



Treading Water

[dimension states]

[graphic]

Summary

The US of the future is very much a changed country. Living standards have been sharply reduced by long-term stagnation bordering on depression. Sharp spending cuts have slashed entitlements and eliminated entire government departments. Unemployment is chronically high, and while the worst seems past, meaningful recovery does not appear imminent. It's a time of common sense, self-reliance and community focus. The nation has grown notably more insulated and pragmatic vis-a-vis global affairs. At the same time, relations with Mexico and Canada have never been more important, especially as they relate to energy, resources and Arctic access. A series of deadly pandemics have swept the globe, creating an environment of extreme precaution and fear, and reinforcing rising protectionist sentiment. US homeland security roles have been increasingly redefined around disease management, border security and emergency response. Military spending in the US has been scaled back; the nation's foreign footprint is miniscule. China, in contrast, is flexing both economic and military muscle in a relentless quest for food and energy security.



Someone coughed. The restaurant went completely silent. They coughed again and everyone looked at the offending table. There was an immediate sense of unease mixed with building anger among the diners. This wasn't just offensive; it was...well...disgusting.

"Geez," whispered Erica to her husband, Malcolm, "who goes to a high-end restaurant like Chili's, if you might ruin everyone's evening and waste so much money?" As Malcolm shook his head in shared disbelief, she added, "You got your booster medipatch last week, right?"

"Yeah, I did; the kids and my parents, too," replied Malcolm. "Right after the notice went out for new patch availability. You were still traveling. I like that new SecureWeb service we joined. Really clear instructions - they not only gave the precise CDC announcement, but also spelled out what it meant for each family member specifically. And they have this awesome mapping feature. Did you see it? They color code every area of Canada, the US, Mexico and Brazil" (the look on Malcolm's face implied *who would go anywhere else?*) "for health safety. Plus you can overlay that with employment opportunities in every city - perfect. When I was teaching the high school calculus and trig classes yesterday at home, some of the kids used the system to start job searches for after graduation, if they're not going on to college, or to see what jobs might be available around the colleges they are attending. Several were focusing on the economic upturn going on around the Great Lakes. Can you picture a Seattle parent when their kid says, 'I am moving to Cleveland?' Uh, Shelley asked if it was okay for her parents to come over and use it. I heard they'd both lost their second jobs last week. I said anytime. I got the feeling they had to cancel all but their minimum services. Let's hope it is just for a short while, like last year."

By this time, the Chili's manager had escorted the family out of the restaurant. He then reminded everyone that things were probably okay, since the pathogen sensors on the door did not flag anything when that family walked in. The smell of disinfectant at the vacated table was a little strong, but no one in the dining area complained. Of course, an expensive meal was pretty much ruined for everyone. And, like Erica and Malcolm, everyone would go home and immediately check themselves on their home medicomps. That meant that the CDC and the Community Health Service would get updates automatically on each and every diner and the restaurant "event," but that invasion of privacy had long ago been accepted as a necessary evil.

Erica and Malcolm had been out celebrating Erica's retirement the previous month from the DOD Naval Service as a Commander. She had been pretty confident of making O-6, but newly announced defense cuts had an immediate negative effect on those plans. She had loved her career in the US Navy – she and most of her peers still thought of it as the USN - and had not worried too much about income, especially with the rapid pace of promotion over her career. Well, that changed pretty quickly! Without any time for planning, she had to find a job, and soon. Her DOD pension would not kick in until she was 70 and her medical coverage would only last one year from separation (until she was eligible for Medicare, just like everyone else). While Malcolm had two part-time jobs (one under the table) plus his community teaching, it was her income that they counted on for living expenses. Malcolm's was for emergencies and the kids' college funds.



Then, just last week, something extraordinary had happened. She got a call for a job interview in the commercial sector, and this led to an offer, which she enthusiastically accepted. Erica had been worried; she was a DOD Naval Service lawyer with plenty of operational experience, but nobody hired lawyers anymore, and what good was vessel command experience in a world with so little maritime trade? Well, it turned out that the very people who had made her uneasy as a naval officer thought her credentials were just what they needed in a world where chaos reigned in the sea lanes.

In the garage, as Malcolm plugged in the car for its overnight, he pulled out the receipts from the evening. It had been \$275 for dinner and another \$45 for three gallons of gas for the car's backup engine. It had been an expensive evening, but it looked like maybe they could afford this sort of thing every few months. As they walked into the house, Erica glanced at the house energy monitor to be sure the car would charge - no problem. It had been a sunny day and the house batteries were at maximum. Of course, fall was just around the corner. And gas prices were going up again.

She called up ahead to her husband, "Hey, Malcolm! Did you ever get those two messed-up fuel cells in the converter checked this year? I know we talked about it earlier, and we can afford the service call now."

"I took care of it about two months ago – when you were deployed in the Arctic with the Canadians. Amy's husband fixed it for us. I paid for the parts and I've been tutoring their oldest boy in Calculus as a trade for the work. Nice kid. The whole family has a good medical history and steady employment. You met him. He and Jeanine have been out on a couple of dates – nothing dramatic. Biking over to the Community Center - once for tennis and once for a dance. He and his dad built a tandem bike last winter out of spares. Jeanine thinks it's cool. ."

"Mal!" It was Malcolm's mother coming down to the living room from upstairs.

"Yes, Mom. Oh Jeez, we didn't wake you and Dad with all that yelling, did we?"

"Its only 10:30, Mal. We're retired, not dead! I heard you telling Erica about Jeanine and that boy she's seeing. They're out tonight, by the way. They're doing some community service thing together for one of their classes. They seem to get along nicely. Well, off to bed. Good night, you two."

Malcolm smiled as he watched his Mom go off to bed. His parents moving in twelve years ago had been a godsend to the family finances. He could get a second job, Erica did not have to worry about long deployments, and they got a multi-family tax break. It also worked well for his parents. Their savings and their now very minimal Social Security benefits would never have kept them in their old house. And in three months, Erica's dad was going to move in. Her mom had died last year of pneumonia and he was finally willing to leave their home. Malcolm was genuinely looking forward to it – he really liked his father-in-law. He was selling his electrical contracting company and his own dad was a marvelous hobby carpenter. They were already talking about what they might do together: Maybe earn a little money, maybe do a bit of

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volunteer work. It was a good thing that Malcolm and Erica had bought his grandfather's house all those years ago. *Thank heaven for 75-year mortgages*, thought Mal, as he climbed the stairs for bed.

