

Strategies for Survival: Who Will Connect To Whom?

An Interview with Alvin Toffler In Government Technology Magazine

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Alvin Toffler is one of the world's best-known futurists and social thinkers. His books, such as Future Shock, The Third Wave and Powershift, continue to be read in more than 50 countries. They have drawn comment from and have affected the strategic thinking of leaders from around the world and have significantly influenced contemporary thought about the information revolution, social transformation and the speed of change. Toffler works in close intellectual partnership with his spouse, Heidi Toffler, who has co-authored many of his works. This Interview was conducted by Blake Harris & Bryan M. Gold

Q: You have written extensively about the breakup of the industrial system, which you define not just as an economic and political system, but also as the entire culture -- a whole set of institutions and our integrated way of life. As we enter the new millennium, during the tremendous changes and turbulent times that lie ahead, are there lessons from the past that humanity must not lose sight of? What must we try to hang on to?

A: An acceleration of change has consequences that are not necessarily a result of whether the change is good or bad, but just acceleration itself creates consequences and some difficulties for us. While I recognize that, nevertheless, I believe that we need to let go. There are many things that we need to let go. Rather than focus on hanging on, we need to focus on inventing.

As an American, I want to hang on to my Bill of Rights, for example. I don't think the current Bill of Rights necessarily answers all the questions that we need to answer about the 21st century -- the kind of rights that we may need guarantees for. For example, rights having to do with genetic engineering or having to do with privacy or having to do with a variety of other issues raised by the kinds of changes that are taking place today. What I would like to do is hold on to the rights that we have, but expand them to take account of the new ones. So there are certain things I want to hang on to. I certainly want us to hang on to whatever personal relationships that we weave in the course of our lives, our family relationships and companionship and so on. But I believe that the main message that ought to be sent to the readers of any magazine that goes to government is not what to hang on to, but what it is going to have to change.

Institutions change at different rates. Businesses change rapidly because they are under enormous competitive pressures and for a variety of reasons. Business corporations, as an institution, for good or for ill, change quickly. School systems change extremely slowly. Political systems are even more rigidly resistant to change when it comes to the structure of government, and so on. So what you have are enormous forces that are converging on the society -- technological, social, economic and a whole variety of forces -- making the current set of institutions inappropriate for where we are going, including the kind of governments that we now have. So while there are certain things, obviously, we want to keep, rather than saying what we should hold on to, we have to be talking about what do we have to change. And how we do that peacefully, because change implies conflict and brings conflict with it.

Conflict is the other side of change, and conflict can be creative. It can be positive up to a point. But beyond that point, it can be destructive and deadly. So the question is how do we prepare ourselves, whether we are a state or county or city, or for that matter, a national government? How do we prepare ourselves to make the fundamental kinds of changes that I think are going to be necessary to cope with this wave of transformation?

Q: In the years since you wrote *Future Shock* and *The Third Wave*, most of our society has become far more conscious, in part because of the tremendous impact and insight of your books, of the fact that we are moving into a new age where many things will be very different. Since then, we've seen the rise of the Internet and how digitalization is changing business and organizations of all descriptions. What do you think is particularly important for state and local government to realize about this transformation?

A: My wife and I have been studying change around the world for decades. And I believe that today's tremendous changes in technology, society, culture and politics are going to shift the balance between centralized and decentralized organization, profoundly change systems of taxation and revolutionize the economy. All of these are likely to have a direct impact on the functions and authority of states, counties and cities in the future. But even these changes are only part of an even larger set of forces converging on us today.

Most people are now aware that knowledge plays a new role in the creation of wealth -- that we are moving toward what has been called a "knowledge-based economy" or "a third-wave economy." What is perhaps less widely understood is the transformation we are living through goes far beyond business, far beyond markets, far beyond economics, far beyond technology and far beyond government as we know it today.

What we are seeing is an emergence of a completely new way of life. Or, put differently, a new civilization. We talk about connectivity. We are busy connecting everybody to everybody. We talk about how every business and every person is now connected, or soon will be. That's what today's titanic struggle in the telecommunications, television, Internet and the e-commerce industries is all about -- who will connect who to whom.

But there is another, largely overlooked level of connectivity. And that, I think, is really important. Today's changes in technology and the economy are increasingly connected to other kinds of changes in society. We are connecting technology to politics, politics to culture, culture to science, science to family life, family life to religion, religion to ecology and so on. All the different spheres of social existence are also being wired together more tightly than they were -- which means that a decision in any one of those ramifies through the entire system and creates changes on down the line.

