed our valley, Mormon rules destined our lives. Life was preordained, and my assignment would be to become a missionary. For two years I would go wherever my church would send me—you don't say no when God is calling you.

I was a little boy when first doubts rose. An ear infection had become chronic and pain had been punishing me with no relief, until my uncle Arnold broke a Mormon rule. Even though smoking was strictly forbidden, he was a smoker. He blew the smoke from his cigarette into my inflamed ears and each time, over more than a year, achieved what no other treatment had accomplished. It eased the pain, and it was entirely outside my mindset. One of my lasting memories of those very early days was the times three or four of my big farmer uncles came to bless me, to heal me, through the “laying on of hands.” But never with the comforting result I got from my uncle Arnold.

I started to wonder about the world around me; I experienced a growing desire to explore. What else might there be in this world that

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my immature mind knew nothing about? I questioned what in my world should have been a given.

Curiosity was the first step, and soon I was sure I wanted to get out of Utah. When I was 17, I saw my chance. I joined the Marines, and, as they say, saw the world, even beyond what they had in mind. The door into this new world truly opened when for the first time I began to read books. It was a world where everything seemed possible.

Since the days I left Utah, the world has been like those books I opened; turning page after page, each page teaching me something new.

Now, looking back these many years later, I can see that my curious mind carried me through many adventures: through being a marine, through my “radical period” as student president of the University of Utah when I fought for free speech and civil rights, my studies at Harvard and Cornell, my time as editor of the Great Books Foundation working for Robert Hutchins and Mortimer Adler, and my three-year cycles in the corporate world in which I left whenever my learning curve began to flatten.

My years in politics instructed me in the art of the possible, from running for Congress at the age of 25 to my time in Washington, where President Kennedy installed me as assistant commissioner of education. After his assassination in November 1963, I stayed on in Washington, becoming assistant to John Gardner when he was secretary of the Department of Health, Education, and Welfare, and eventually working for the White House doing special projects for President Lyndon Johnson.

The 1960s was perhaps the most turbulent decade in U.S. history since the Civil War. Our cities and flags were burning and corporate America was scared. Civil rights and antiwar movements drew millions of people into the streets, and students were occupying hundreds of college campuses.

In July 1964 President Johnson signed the Civil Rights Act to “limi-

nate the last vestiges of injustice in America.” A great bundle of legislation followed. In 1965 I was asked to find out what the impact of all of his Great Society legislation would have on the country. A fascinating obligation, but it seemed impossible to find out what was going on at the time, let alone what the impact of the legislation on America’s future would be. In spite of this compelling consideration, I could no longer bear Johnson’s obsession about winning the war in Vietnam at any cost (“I will not be the first president to tuck tail and run”). I left the White House for an offer from IBM and became an assistant to Tom Watson, the chairman.

In April 1967 Detroit erupted in race riots. That summer Black Power advocates called for an armed revolution, and riots swept across the country. President Johnson rushed 4,700 paratroopers into Detroit, which had been nearly paralyzed by race riots. Mayor Cavanaugh said, “This is like Berlin 1945.” The president ordered new training for riot control of all National Guard units. The turbulence was fuelled the next year by the assassinations of Martin Luther King, Jr., and Bobby Kennedy. Around that time, the shift to the use of the word *black* instead of *Negro* began. America’s cities were burning, and companies did not know what was going on and what they should do. This instability fed my hunt for a mechanism to monitor the transition the country was going through. How could I really see where America was headed?

One day I bought a copy of the *Seattle Times* at an out-of-town newsstand in Chicago. The headline revealed that the local school board had voted a new reform package. My eyes went over the different local headlines of newspapers that the kiosk sold from all parts of the country. I suddenly realized that by reading all those local newspapers every day, I could recognize new patterns of change in the country. I could really figure out what was going on in the United States. I had found the key—my epiphany.

My entrepreneurial genes kicked in. I left IBM and Tom Watson, a

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job some of my colleagues would have cheerfully killed for, and with my last paycheck started my own company, Urban Research Corporation.

Before long my growing staff and I were monitoring and cataloguing 160 local daily newspapers. We focused on local events on the notion that the sum of what was happening locally was what was happening in the country. It was a multitude of occurrences that I saw through my own experiences and my way of thinking at the time. The summary of what we learned and what we made of it was published in a weekly report: *Urban Crisis Monitor*. Soon many companies became subscribers, and I began to give speeches about what I thought was going on in America.

In the following decade, I kept working with major corporations and learned more about American society through our content analysis method. Out of the highly localized database, I watched the general outlines of a new society slowly emerging and got a sense of the direction in which America was restructuring.

Although for me the changes were clearly under way, some of the new directions I saw seemed unlikely at the time. I risked displeasing the experts, who could have argued that describing the world in terms of shifting categories would be too simplistic. But I thought it was worth the risk. I felt that in a world where events and ideas were analyzed to the point of lifelessness, where complexity grew by quantum leaps, where the information din was so high that one had to shriek to be heard above it, people were hungry for structure. With a simple framework, we could begin to make sense of the world. And we could change the framework, as the world itself changed. All of this finally resulted in my writing *Megatrends*.