Early the next morning, Erica headed out to run some errands and to attend various orientation activities for her new job. Her first stop was the fire department. They owed their yearly subscription payment, but she also needed to cast their household votes on a couple of issues facing the department. Every home that joined the subscription was treated as a shareholder. The type of their home and, thus, the subscription they paid, entitled them to 5 votes. She and Malcolm had already decided about two of the issues. She would vote "yes" for increasing the community fund to temporarily cover people who could not pay their subscriptions and "yes" for the new ambulance. She and Malcolm were less certain about the helicopter purchase. It was Navy surplus and cheap as these things go. DHS was offering a grant for half the purchase price and half the maintenance costs, if local emergency responders could call on it in need. And the city council was willing to contribute something, if a sharing arrangement could be made for occasional police use. The Naval officer in her knew how useful a helicopter could be in rescue, ambulance, and security roles. And yet, they were expensive, cranky things to use, and needed a lot of gas. She would read the prospectus carefully at the fire station. Malcolm said that he would go along with her decision.

What's this?, she thought, as she parked the car on the street outside the fire department. *The school board is out in force demonstrating against the helicopter proposal. These are mostly smart, earnest people, with all the right intentions, but I don't think they're thinking this issue through clearly...* Indeed the school board leaflets emphasized critical classroom needs and more manageable tax effects over what they called "this irresponsibly big capital outlay for a dubious public good."

Erica had mixed emotions. Her first reaction was to march into the fire station and vote "yes" for the helicopter. *I like and respect these folks but don't they realize what a force multiplier a helicopter can be for first responders, the lives that can be saved?* Then she paused, as she usually did with things like this, and thought seriously for a moment about the history those signs reflected.

Life is pretty tough for all of us now, especially for the many, many out of work, thought Erica, *and the US is not the power it once was*, she admitted, with more than a little sadness. *But we stupidly drove this great nation into bankruptcy decades ago and the only solution seemed to be really extreme cost-cutting across the nation. DOD and DHS cut back, government benefits slashed, EPA and Education gone, HUD gone...* Her mind scrolled down the entire list of cuts. It was depressing. Yet, maybe it was a necessary list. Maybe. There were a growing number of thoughtful arguments that it had gone too far, that the extent of the cuts – the almost panicked nature of them – had gone way too far,. Erica found herself among those who thought it had gone too far, but as she walked into the fire station she admitted that those picketers still had a point. *We need to be reminded how easy it is to spend money we don't have just because it sounds like a good idea.*

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Erica voted “no” for the helicopter. The DHS grant for maintenance support would run out in 5 years and there was no financial plan in place for the shortfall. She chatted with some fireman for a while after she voted; they seemed to have a sense that the helicopter vote would fail. So, before she left, she called the chairman of the “helicopter committee” offering to help think about how to make it work.

45 minutes later.... The offices of Marine Protective Services, LLC (MPS) was in the corner of a converted warehouse near the docks. The Port of Seattle saw so little shipping anymore that most of the warehousing was either abandoned or repurposed. *Re-purposed*, thought Erica, *sort of like me!* Damage from worsening storms and much higher storm surges plus the lack of investment in infrastructure made the whole area feel shabby and sort of old-third-world. Some warehouses a little ways from the docks clearly held squatter families who were now homeless. There were a lot of children running around over there – most in ill-fitting clothing - playing in an old parking lot. Erica got a hollow feeling in her stomach. *It should never have come to this!* After her interview, she would walk over and talk to the parents. Malcolm had told her about a new free clinic with a bathhouse not too far from here. She would be sure they knew about it.

The parking lot for MPS had free electrical outlets for employees and visitors, so she took advantage of that and plugged in. The MPS corner of the warehouse was actually pretty impressive as she approached. The structure was reinforced for the worst of storms and the outer shell seemed to have one of those new film coatings that shed water completely. Now that she looked, the whole area had a newly designed drainage system for the control of massive amounts of water. She wasn't sure, but from a distance it looked like the roof was painted with one of the new photovoltaic paints – the ones that work even in partially cloudy conditions (which amounted to a bright sunny day in Seattle). *Maybe they have excess power they can give to the squatters*, she thought. *I'll ask.*

There was no company sign and only one very industrial-looking steel door. As she approached, it opened silently into an air lock that would fit about 5 people. Erica nodded to herself approvingly, *health and safety first*, she thought, as an ozone smell and a light breeze offered evidence of pathogen sensors. Her phone beeped indicating “no service.” The next door opened and she walked into a well-lit, ultra-clean, pleasant reception room.

“Commander, my name is Greene. I am the VP here at the Seattle office. Welcome to MPS! If you will come with me, we can have a chat in my office. And please call me Bruce.” Erica’s phone beeped again. “Ah,” said Bruce, “this entire office is a Faraday Cage – no RF can penetrate the screen. Your phone will not work at all, so you might as well shut it off. We take our own and our client’s cyber security very seriously.” Erica turned her phone off.

The VP’s office was bright, comfortable, a little on the austere side, and one entire wall looked like an operations center. There were no windows. “Yes, this is my office and that control system is on stand-by. We run a pretty flat organization and my office is the back-up ops center, if the main board goes down or we have a complicated emergency. Please have a seat and help yourself to the coffee on the table.” As Erica settled in and poured coffee, Bruce said, “The reason I wanted to talk with you, Erica, is to explain our business model to you. With former

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military types, I have always found that once new staff sees the business model, a lot of what we do, and how we do it, makes more sense. You will, of course, get very detailed HR, operational, and intelligence briefings from others far more competent than I.”

“I appreciate that, Bruce. And to be honest, I would like to know, at some point, where I fit into all this.”

Bruce grinned and said, “Well that is company policy for hires at your level and it all stems from security concerns – both from a business sense and an intelligence sense. Let me just say that we expect you to become one of our global troubleshooters and leave it at that for now.” So let’s discuss our business model!” Erica cringed at the second use of a term that seemed so alien to a military mindset.

“I saw that! Look, I am not about to fill your head with MBA gorp. I have no patience for that stuff. Thousands of MBAs and business re-engineering consultants throughout the country and look where it got us – long-term staggression, terrible unemployment, poverty, inflation. Oh, not entirely their fault, I suppose. But, back to business models, Erica. All it really is...well it’s nothing more than how we make money, the clients we serve, and the services we offer. In fact much of our business model revolves around the challenges that shipping companies face today and how we help them manage those challenges.”

“So, just a few words on background to set the stage. You know what the oceans look like today. Trade is way, way down from the earlier global economic catastrophes and the protectionism...ah...I mean selective trading policies that the US and others have set in place. The UN system has all but collapsed and with it most of the global regulatory bodies and the sense of common global interests that whole system represented. And energy – it’s so expensive that our customers will do almost anything to shorten logistics chains or make them more efficient.”

“But even if we solved those problems, we both know how lawless the open ocean has become. So many causes: the downsizing of the DOD and all the other great power navies; the bitter and sometimes tense competition for living and mineral resources from pole to pole and every square mile of ocean in between; and pirates – damned effective pirates – now that ships “snail sail” – and countries – well, more like criminals with real estate – that offer them sanctuary and “product distribution” services. Then in the last five years - damn, you Navy lawyers must have been pulling your hair out - we get privateers and Letters of Marque! Is this the 2030s or the 1730s?!”