You can't change something in the ecology without it having an effect on social life. You can't change something in the social system without it having an effect, indirectly or directly, on business or on technology or on politics. So I believe that all these different aspects of life, all of which are being changed and which form a larger social system or civilization, are now more densely interconnected. Therefore, the connectivity that most people talk about -- digitalization, wired up or wireless connections and so forth -- is only a small piece of a much deeper form of connectivity that will alter the way we think and the way we live. And, indeed, will alter the relationships of cities to counties, counties to states, states to Washington, Washington to Tokyo, Tokyo to Brussels.

All of these subsystems of the society, if you want to think of it that way, or these spheres of social life, were always interconnected to some degree. But today, the feedback processes between them are so rapid and complex that nobody understands them very well. In turn, as digitalization effects each of these parts of society, everything from consumer wants or needs to law, values, finance and the way we run our governments must and will be transformed.

Q: How do you see digital democracy developing in the future?

A: Well, my wife and I wrote many years ago in our book *The Third Wave* that one does not have to counterpoise direct democracy and representational democracy. There are many, many ways to fuse these two together. The Internet is going to have an enormous impact on both of those forms. The Internet means that you can organize a constituency almost instantaneously behind any proposition that somebody wants to put forward. Some of those will be constructive and some of those will be hateful. We see that already. But the fact that you can have instantly organizable, temporary constituencies means that underneath the formal operations of our governmental systems -- with the machinery of elections and the formal processes by which we convert candidates into 'representatives' -- underneath that something is going on that is much deeper.

Virtually nobody in America believes in government. And that is true not just for Washington, it is true for city hall, it is true for wherever. I believe, moreover, that almost nobody considers themselves 'represented,' even though we have a system we call representative government and, that in some respects, it is pseudo-representation. But in other respects, even at best, people who have given sweat equity to political activity, or who have contributed money, even some of the people who have contributed huge sums of money, all feel unrepresented.

I can cite individual cases of people -- leave aside the poor, leave aside minorities, leave aside people who have classically felt unrepresented. I can tell you there are giant campaign contributors who feel totally alienated from both parties and feel that they are unrepresented by the present system. When you stop and look at what is happening to the system -- well, I'll quote a senator, a friend of mine. When we wrote the book *Powershift*, which came out in 1990, he called. "I just want to have an intellectual conversation," he said. "I can't do that here in Washington. I never have more than two-and-a-half minutes of unbroken attention." And then, on another occasion when we had dinner with him, he said, "Two-thirds of my time is spent on public relations and fund-raising. Then I'm on this committee, this subcommittee, this task force, this joint committee, this other group. Do you think I can possibly know everything I need to know to make intelligent decisions?" He honestly said, "I can't. Therefore, my staff makes the decisions, or many of them." And my question to him was, "Who exactly elected your staff?"

So there is a fundamental disjuncture -- a break between the way the system is designed to work and the way the system actually works. It is dysfunction. And that means that we are going to face profound constitutional questions in the decade or two ahead. And we are kidding ourselves if we think we can escape that.

Q: Looking more broadly at the question of "powershifts" -- your book on this subject made an excellent case to the effect that "the substitution of information and knowledge for labor has brought us to the edge of the deepest powershift in human history." How, in your view, is the relationship between governments and their citizens changing? In what ways is government going to have to deal with citizens differently?

A: Well, as access to information and misinformation becomes more widespread, all kinds of authority is coming into question. It is not just that we question the authority of our governments -- and frequently with justification. But we question the authority of the doctor, because when my wife or my daughter goes to our doctor, she knows more about the disease than that doctor who has to deal with 60 different diseases. We are looking at one. We have access to medical literature. We have access on the Net. We prep ourselves before we go in there. And, therefore, there is a change within the power relationship between the doctor and the patient.

The same thing is true across the board. Many, many other power relationships in this society, and all relationships have an element of power in them -- the shift of the availability of information changes things. In business, for example, it has already changed the relative power of the manufacturing sector to the retailing sector. And now you hear throughout industry, whoever owns the customer has the power, as distinct from the manufacturer or the supplier. The availability of information -- in the case of retail, it is the information they are getting out of their optical scanners and other kinds of information that they have -- prepares them better to fend off the pressures from competitors and/or, in the case of the big supermarket, the big food companies, the manufacturers. So what you see, as information becomes available, it shifts power relationships.

And I believe that we are, moreover, moving into a pretty dangerous period. The dark side of the new technologies, with deep political implications, is what we call the end of truth. First, when you download something from the Internet, you can't always be sure what you are reading is what was input by whoever it says did it. So there is a great deal of insecurity about the information that is available on the Net. Second, you have technologies now that make deception cheap, easy and available. And these are not just by interfering with Internet-based information.

