



The World in 2050

Introduction

This course uses the tools of macroeconomics to speculate about the future. We start discussing baseball catcher, manager, coach, and part-time philosopher Yogi Berra's famous dictum that "It is tough to make predictions, specially about the future" and we take it on from there. Predicting the future is very hard indeed, but imagining possible futures is relatively easy. In this course we learn how to imagine those futures, because we are convinced that managers who spend some time thinking about the future and imagining the possible futures for the global economy, for their industries, and for their firms, become better managers. If you become proficient at imagining the possible futures, you will make better decisions, and you will contribute to shape and select the future that will end up happening.

Objectives

The main objective of this course is to use the lessons from the past to develop the capability to imagine the futures of the global business environment. Its secondary objective is to improve your decision making in the uncertain and disruptive times that lie ahead.

Competences

Basic Competences

- CB7. The students know how to apply the knowledge acquired and their ability to solve problems in new or unfamiliar environments within broader (or multidisciplinary) contexts related to their area of study.
- CB8. The students can integrate knowledge and face the complexity of formulating judgments based on information that, being incomplete or limited, includes reflections on social and ethical responsibilities linked to the application of their knowledge and judgments.
- CB9. Students know how to communicate their conclusions and the knowledge and ultimate reasons that support them to specialized and non-specialized audiences in a clear and unambiguous way.
- CB10. Students possess the learning skills that allow them to continue studying in a way that will be largely self-directed or autonomous.

General Competences

- CG1 - Listen, understand, and contrast the points of view of others to make an objective composition of a business situation. Communicate in a structured and persuasive way. (Interpersonal communication).

- CG2 - Work effectively in multicultural teams, assuming the leadership of a project when required. Integrate the value of diversity in the decision process and teamwork. (Ability to work in multicultural teams).
- CG3 - Critically evaluate the information and the context of a business situation to reach its own conclusions for making prudential decisions. (Critical thinking).
- CG4 - Acquire the self-knowledge and self-control necessary to work effectively in professional environments under pressure, understanding the motivations of others and the culture of the company. (Emotional intelligence).
- CG5 - Apply proven ethical criteria in making business decisions, respecting the intrinsic dignity of each person and the achievement of the common good. (Integrity).
- CG6 - Develop a proactive and open mindset to organizational change in order to design and promote process improvement initiatives and facilitate one's ability to adapt to new organizational cultures. (Innovative spirit).

Specific Competences

- CE01 - Identify the relevant data to diagnose a business problem and generate sensible decision alternatives.
- CE06 - Model the impact of the global macroeconomic and microeconomic environment of each industry on activities specific business ventures in order to develop action plans to adapt to these environments in a context of uncertainty.

Content

This course covers the following topics:

- Macroeconomic Forecasting: Economists or Fortune-Tellers?
- Imagining the Future: Probabilities or Expectations?
- Population in 2050: How many humans will there be and how old will they be?
- The Production Possibilities in 2050: Secular Stagnation or Eternal Growth?
- Consumption in 2050: How many humans will have washing machines?
- Innovation in 2050: Incremental or Disruptive?
- Work, Labor Earnings and Income Inequality in 2050
- Climate in 2050: How Much Will it Change?
- Geopolitics in 2050: Who will win the races?
- Management in 2050: What have we learned?

Evaluation

Technical Grade: 90%

This grade will be the average of a midterm and a final multiple choice exam that will test your knowledge of the topics cover in class.

Participation Grade: 10%.

This grade will be based on the questions and comments that you prepare for in class discussion.

The IESE Business School's Honor Code and Learning Partnership apply to all activities in this course. For individual assignments, unless explicitly stated, you should not interact with anyone else. For deliverables to be done in teams you should interact only with the members of your team.