Erica really did cringe this time. It was a nightmare and it seemed like they were never going to wake up. She’d had a small role to play in the ongoing negotiations among the US, Canada, the UK, the Europeans, Russia, Brazil, and China to hammer out some kind of agreement on common policies toward privateers and Letters of Marque. It was still going on with little progress.



The Chinese were the holdouts. It was generally suspected that many Chinese companies were on the receiving end of the cargoes that pirates stole or that privateers “rescued.” Plus, many of the Corvette-sized ships favored by the consortia that held Letters of Marque were built by Chinese yards. Letters of Marque were intended to help suppress piracy and help some smaller nations exert control over their fisheries. Privateers got a large percentage of the cargoes they captured or saved. In reality these were profit-making endeavors and they only cared about the ocean areas of interest to their mother countries. There was only haphazard coverage of the commons. Moreover, everyone acted with their own, frequently very flexible, rule sets. Meanwhile as fishing stocks were collapsing, there was a kind of Wild West lawlessness enabling resource grabs at the poles and across all economically significant areas of the oceans. All this sent insurance rates sky high, further suppressing trade.

“...and giving us outrageous insurance rates,” finished Bruce. *Well that’s embarrassing*, thought Erica. She had been daydreaming, but fortunately her thoughts and Bruce’s discussion had ended at the same place. “In many ways our entire business is based on those insurance rates.” Erica gave him a questioning look, but she really did understand the point. It was her way of politely showing continued interest.

“Of course, you have seen quite a bit of what we do. Part of the reason we sent that offer to you so quickly, before competitors knew you retired, was because a number of our captains had dealings with you over the years. But just to lay it out – we have identified a half dozen shipping lanes with high traffic for these days with one or another NAFTA port as a destination. In those shipping lanes only - if you look over at the screen you can see a proprietary map of just how we define those lanes and what assets are currently on station - we provide security bubbles around our clients. As a result, they get very substantial reductions in insurance rates; in fact, many self-insure. We put controllers on each client ship or sometimes just one ship in a convoy. They are in constant touch with our patrolling surface vessels that embark UAVs and helicopters. Sometimes we station defense teams on the ships, but that is not common. We do not protect sea-lanes. We protect a sphere or bubble around a client ship or ship convoy within specific a sea-lane. Our service stops at territorial boundaries. We are not cops; we are a private security service that happens to be mobile and wet. And, as you know, we keep a very good relationship with the US, Canadian, Mexican, and British navies and coast guards. We keep them very well informed about things we see or suspect, and they have been known to pass useful information along to us.”

“I’m a bit curious,” said Erica. “Why don’t the shipping lines just do this for themselves?”

“Well, a few of the big ones do, but it’s unusual. The shippers started down that path a few decades ago. But remember, back then, if things got out of hand, they could usually whistle up a NATO task force or a national warship to come to their rescue. Can you picture that happening today? Plus, trying to defend a ship, and failing, often turned pirates into killers. But the real reason is business considerations: Shippers are experts on shipping, logistics, brokerage, finance, and things like that. A paramilitary division in a company like that just doesn’t work well from a business case – it’s not run the same, they employ completely different sorts of people, their

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costs can be both high and erratic, and they discovered that insurance companies just didn't have that much faith in their performance."

* * *

Erica had a lot to think about that evening, as she and Malcolm spent time talking about her new job. They were both immediately relieved on one point. MPS was known for being a pretty ethical player in a business that had its share of gray area operations. One point was especially attractive – it turned out she could cover her whole extended family with medical insurance for a fairly small deduction. That was huge. As they started to discuss changes in the family finances, the phone rang.

"Erica, this is Bruce. I am sorry for this unexpected change in plans. We need you on board immediately; something has come up. A Letter of Marque just commandeered one of our clients. This looks like a shakedown. They are claiming they had prior warning of contraband on board. Of course, there is always something someone calls contraband on board every ship nowadays. Still, it looks like a setup, and they may have still been just outside territorial waters. So, there are a couple of legal issues to sort out.

"You need to pack a bag for two weeks in the South Pacific. A car will pick you up in three hours. You and another firm lawyer are leaving for Brunei tonight. Erica asked, "So two weeks in the South Pacific and a week or more of travel to get there?"

"The client is upset and says this is important – heaven only knows what's hidden on that ship! And they want our legal team there soonest. This could get tricky and I want you ready to back off if our client has really done something stupid, but I don't think that is the case. Look, here's how critical they think it is. They are paying the full cost for you above their contract fees and they are sending you by airplane! And not just any airplane – a full-up jet!"



Characteristics Matrix

<p>Background</p>	<p>The US underwent an extreme fiscal reconstruction, after an extended period of economic distress and political gridlock. Deficits mounted, as did the national debt. Officials were forced to print increasing amounts of money. Inflation exploded and the situation grew unmanageable.</p> <p>Million of Americans were terrified by the prospect of having their retirement benefits ravaged by inflation. They demanded budget cuts to rein in the fiscal chaos and to end high inflation. Younger voters asserted their own political demands for change.</p> <p>A large US social movement took shape that claimed no single political party. It called for bare-bones government and rejected globalization because it failed to deliver material benefits for the majority of Americans. The movement did not reject global engagement per se, but believed it must be selective and tempered by concrete domestic considerations – jobs, investment, and other tangible indicators of progress.</p> <p>Founded on a new economic theory called Practical Outcomes Economics, this movement contained protectionist elements and, in extreme cases, isolationism. Domestically, the movement was fiscally hawkish, calling for drastic cuts in government spending including defense and homeland security.</p> <p>Rather than face a 3rd party movement both political parties picked up this theme and drastically cut federal government spending, including entire agencies and departments.</p> <p>The US economy stabilizes, but it does not recover. And the other major economies feel the effects of a seriously weakened US, and a US disengaged from world affairs. Many military bases were shut down around the world and foreign aid was radically slashed.</p> <p>The only thing preventing a turn to radical isolationism is a highly destructive global pandemic, experienced in the US and in much of the world in its first pass, but across the entire globe in the pandemics that followed. Protecting the nation against the pandemic is among the US government’s top priorities.</p>
<p>Global Stability & Conflict</p>	<p>Power tends to be exercised regionally, not globally. US and China are the only nations with militaries with at least some global reach. US’s capacity reduced as a result of military spending cuts and base closures. No US warship has been built in five years.</p> <p>Chronic low-level global tensions, many related to trade and economic</p>