Look at the movies. The special effects began a few years ago with a movie called *In the Line of Fire*. In that movie, producer Jeff Apple digitized an actor, Clint Eastwood, into existing film of the Kennedy motorcade in Dallas. And when you saw that movie, you could not tell that Clint Eastwood had not been a Secret Service man there to protect Kennedy. Subsequently, you've got movies like *Forest Gump*, where Tom Hanks meets Nixon and chats with him. *Scientific American* did an article on how digitization can be used photographically for deception. It showed a picture of President Bush walking in what seemed like the Rose Garden, followed about six feet behind by Margaret Thatcher. In the next photograph, they are walking side by side. In the next photograph, they are practically holding hands and whispering in each other's ear -- and all of that is easily manipulated.

So there are now tremendous new technologies of deception and, as yet, not very many technologies for verification. Then you add to that one further feature, and that is not technological but intellectual and philosophical -- the rise of a whole school of philosophy called post-modernism which, in fact, challenges the very conception of truth. You put all those together, and you are moving into a period, I think, which will feed the political cynicism of the population. It means that seeing is not believing. Reading is not believing. Hearing is not believing. And that means you are going to have a lot of very, very cynical people, even more so than today.

The flip side of this is the danger that you will also have a fractional population that will believe only one thing and believe that thing fanatically -- the danger of a split between the cynics and the fanatics. And that could have enormous political consequences.

Q: In terms of the new emerging dark side of the technology, do you feel this is inevitable? Are there things that can be done to help deal with this?

A: I think what is happening, for good or for ill, people are becoming much more media savvy. They are becoming skeptical. They need to be skeptical and, to a point, it is justified. I think it has a lot to do with political campaigning, the kind of messages, the fractionalization of audiences into different constituencies, the pressure of sound bites. And some very serious thought needs to be devoted to how governments and how politics in general, and political people in it, communicate, and through what channels they can communicate. All of that is going to change.

It is not that everything is going to be reduced to a push-button vote, I don't believe that's true, and I think that's a simplistic model. My wife and I frequently were accused of favoring push-button democracy. That is by people who have not read what we have written. So I don't think that's what is going to happen. But I think you also have lots of people who have been displaced by this revolution.

On the other hand, I believe the positive consequences of digitalization, electronic commerce and new technology are, in fact, to make possible the substantial alleviation of poverty. Whereas most people worry about the division between the info-rich and the info-poor, something that we talked about decades ago, I have grown less pessimistic and more optimistic as the price of computers and broadband communication go down. I spoke, for example, to thousands of teachers in Mexico and they raised this question. "We are poor, we are a poor country, a poor region. Aren't we going to be left out?"

I asked one question. "Please raise your hand if you have a television set." They all raised their hands. In a few years, that's what a computer is going to look like. That is going to be the computer. And now we have companies giving computers away free. So the fact is that we are moving toward extremely cheap computing power, extremely cheap broadband communication, and the consequences of those are going to be a billion people networked together around the world.

Q: Given what you said earlier about letting go, should we be fearful of what's to come, or joyful for what is happening? And given that, what should governments be doing to better prepare for the transformation ahead?

A: We should not blindly embrace, but we should certainly not blindly resist or blindly try to hang on. My wife and I have what I call a bittersweet approach. The world that we are creating -- it's not just coming toward us, we are creating this new world, some of us. In fact, most of us, one way or another, are contributing to the creation of this. The world is going to be different: That doesn't mean it is going to be utopia, that doesn't mean it is going to be a dystopia. There is still going to be sickness, there is still going to be age, there is still going to be problems with kids, and family life and love and interpersonal relationships and the stuff that people feel emotionally very close to. We are going to have political problems. And we are undoubtedly going to have wars, and so on.

So the idea that we are going through a transformation does not mean that the other side of that is going to be all black or all white. We are going to have a very different way of life. Different is the key term. And it will create its own set of new problems. Enormous moral problems arise, for example, out of biotechnology and genetics. The Europeans are going crazy about genetically altered food right now. Their panic may be overdone and may be stoked for economic and trade reasons, rather than for the ostensible reason. But, be that as it may, we are going to face profound issues of what do we mean by being human. What is the definition of human? How will that change as we begin to affect our own evolution? We have the tools to do that now.

I believe that will create enormous political strains, enormous religious movements, good or bad, that will play a role in all of this -- a greater role than they do at present. And it is going to be just a very, very, very different world. And to say, "Let's hang on," is like saying to the peasant family in medieval France or Germany, "There's an Industrial Revolution coming at you, but you don't have to change. You stay in your village and maintain village ethics, and village morality, and the ignorance that went with living in a village, and the lack of democracy that went with living in a village, and so on." I'm not in favor of hanging on. I'm in favor of trying to make sense of the changes that are occurring, attempting to develop some strategies, personal and organizationally, that anticipate what is coming.

We coined a phrase in *Future Shock*. We said if we want to have a democracy, it needs to be anticipatory democracy, not just participatory -- anticipatory -- because the changes come so rapidly that you can easily have your democracy swept away. And what we now have is a mass democracy that is appropriate for mass production, mass distribution, mass consumption, mass media, all the rest of that. And it is the political expression that is built on those and those systems that are falling apart.