Megatrends sold 9 million copies. *Reinventing the Corporation* and several other books followed, including *Megatrends 2000*. I gave speeches and lectured on all continents. Wherever I spoke in the world, journalists, politicians, and members of the corporate world began to ask, "What will be the next megatrend?" My audiences wanted to know where we

will be in the year 2010 or 2030. And with an increasing insistence, they asked, “How do you know?” and “How do you do what you do?”

MINDSETS

To a little boy with a hammer everything looks like a nail.

It was an afternoon I spent with my friend Toni Ofner when he would not stop digging into the question of how I did what I do. He would not accept my answer that the information I collected, the many newspapers I read, the ideas and thoughts I exchanged with many people in different countries and cultures around the world made me see where the world was heading.

“Well, then,” he said, “if, as you say, the future is embedded in the present, and if I carefully watch what is going on in the world, I should get to the same results you do. But I don’t. So what makes the difference?”

I paused for a moment; I had not really looked at it that way. But as I thought about it, it became clear to me that the difference was not in what I learned but in how I thought about it. “I guess, Toni,” I heard myself saying, “it’s my mindset.” I had been aware that over the years I had developed certain rules to discipline my mind and filter information. I match and measure information against my own experience, using my values and mindsets. And so does everybody else. “What you say,” Toni said, “sounds like rain falling on different ground.”

He was right; it’s true that the mindsets are the ground on which the rain (information) falls and the plants that sprout differ depending on the mindsets we have and thus lead to different conclusions. It is *how we receive information*. That is the key.

We went on with our discussion, and I began to think about what

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the most powerful and important mindsets were that had helped me or held me back. Later I started to play with the idea of basing a book on mindsets and how they guide me to get pictures about the future.

Judgments in almost every area are driven by mindsets, from world affairs to personal relationships. If a wife's mindset is that she has a philandering husband, she receives all information as fitting into this picture. It defines what she hears beyond words and her reaction to it. If a wife's mindset is that she has a loving, faithful husband, she receives the same information with a different meaning. That's at a micro level.

At a macro level there are those whose mindset is that the world is in a period of a "clash of civilizations," and they see everything within this framework. Others, including me, see the world through a mindset of a long period of economic determinism, a "look to the economics."

Of course we all have mindsets that are inculcated as we go through life: politicians are all a bunch of crooks; outsourcing to India is stealing American jobs; cats are the cleanest pets you can have; global warming is a threat to the sustainability of humankind.

But in this book, I do not write about mindsets that are the result of acculturation or driven by social coercion. I focus on mindsets that are deliberately developed for a purpose. You can create mindsets that can instruct and organize you in your personal life and field of endeavor. Thus, this book provides not only the framework and the perspective of the first half of this century but also the fundamental attitudes that are necessary to anticipate the future, to receive the future.

PART I: MINDSETS

Mindsets work like fixed stars in our heads. Holding on to them, our mind drifting like a ship in an ocean of information, finds orientation. They keep it on course and guide it safely to its destination.

The mindsets I describe in Part I of this book helped me to adjust and correct my thinking; they removed the constraints I had and help me get

the most out of the information I collect. Without those mindsets, it would not have been possible for me to get to the results of *Megatrends* and *Megatrends 2000*. How I approached things, how my mind processes information and experience, was the key.

To each person, one or another of the 11 mindsets I will introduce to you might appear to be the most important and helpful. My premier mindset is “Understand how powerful it is not to have to be right.” It is a great release in any field of business and private life, indispensable in any endeavor where you venture out. It is the mindset that will enable you to dare to say or try whatever you are working on, no matter how unlikely it seems at the time. It was the liberating mindset behind the success of *Megatrends* and the books that followed. It is a mindset that supports creative imagination.

My second important guide is the mindset “Don’t get so far ahead of the parade that people don’t know you’re in it.” It sounds so obvious, so easy, but as examples later in the book will show, it is not easy to keep the margin just right. In every field of life, in business, in leadership, or in politics, it is the mindset that helps you not to extrapolate so far ahead that people do not relate to what you do or say.

In daily work, all mindsets work together, each meshing with the others, bringing clarity in a confusing world, enabling you to see not only a hat but also the elephant in the boa. You will experience them as cognitive tools that can transform your life and business.

PART II: PICTURES OF THE FUTURE

We all like to have a picture of the future to get clarity in a confusing world. We often ask, “What will be?” Part II of this book will give you an answer. It deals with the major trends ahead of us and with their impact on our business and life.

How will commerce, trade, production, and services be affected in a world where literacy and the novel are in decline and visual communica-

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tion is in ascendancy? Are nation-states and their economic indices any longer important for your field of endeavor and well-being? How do we anticipate where Europe is headed when the rhetoric paints one picture while the score of the game shows a quite different one? Will China, the omnipresent job-eater, be the dragon that devours us or the dragon we ride? Are we about to see a Next Big Thing as the hype in the media promotes?

My pictures of the future are not speculation or a reach into the unknown. They are based on an analysis of the present, under the guidance of the mindsets described in Part I. You will be able to recapitulate why I arrive at certain conclusions and how I keep focused on the whole and don't get lost in details or things that will only be blips on the big picture screen of the world. My pictures of the future will give you the frame, which you can apply to your own fields of interest and endeavors in order to profit from the future.