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	<p>disputes, sparked by extremely poor economics, rising protectionism, a global resource grab, and mass migrations fleeing environmental degradation, economic turmoil and political chaos. International institutions have become ineffective at ameliorating disputes or coordinating international actions to prevent failed states, which are increasing in number.</p>
Global Governance	<p>International organizations (IOs) have been steadily losing funding and influence, and they tend to attract less talented professionals.. Also, some spectacular IO failures, especially in halting the rise of protectionism. Increasing aloofness of US from global affairs accelerated decline in global governance; US evicted UN over administrative cost sharing. The one area of successful global cooperation has been in pandemic management by the World Health Organization.</p> <p>No global governance in ocean affairs. At best, regional powers create rules and understandings among themselves, and enforce them as they can. In worst cases, nations tend to acknowledge only on-scene military power.</p> <p>The US works reactively with China and other powers on areas of mutual concern. Enormous hardship in poor countries that depend on multilateral aid and access to developed country markets.</p>
Key Global Actors	<p>This is a multi-polar world, characterized by widespread health problems, poverty, and precarious sources of power. Among the major actors are the US (NAFTA), China, and Russia (because of the Arctic). After them, come Brazil and Europe. IOs are diminished in importance. Exceptions are the more functional sub-organizations, especially the World Health Organization (WHO). Regional organizations like NAFTA, EU and ASEAN are stronger. International criminal organizations are very powerful.</p> <p>Private security firms are big. Maersk has its own security force, for example. OPEC and global resource companies (no longer just oil firms) are very powerful. Global resource companies have significant influence over national governments. Foundations and trusted NGOs, especially those focusing on health, are prominent in the developing world.. Islamic philanthropy and social outreach is prominent, especially in Africa.</p>
Status of Haves & Have-Nots	<p>There is less of a sense of extreme chasms between the world's rich and the poor, mostly because the rich countries are becoming less so. But poverty around the world is increasing. Many of the promising new markets of the early 2010s have hit a wall. They are not able to emulate the Chinese development model because export opportunities are so limited and export commodity markets are sluggish and/or unstable. Plus multilateral and bilateral aid has dried up. Some African nations are undergoing a crises in governance, mitigated only by Chinese security forces (protecting energy and mining assets). Ungoverned territories are turning into regions of instability, harboring terrorists and criminals. Extremists exploit the growing hopelessness.</p>

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	<p>In the US, the economic pie has shrunk a lot. There are still pockets of extreme wealth but the once-large affluent class has shrunk tremendously. There is frustration and resentment, but no rebellion in the US. The new Practical Outcome Economics movement has absorbed a lot of this frustration and channeled it productively into policy and legislation.</p> <p>In Europe, unemployed immigrants are a tinderbox--especially in France. Government and community relations with these groups is chronically tense. No one takes political stability for granted. There is periodic social unrest but any violence is short-lived..</p>
Terrorism	<p>Islamic extremism is limited, but bitterly violent where it does still exist. Anti-US and anti-Western feelings are less intense in the Islamic world. But some intra-Islam terror is perpetrated against "sellouts" within Islam. In Africa, there is sporadic anti-Chinese economic sabotage and terror. In the US, there are periodic homegrown terror events, especially from the economically or socially marginalized – e.g., the Nidal Malik Hasans or the Jared Lee Loughners of 2035, and also eco-terrorists. There is a lot of embedded security in global trade, from physical infrastructure, to systems and processes, but with global trade so depressed, there's the sense that a lot of this security investment has been excessive. <i>See Global Crime.</i></p>
WMD/E	<p>Nuclear proliferation has not become an uncontrolled problem, despite lack of new treaties. Outlaw nations face regional pressures not to develop nuclear (or other forms of) WMD/Es. For example, the US and Israel keep tabs on Iran, while China keeps tabs on a united Korea. Declining global trade and travel and enhanced surveillance capabilities have made the homeland security more manageable. Nations with nuclear capacity are uneasy over the meltdown of an ancient Soviet reactor. In the US, the question arises of just how resilient are this nation's nuclear power plants. There are reports that terrorists are now or prospectively behind pandemic outbreaks.</p>
Global Crime	<p>Restrictions on trade and commerce have fueled gray- and black-market activity. Many companies keep two or more sets of books. "Informal trading" (unreported sales) provides a lot of lubrication to commerce. Authorities are reluctant to crack down.. It's hard to know who is and is not a criminal. Unsupervised commerce is common throughout the developing world. Piracy is frequently an arm of crime syndicates. There is much crime-on-crime in Central America and Southeast Asia and some that lives in the cyber sphere, which is not secure. There is significant smuggling of high-value goods into the US, including through third countries, such as in the Caribbean. Human smuggling and slavery is on the rise. Counterfeit and bogus drugs and therapies are a big business.</p>
Global Markets	<p>There are fewer global markets. Because of both protectionism and pandemic concerns, trade tends to be more regional or bilateral. There is no overarching WTO surveillance and dispute resolution system. The US is trading with China in select win-win areas (agriculture from US, for</p>

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	<p>example). Direct investment in the US is scrutinized in terms of effects on jobs and competition. Specialized “elite” pockets of private venture capital continue to move across borders. But this is the exception; the rule is protectionism. There are also restrictions on movement of professionals across borders.</p>
Global Trade	<p>There is greatly reduced global trade because of protectionism, pandemics, loss of governance structures, skyrocketing insurance costs, and piracy risks.</p> <p>In the US, the term “Selective Trading Policies” is the new term of art in trade. It is a pragmatic form of protectionism, meaning “what’s in it for the US?”</p> <p>Countertrade has returned. Local or regional supply chains are preferred to global supply chains. It’s all opportunistic. NAFTA and the European Union are strong. The US is an even bigger agricultural exporter to Asia than it was in the past. Arctic transshipment has not taken off, but there is a lot of oil- and resource-related destination traffic.</p>
Energy	<p>The world is a decade past peak oil. Despite a prolonged global slump, demand relative to supply is high enough to exert upward pressure on prices. Oil prices rise steadily to extremely high levels by historical standards (as high as \$175/barrel in 2010 dollars), with actual delivery prices often higher because of inefficiencies, piracy, and high delivery and insurance costs. The US is scrambling to secure oil and gas supplies where it can: offshore oil, the Arctic, shale gas, Canadian tar sands, and imports from Mexico, Venezuela, Brazil and elsewhere. Domestic US consumption of coal is also up. Environmental and regulatory controls for all industry, including energy, are on hold, indefinitely. Cost has prevented any new nuclear plants from being built, as no public subsidies are available.</p>
Natural Resources	<p>There is intense pressure on the world’s natural resources and therefore on weaker nation EEZs in the Pacific. US EEZs are now expanded out to the farthest extent of the continental shelf on the East Coast, following similar moves around the globe. Many other countries are claiming larger EEZs than are warranted by any precedent, but few can enforce them. The oceans are littered with factory trawlers, drift nets and long lines. Everyone’s doing it, except where there are enforcers on the scene – which is rare and increasingly being done by privateers. There’s widespread dumping in the oceans everywhere and ocean acidification is stressing what fish stocks remain.</p> <p>Fish farming is helping to boost supplies, but health and environmental concerns are rising, especially in the US. Only a small number of foreign countries can export farmed fish to the US. In the US itself, fish farming is rather lightly regulated, notwithstanding health concerns. Pollution is degrading US air and water quality. Even the wealthy, with their rural enclaves, cannot completely escape contamination.</p>