Economically, it used to be that the aim of production was to make a million identical objects that were absolutely interchangeable. Now you hear about mass customization. It becomes cheap and possible to customize products, personalize products, turn out one-of-a-kind. A woman can go get a pair of jeans measured by computer, cut to her shape, not just size 10 or size 12 or whatever the case may be. We are customizing production and moving toward a system that makes it possible to "demassify" mass production. The same thing is true of markets. We used to talk about mass marketing. Now we talk about niche markets. We talk about micromarkets. We talk about markets of one, person-to-person marketing, one-to-one marketing. These have all kinds of social and other parallels.

For example, we see it in the media. In our system, you create a product and you have a market over there, and it is the media that created the knowledge among the consumers that there was a product to buy. But, the fact is, we grew up when there were three television networks and three jokes the following morning. Now, we've got not only a multiplicity of cable and satellite channels, but the Internet -- which is, in effect, an infinite stream of channels coming into the home. And what that does is provide precision targeting for the manufacturer or the seller to reach the customer on a one-to-one basis. The mass society, and the consumers in a mass society, may have accepted identical, one-size-fits-all products. But more and more people today not only yearn to do "my own thing" but to "buy my own thing, to be my own thing, to learn my own thing." And they demand that they be treated as individuals, not part of the mass, if you stop and look at the social consequences of this.

In the same way, I believe that racial and ethnic identifications are also demassifying in parallel to what is happening in the economy and the media today. Yes, a Million Man March can be organized. It can materialize and that is a mass event, for sure. But if we look more closely at the way things are going, we find race relations in the United States are not just a minority/majority issue. It is not just black and white any more. The key identifications people are making inside their heads, and in their groups, are often subethnic. So categories like Hispanic, or Black, or African American, or Asian -- categories that lump many different cultures together -- are increasingly inadequate to explain how people identify themselves. Americans of Mexican origin are keenly aware of how different they are from Americans from Guatemala, or El Salvador, let alone Puerto Rico or Cuba. Often there are tensions, as between Cubans and Mexicans -- the way they recently had a big fight, for example, over the control of the Spanish-speaking media in the country.

Women, as a category, are increasingly aware of narrower and narrower sub-identifications. At one level, we still see the mass media spreading in the world. But underneath that, we are all identifying ourselves much more precisely within narrower and narrower groups. And, thus, we see greater and greater diversity, not just in products and services, or in the music we listen to, but things like resurgent regional cuisine. At every level, I believe, you are seeing this.

At the same time, there is a growing sense of complexity. Boundaries are blurring, relations grow more temporary, decision-making more pressurized and the speed of change continues to accelerate. And that is what political and administrative leaders, and business leaders, are up against today -- all decision-makers. When you put all that together, you get an impact that is not just additive, but cumulative.

Politically, there are more different interests to satisfy. It becomes harder to create consensus. Pressures for decentralization grow. And even decentralized units face demands for autonomy by subunits. Cities want autonomy. The Valley wants to secede from Los Angeles. And all this will be intensified by the coming hurricane of changes yet to come and these are going to hit, for example, the tax system.

The third wave brings with it an upheaval in taxation. E-commerce -- I do not believe that e-commerce should be slowed. I believe that e-commerce is in a stage of chaotic, explosive development, that it should be allowed to go untaxed for at least a period of time until it takes shape. And I know this represents a real threat to the financial underpinnings of many communities. But, nevertheless, e-commerce should not be slowed or stopped in my judgment.

I think we will see a shift from sales taxes to other kinds of taxes, to other kinds of fees. I think we are going to be looking for all kinds of alternative sources of taxation. Faced with all of these challenges, American governments at all levels need to take a deep look at their future, and to find strategies for success and survival.

What new functions will justify the existence of a political entity that lies between the federal government and the municipality? Businesses everywhere are flattening their hierarchies. They are eliminating layers of management. They are disintermediating unnecessary go-betweens between levels of management. What does that portend for the county or the state? What's your strategy for confronting those changes? Do you have a coherent strategy based on a realistic image of the future? There is a growing pattern amongst leaders in business, government and politics to throw up their hands and say that things are changing so fast that strategy is obsolete; you can't have a strategy -- things are too unpredictable. And that all you need to do is to be quick off the mark, agile, [and have] the ability to respond rapidly and quickly to circumstance.

I would argue that is not adequate. Without a strategy, you become part of somebody else's strategy. So I believe that in order to rethink, reconceptualize, the role of government, you have to start asking profound, fundamental questions and also begin to develop a strategy for dealing with this hurricane of change that I've described -- strategies that may be switchable, quickly changeable, with backward contingency plans. But, nevertheless, strategy -- not just ad hoc, shoot-from-the-hip responses.