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	<p>There is a scramble to control and manage non-living natural resources, as well. Nations are embracing ever more belligerent ways to exert control over resources at the poles and underwater. The Arctic is booming with oil, gas and mineral extraction activities. [See Arctic section below.] Antarctica has also become a target for resource exploration and control by some nations even though they may not have the current technology for exploitation. [See Antarctica Section.]</p> <p>There are efforts to find and market alternatives for natural resources -- synthetic oil, ethanol from switch grass. US farmland in general is expanding, even as Southeast and Southwest continues to be hard hit by drought and crop losses, and as most agricultural subsidies have been withdrawn.</p> <p>The US EPA no longer exists, and even in nations where such ministries or departments do still exist, they are nearly powerless.</p>
<p>Environment</p>	<p>The global environment has continued to deteriorate, with the only factor impeding degradation being the slowdown in global growth. The developed world has ceased trying to win over China, India and the emerging nations to green solutions. They are less embraced by rich countries themselves. There is extremely limited investment in new, clean technologies unless they offer simultaneous cost savings or efficiencies.</p> <p>If there is any environmental consciousness and activism it is at local levels, where affluent people defend local interests, like ponds, lakes and streams. There is an active eco-terrorist movement. Their episodes are dramatic, but politically ineffectual.</p>
<p>Climate & Weather</p>	<p>There is continued evidence of climate change: unusually bad weather (particularly more storms at the violent end of the spectrum), rising sea levels, droughts, and more. Climate change follows the direst predictions of the past. The earth is growing warmer, and, as it does so, melting tundra is releasing more methane compounding the problem. Diseases once held to equatorial regions are spreading. Cyclonic storms are becoming more frequent and severe. There's a gloomy sense that the time for action has passed. The effects of this climate-induced trouble seems much worse due to the general lack of resiliency in the infrastructure.</p>
<p>Natural & Accidental Disasters</p>	<p>There are many accidents, industrial and private, owing to lax regulations, minimalist regulatory enforcement, resource constraints, and degraded infrastructure. There are more human consequences to disasters because the infrastructure has so little resiliency, plus a lack of resources to fund recovery. The numbers of first responders have been slashed. Wild fires, for example, can get out of control quicker because it takes so long to get resources on the scene. Volunteerism in the emergency and rescue domains helps mitigate risks..</p>

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<p>Demographics</p>	<p>Population aging slows a bit, as pandemics and the secondary health effects hit the elderly cohort harder. At the same time, birth rates drop with bad economics and future uncertainty. Population shifts in the US are driven by necessity – availability of jobs, and sometime climate and weather effects. Legal immigration to the US has slowed because of tight and heavily enforced restrictions, though the border with Mexico remains porous. Canada is allowing some Americans to enter to work in energy..</p>
<p>Migrant Flows</p>	<p>Desperation and natural disasters drive human desperation and migration. There is considerable pressure on US borders coming from Central America and the Caribbean. [See <i>Geographic Region Section below.</i>] Mexico-US border is porous but more orderly, given broader NAFTA agreements and a stable Mexican economy. Brazil is the destination for desperate people in surrounding countries. There are mass migrations from low-lying areas and islands in the Pacific. Some of these desperate journeys are over land borders, some by sea.</p> <p>In the US, internal migration is away from low-lying coasts, the Southeast and Southwest to the Midwest and especially the Great Lakes region. Several new ports in Mexico have emerged as transshipment points for imports into the US. (Some of this activity is “gray market.”) These areas are emerging commercial hubs and in turn attract migrants from around the country, especially young people.</p>
<p>Human Health Issues</p>	<p>The world in the 2030s is also defined by health concerns. One extremely powerful pandemic emerged out of India and swept the globe. It was a highly contagious virus with a five-day incubation period that attacked the respiratory system. It spread around the globe very fast. Millions died that first year from the disease; other later from secondary effects. Despite many precautions, it emerged two years later in an even more deadly form. Since that outbreak, three more instances have occurred and the world never stops thinking and worrying about, planning for, and trying to prevent the spread of Red Lung Disease.</p> <p>Red Lung is a multi-threat disease. Many get it, but not all die, if one is reasonably healthy to start. However, while it kills the weak, it leaves everyone else weaker. Those who do not die are left with a chronically weak respiratory system. Thus, many die every year from normal epidemics like influenza. Pneumonia has become one of the world’s great killers.</p> <p>Public health services and infrastructure are bare bones throughout much of the world. Chronic diseases have become difficult and expensive to manage. Declining public health conditions have been exacerbated by air and water pollution.</p> <p>In the US, most people are covered by some form of catastrophic health coverage, but pay out of their pockets for just about everything else. There is a return of cash-on-the-barrel medical deals and barter trading for</p>

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	<p>services. Washington funds state medical safety nets to ensure a floor in public health and there are free screening centers and pathogen sensors everywhere for pandemic control. There’s a huge global criminal industry in fake “cures” and “preventatives” for both Red Lung and other respiratory diseases.</p> <p>Public opinion has shifted away from expensive end-of-life therapies. Seniors can opt into “Life Panels” which are promoted as a patriotic duty, to conserve scarce healthcare resources for the next generation. Obesity is down, with higher food prices and no agricultural subsidies.</p> <p>A lot of preventive medicine is no longer carried out. Drug formularies have been reduced and they emphasize generics. Many people simply forego health insurance, even when their states require it. On the other hand, in pandemic surveillance and management, the US system is world class.</p> <p>The FDA has been gutted; it is just focusing on critical matters at hand, and streamlining regulations to allow new products to get to market faster. The CDC has never enjoyed as much funding or prestige.</p>
<p>Education</p>	<p>Schools are pressed for resources. There is a mixed bag of capacity to invest, depending on mostly local fiscal strength. There is no support from Washington. School districts encourage home schooling and course work provided by parents to take pressure off local resources. School activities carry a “fee-for” tag. Many schools resort to corporate sponsorships. Private schools are only for the wealthy.</p> <p>Higher education in the US is no longer the huge magnet for the world’s students. The US is still a big draw, but it is merely one among equals, given UK, and European universities and rising universities in China, and Brazil. Student visas have been drastically cut back. Online learning is very important. Many private and state colleges have been shuttered, with fewer students applying. Community colleges and vocational education thrive.</p>
<p>Media</p>	<p>Bad economics have slowed the growth and development of new media outlets. Consumers do not automatically trade up for the newest media gadget. In addition, new applications tend not to be revolutionary, requiring new devices.</p> <p>While less, relative to the 2010 and 2020 decades, there is still a lot of media content: news, sports, entertainment, education, culture and public service. The latter has become particularly important given concerns about pandemics. There are incessant public service announcements. There has been something of a backlash against divisive 24-hour news. Veracity, it turns out, sells in a pandemic-influenced environment. The CDC has its own online network for health news, advice, employment news, and updates.</p>

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<p>Religion, Beliefs, Values, Ideology</p>	<p>There is a large and mixed bag of religions and beliefs. There are many messianic cults emerging or being revived (e.g., Rastafarianism). There are also survivalist cults and eco-worshippers. Islam is more moderate, though there are still extremist elements. In general, it takes no effort to find like-minded people on electronic networks.</p> <p>People relate more to a lifestyle anchored to home and community; young people are less able to be constantly mobile. Local community-based organizations (churches, Masons, Rotarians, self-help groups, etc.) are go-to guys, not federal or state government agencies.</p> <p>Nationalism in the US is strong, especially with the broad turn against globalization. But there's not a broad and strong turn to national service. "Taking care of your family is your first patriotic duty" is a statement commonly quoted.</p>
<p>Nature of Business</p>	<p>It is a tough environment for most business. Many have not survived or were forced to submit to buy-out under duress. There is considerable black and gray market business activity. "Lean and local" are key mantras. Logistics are very expensive; you want a sure supply chain. Cheap and/or high-value are what sells. A lot of workers, and not just illegals, are working off the books, even for less than minimum wage. Many safety regulations are barely enforced. Barter is widespread.</p> <p>Everyone sees hard times for business – at least in the US -- as a near-permanent condition. There are few protections for intellectual property. Franchises are very popular – they require relatively little capital, and are relatively easy to start up.</p> <p>Salaried workers are working longer to keep their jobs, contract workers work more for less, and many people have to cobble together multiple jobs. Telecommuting is popular for both workers and employers because of high costs for office space and commuting. Many people want to be close to home for health and family reasons.</p> <p>Extraction companies like Exxon Mobil prefer the security and stability of owning all ends of the production chain. (Many countries are taking the same approach.) There are pressures to keep capital assets beyond design life-expectancy. Hard times justify running equipment until it can't function anymore.</p> <p>There is widespread "self-insurance" for large companies (e.g., Maersk-sized carriers and tramp steamer companies).</p>
<p>Information Management</p>	<p>IT innovation has slowed in most sectors, but continued where competitive advantage can be gained. The US government relies on private vendors, even in sensitive sectors, like homeland security and pandemic research. Large companies enjoy a relatively high degree of IT security and reliability,</p>

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	<p>but only because of big investment in security</p> <p>Firms with less secure systems recognize limits – or put their firms at risk by taking chances with cheaper vendors or less reputable networks. We’ve emerged from several years of data at-risk, from theft, hacking, and mischief. The new systems offer adequate security, but at a cost in terms of speed and performance.</p>
<p>Areas of Technological Innovation</p>	<p>Energy is a major focus of technological innovation: shale gas, for example, and new, more efficient forms of distribution. Home-based independent energy systems and fuel cells and other forms of onsite power generation are more broadly distributed, but far from universal (due to capital costs).</p> <p>Material and sensing technologies that reduces energy consumption are in demand.</p> <p>Personal transportation is smaller, energy-economic and there are fewer per household vehicles in the US. Lower costs are key to local government fleets, too.</p> <p>Another big area of innovation is what is known as Personal Health Assessment Technology, for use at home, to scan for pandemic or respiratory disease traces. E-medicine and therapies are widespread.</p> <p>There’s investment in agri-technology, to create sturdy crops resistant to disease, drought and acid rain.</p> <p>Remote sensors and robotics are major focus areas of DOD, which can no longer fund large numbers of humans in uniforms.</p>
<p>Cyber Security</p>	<p>Cyber security is still a cat-and-mouse game, like it was in the 2010 decade. Bad guys want to stay off the grid when they can, and they have their own security systems. The US military has a separate, walled-off system. The US military has embraced cyber-war as a cheaper alternative in a resource constrained world. Cyber attacks are perpetual, but there are no “Pearl Harbor equivalents.”</p> <p>There is personal and commercial cyber insurance. Trust in civilian cyber systems has deteriorated. This is a “cash and carry” kind of world where some can and do “stay off the grid” and forsake ATM and electronic cash networks.</p>
<p>U.S. Economy</p>	<p>The US is mired in a severe, prolonged slump, which some call a depression; the term of art is “staggression,” negligible economic growth and very high un-employment and under-employment, and with major sectors (e.g., housing) undergoing deflation. The acute economic volatility and uncertainty of the past decades have faded somewhat. But there’s no sense that a return to prosperity is around the corner. Unemployment is stuck at 12-13 percent and there are pockets that go as high as 20 percent.</p>

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	<p>The “Practical Outcome Economics” movement [see <i>U.S. Political Climate, below</i>] had stirred the electorate to demand draconian cuts in entitlements, defense and social programs. Agricultural subsidies have been practically eliminated. Government pensions at state and federal government levels have been “adjusted” to make them actuarially sound. .</p> <p>Among the modest snatches of good news is the fact that the Great Lakes region is relatively strong. The old industrial belt is attracting new manufacturing jobs. The region is also benefiting from its close proximity to Canadian energy sources (e.g., hydroelectric, tar sands, etc.) and key transportation hubs between the US and Canada. Midwest agriculture is strong; it’s been mostly shielded from climate change disruptions.</p> <p>There are clear pockets of US economic strength: agriculture, specialized high-tech sectors, pharmaceuticals, and entertainment. But we’ve lost our lead in the global talent search; fewer of the world’s best and brightest want to study and live here and others can’t get in. .And even when all economic cylinders are firing, the sectors that are doing well are not enough to offset all the negative factors. Mainstream economists say that when global growth does pick up, the US will not be driving it, or be a major beneficiary.</p>
<p>U.S. Political Climate</p>	<p>The US has lived through a turbulent political time. A reformist, semi-populist social movement (not easily classified as “right” or “left”) rose up quite suddenly after an extended period of political gridlock and economic malaise. The movement espoused radical fiscal reforms and a more protectionist economic posture to rectify perceived problems in economy and governance. Their reform package was called Practical Outcomes Economics. Both of the two major parties absorbed parts of this platform in large degree and have enacted widespread cuts across the government (e.g., DOD, Dept of Education, the Veteran’s Administration, EPA, HUD, etc.).</p> <p>The national political climate is hard to characterize. There are pockets of anger and frustration, and these are sometimes expressed in anti-social ways. But the mood is far from revolutionary. Change has occurred. There’s the sense that the nation’s needs are being addressed generally fairly and competently. It’s a notably more insular and parochial American spirit.</p>
<p>U.S. Fiscal Status</p>	<p>The situation in the 2030-35 period is now stable. The deficit has been slashed so that debt is decreasing as percentage of GDP. But the debt is still large and burdensome, and provides little room for spending growth.</p> <p>A lot smaller percentage of the budget is now spent on national defense. Only a few foreign bases now exist: Guam is the last major base in the Pacific. The US is out of Europe, Japan, South Korea, and the Persian Gulf.</p>

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	<p>Massive vertical cuts have been made in federal organizations: HUD, EPA, and the Department Education have been eliminated. The departments of Energy, Agriculture, and Transportation have been stripped down. Agencies such as FAA, FHA, and rails survive. NASA and NOAA have been combined and focus on earth remote sensing. DHS has has been pruned back to meet new US fiscal realities.</p> <p>The federal government still does weather forecasting. Public health is a priority; the CDC has massive capacity and technological capabilities to deal with the pandemic threat.</p> <p>The state level is, if anything, worse off than the federal government. Many states (especially in the Southeast and Southwest) teeter on the brink of bankruptcy each year and the modest federal relief states receive is often all that keeps them solvent. Some areas like upstate New York, Ohio, Michigan, Wisconsin, and Minnesota are showing real signs of balanced budgets as a result of economic growth in the Great Lakes.</p>
<p>U.S. Social Climate</p>	<p>The nation is hurting economically and most people are feeling the pain, either of unemployment, exhaustion from over-work at multiple low-paying jobs, and/or concern about the future. Health is at the top of most family's worry lists, after successive waves of pandemics. There's also an uptick in alcohol and substance abuse, as one would expect in tough economic times. There is resignation, but also modest hope, mixed with a lot of feelings of uncertainty about the future.</p> <p>Many American enjoy stronger community ties. This is partially the result of government spending and program cuts and a forced simplicity of lifestyle. Local community organizations often sponsor programs for youth and elderly. There are more formal and informal communal living and healthcare arrangements for senior populations. There are informal bartering, trading goods and services, off the fiscal radar. Community gardens and do-it-yourself activities are popular. Increasing numbers of households are multigenerational.</p>
<p>Status of Entitlement Programs</p>	<p>Programs once considered sacred cows have been restructured. Medicare, Medicaid and Social Security have been cut back substantially. Policies blatantly favoring the wealthy have been eliminated. There's the sense that the nation as a whole is sharing in the strong medicine. Tax incentives help encourage family- and community-based alternatives to expensive entitlement programs.</p> <p>Medicare still exists, but there are very strict medical protocols to limit costs; no extraneous procedures are permitted.</p>
<p>Transportation Infrastructure</p>	<p>A triage approach to infrastructure repair and maintenance exists. It's mostly patchwork and repair. Infrastructure ownership is mixed; hard economic times and declining global commerce have reversed a trend</p>

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	<p>toward private ownership. Maritime infrastructure has fallen back into the hands of government authorities. There has been very little investment in deep-water ports; many are now crumbling. But these are valued, since the economics of maritime transportation has led to snail sailing and much larger vessels. There are a lot of oil & gas offshore ports.</p> <p>Some early 21st century infrastructure is still holding up. Rail is important, although the infrastructure is worn. Trucking is down. Short-sea shipping in the NAFTA region is big, given expansion of the Jones Act to Canada and Mexico. Mexicans are building ships. Tolls are everywhere. Port authorities or municipalities tend to own and manage ports (as opposed to small, privately-owned facilities).</p> <p>Competition from Mexican and Canadian ports is rising. The US government is restricting its dredging activities to national strategic seaports. There is a huge premium on hubs that are protected from rising sea levels and are near inter-modal connections.</p> <p>The air transportation system is based on free flight, with positive air control only in range of airports. There has been considerable consolidation among carriers. They tend to use large, efficient turbo-prop aircraft or very high by-pass aircraft. Some of these fly regular schedules; others are on-demand.</p> <p>Many airports have closed or only operate a few days a week. . The Air Force no longer provides Civil Reserve Air Fleet subsidies.</p>
<p>Canada</p>	<p>Canada and US relations are especially tight, with the US highly dependent on Canada energy exports and access to Arctic energy. Canada needs the larger US economy. A comprehensive bilateral pact spells out roles and responsibilities. The US and Canadians have harmonized extraction regulations and policies. Canada’s economy is strong with ample energy and agriculture growth. It has made major infrastructural investment in the Arctic.</p> <p>There were some border tensions between the US and Canada, having to do with the fact that the pandemic came to the US via Canada. That has led to very well integrated health inspection protocols that are the envy of the rest of the world.</p>
<p>Mexico</p>	<p>Mexico has received significant US and Canadian help (arms, intelligence, border control, etc.) that has effectively wiped out an estimated three-quarters of the drug trade; borders are cooperatively and tightly controlled. The US has decriminalized marijuana. Mexico-US economic integration is on the rise, a favorable offset for drug and security cooperation. Mexico has energy, favorable demographics, and lower wages. New Mexican ports have benefited the “informal” willingness of port officials to give out-of-NAFTA trade goods a “NAFTA stamp” to allow them into the US and Canada.</p>

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	<p>Economic growth is moderate, but stable. As part of the wider NAFTA thrust, the Jones Act has been extended to Mexico and Canada.</p>
<p>Central America & the Caribbean</p>	<p>The Caribbean Basin is a region teeming with troubled states, failing economics, criminal activity, gangster-run private islands, and desperate people. A number of Caribbean islands, including the Bahamas, are a strategic trans-shipment point for human trafficking and fake medical goods. After a period of stability and reconstruction, Haiti is once again desperate.</p> <p>Cuba has a very aggressive border control policy to keep people out. Its advanced public health system has protected it from the worst of the pandemic effects. Cuba’s more liberal economy is doing moderately well, with the port of Havana capturing some new shipping business.</p> <p>The US Virgin Islands loom as oases of relative stability, as do the British possession in the region. But refugees from the region are constantly looking for ways to come ashore.</p> <p>Central America is in economic depression, with little rule of law in many countries and rising radical politics. There is constant pressure to emigrate – to almost anywhere. Panama is only a partial exception; Canal traffic is down and maritime trade is favoring larger ships the expanded Canal cannot handle.</p>
<p>South America</p>	<p>Brazil is doing well, benefitting economically from more favorable trade conditions with US. Brazil has good health regulations, energy, export capacity and favorable reputation in the region, especially as nations find it increasingly confusing and difficult to trade with China. Northern countries are feeling the effects of climate shifts, while the Southern Cone is benefitting, especially in agriculture. Venezuela has grown acutely unstable with faltering oil output (suffering from lack of investment and maintenance) and growing criminal activity. Slack raw materials prices are dragging down South American export prospects, and this is contributing to ongoing political instability in some countries, especially in the Andean region.</p>
<p>Europe (including Russia)</p>	<p>Russia is reaping the benefits of high energy prices, but needs help in other sectors, from China, among others. Russia is a regional energy power: selling to Europe, China and Japan. It has become a nation of corporate oligarchies, with limited benefits to those other than the very rich or the well connected. Oil money has been pumped back into infrastructure rehabilitation, which keeps employment levels high enough to avoid social unrest. Some sectors like energy are doing well, but rewards are not well distributed. Pollution is widespread.</p> <p>For Russian there are good and bad effects of global warming. On the positive side, mineral resources in Siberia are accessible and growing seasons are longer. On the negative side are extreme temperature swings</p>

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	<p>and melting tundra. China is using Russia for access to Arctic energy, while Chinese migration into Siberia is tolerated. Russia needs people, as the indigenous population is still declining. Russia is maintaining a minimal nuclear stockpile; it is not re-building the military, only maintaining regional defense interests. Most breakaway “republics” have, in fact, broken away and their economies are generally among the world’s most desperate. Russian has no interest in reclaiming that territory.</p> <p>Europe: The North Atlantic Treaty is still nominally in effect, but NATO is a dozen ineffective bureaucrats talking around a table. Europe and the US are sharing the costs and the burden of protecting sea lanes of mutual interest. Patrolling per se is much reduced. Surveillance is high-tech and robotic. The British Royal Navy is a coast guard.</p> <p>The European Union (EU) survives. It cut spending and made sacrifices earlier and emerged stronger, relative to the US. The EU’s demographic challenges have been met in some countries by more liberal immigration policies leading to citizenship and greater social mobility. The EU has achieved more flexible, US-like labor markets, for survival purposes. Europe is more insular and not assuming an aggressive global role.</p> <p>Europe has expanded its high-end manufacturing. It maintains defense industries and exports nuclear and alternative energy capabilities. Tourism – a staple of EU economies – has collapsed.</p>
<p>China</p>	<p>China is doing relatively well. It is not thriving, but it is faring better than the US. China’s internal market has developed significantly, which helps offset the loss of exports to the US and others. China is behaving like a colonial power, especially in Africa where Chinese firms have developed massive extraction industries and “company towns.” Human rights groups accuse China of exploiting both natural resources and people.</p> <p>Chinese firms and its government are seemingly everywhere, in search of energy, food, fish, and resources. China is behaving like a hegemon in South China Sea. It has developed a modest but modern frigate-destroyer kind of navy to protect sea lines and what its critics call its “neo-colonial interests.”. China’s army has also expanded, less to assert force abroad, but instead to help ensure the domestic peace.</p> <p>Chinese firms acquired a lot of Western assets when values crashed earlier. China has an efficient, modern infrastructure and a middle class that has been rising, despite turbulence in the global economy. Some manufacturing has been moved back home as export growth has slowed, to ensure high domestic employment and political stability. Chinese interests are a terror target in Africa and the ASEAN area. China and Taiwan (“a special economic zone”) have merged peacefully a la Hong Kong. Governance is still highly authoritarian.</p>

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<p>India</p>	<p>India is struggling; it grows more isolated and inward-looking, and it has fallen far behind China in economic development and progress. The great global pandemic originated in India and that exacted a huge human toll, before affecting the rest of the world. A number of other factors are conspiring against India, especially challenging climate and weather vulnerabilities and a weak public health infrastructure. India has also been hurt by a range of secondary effects such as limits on external transit owing to visa restrictions and especially harsh health screening in destination countries.</p> <p>Pakistan’s prospects are considerably worse, economically and politically. The nation is being kept afloat primarily because of Saudi and Chinese assistance. Bangladesh is overwhelmed by monsoons, and sea level rising. The US is no longer engaged militarily in Afghanistan, or providing development assistance.</p>
<p>Northern Asia</p>	<p>Japan has aged badly, with its lopsided demographics hitting it hard and its extreme anti- immigration attitudes hurting its prospects. Protectionism has also exacted a heavy toll on exports. China’s continuing ascent is a constant source of worry, especially with a reduced US military footprint.</p> <p>Korea has reunited, with the help not only of China and other regional states, but also NGOs, IOs, and many corporate partners that have a stake in seeing a successful and stable peninsula. The denuclearization of Korea was achieved under China watchfulness</p>
<p>Southeast Asia</p>	<p>The region is holding its own economically, thanks to greater political and economic integration with Australia. Any real growth has been forestalled by high death tolls and panic from the pandemics. China has been pulling back some of its assets in the SEA region, to retain jobs on the mainland. Myanmar, Laos and South China are back in the opium business – the old Golden Triangle. Myanmar and Cambodia are failed states, and havens for piracy. China is protecting only the sea lanes of interest to it. China, by default, owns the Spratleys. There are serious emerging challenges from rising sea levels and falling fish stocks. People are starving and trying to migrate to countries that do not want them.</p>
<p>Africa</p>	<p>Africa is mostly desperate, sickly, poor, hungry and corrupt, with some islands of stability where there are rich mineral deposits, but widespread turmoil is the norm. China is heavily invested in extraction industries and “buying” stability where it’s required. Some homegrown terrorism is aimed at “colonial” Chinese exploiters. Some African mercenaries serve as defenders of Chinese interests. There is widespread piracy off the coasts. Failed states (many of which like Myanmar and Cambodia are run by criminal organizations that support piracy) include: Gambia, Cote d’Ivoire, parts of Angola, Congo, and Somalia.</p> <p>Desperation is causing bold attempts to emigrate illegally to Southern</p>

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	Europe, America (through the Caribbean), Canada, and wherever else is possible.
Middle East	Energy revenue still buys stability, for a time. Sovereign wealth funds from the Middle East (Saudi, Iraq, UAEs) are going into foreign industries, including and especially oil, including in the Arctic and in Saudi's case, Africa. The US is less dependent on oil from the Middle East; the US has mostly withdrawn from the region, with the exception of protection for Israel. Mullahs are paid off, to cap extremism. Moderates have come to power in Iran. They are secular and reasonable, but are nationalists and possess nuclear weapons. Israel and Iran face each other, but remain at peace through mutually assured destruction. The US has continued arms sales to Saudi, but bare bones military aid to the rest of the region. A Palestinian state is an unfulfilled promise.
Polar Regions	<p>The Arctic is a focus of a global resource scramble. US-Canadian agreements over a wide range of joint interests in the region are the primary governance regime. There are widespread gray areas and building tension over jurisdiction and sovereignty. Most of the exploitation is within EEZs. A lot of the seasonal maritime traffic is to maintain infrastructure and deliver supplies.</p> <p>Russia has a large armed ice-breaking fleet in disputed areas and can often be found escorting Chinese vessels. The US is maintaining a presence, in tight alliance with Canada. All of this creates a lot of tension. There is no Law of the Sea (UNCLOS) formally in effect. Pirates take advantage of unguarded assets, like small tankers and shore pumping stations. Privateers are rarely seen.</p> <p>Indigenous people are losing out from climate change, and habitat degradation. Some cut deals with extraction firms to buy survival.</p> <p>Antarctica: Several nations have declared that the Treaty will be renewed (in 2048). China, Chile, Australia and New Zealand are in the early stages of resource exploitation. US companies not investing heavily in the region, except via technology contracting. But there are early indications of significant wealth, including rare earth resources, and fisheries.</p>

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