

FORECASTING THE FUTURE

A Modern Economics Challenge

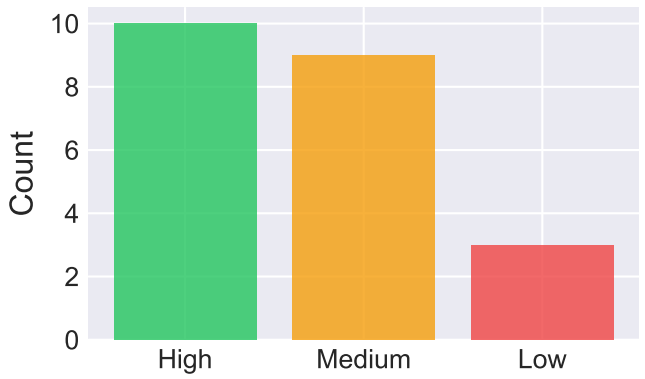
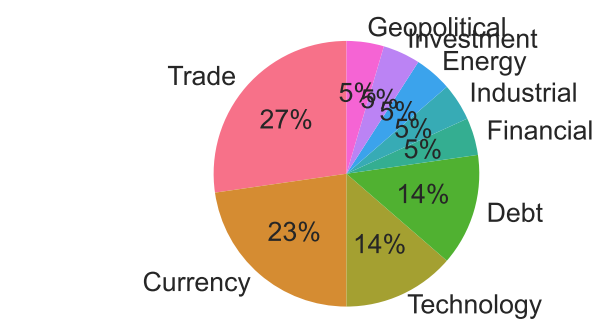
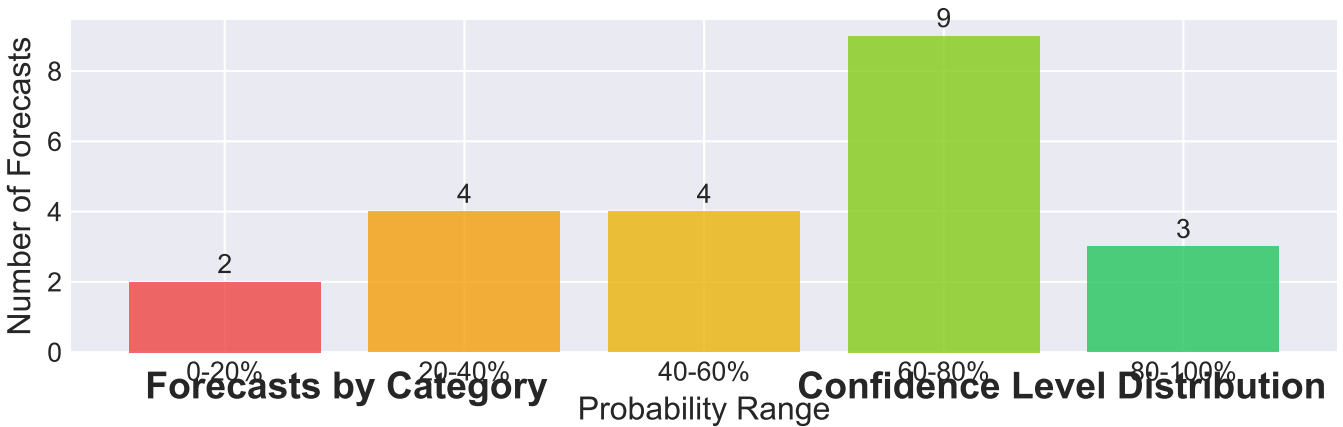
The Rise of Modern Mercantilism

and the Reshaping of the Global Economic Order

Key Thesis:

We are witnessing a shift from efficiency-maximizing globalization to security-maximizing mercantilism, driven by unsustainable debt levels and great power competition

Distribution of Forecast Probabilities



KEY FORECAST METRICS

- Average Probability: 58.6%
- Highest Confidence Predictions: 10 out of 22
- Most Likely Outcome: Global debt exceeding 100% of GDP (90%)
- Least Likely Outcome: South Korea/Japan nuclear weapons (15%)
- 2-Year vs 5-Year Split: 8 vs 14

90% - Will global public debt exceed 100% of GDP by 2030?

Top 5 HIGHEST PROBABILITY FORECASTS:

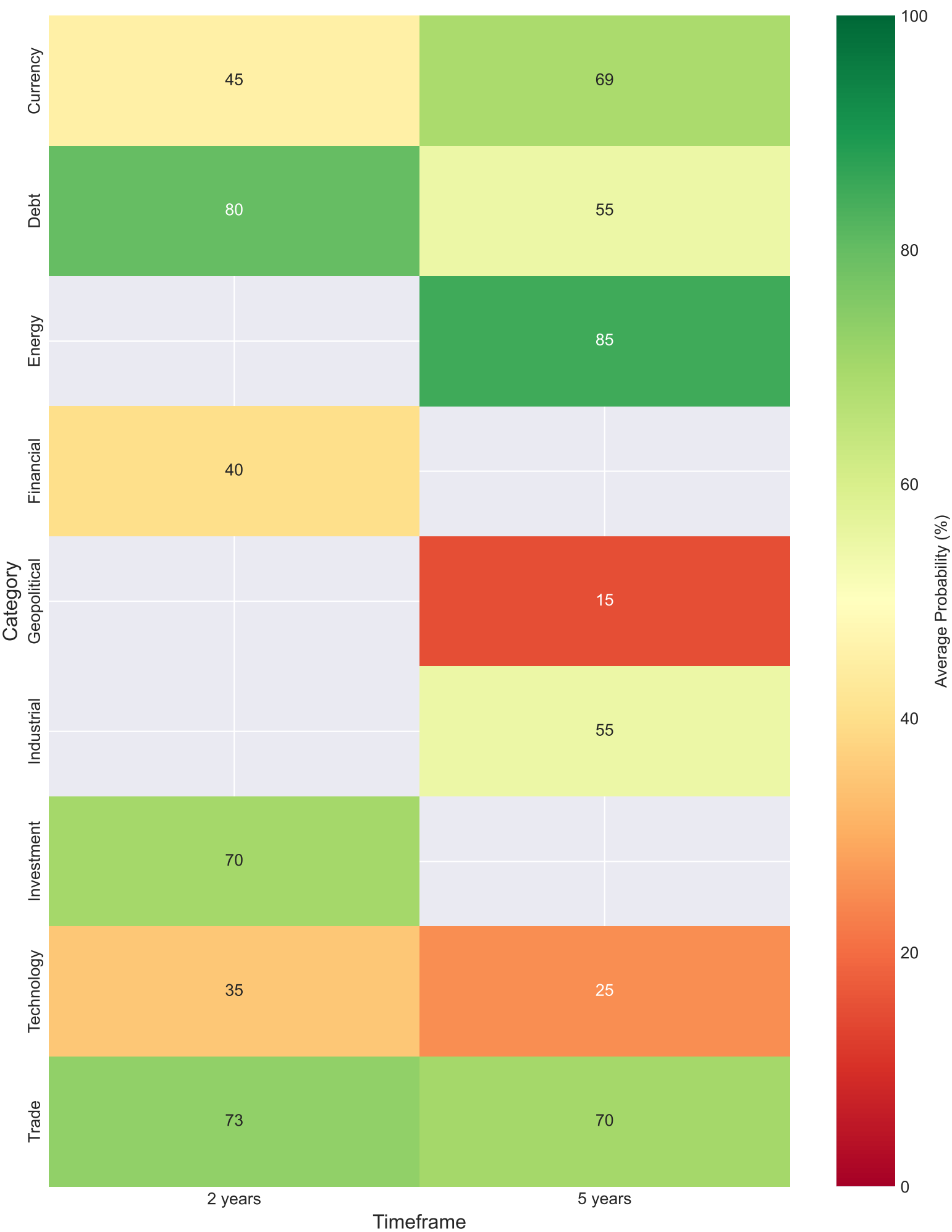
85% - Will renewable energy constitute >40% of global energy mix by 2030?

85% - Will food/agriculture constitute >20% of global trade restrictions by 2027?

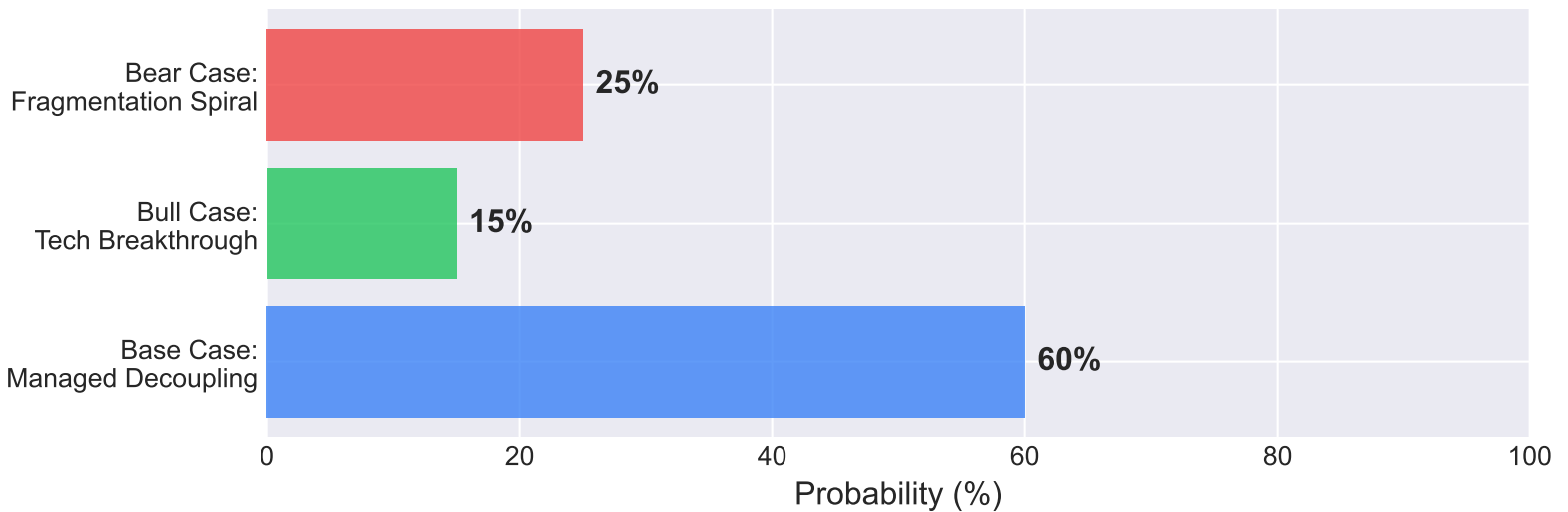
80% - Will BRICS+ launch a functional payment system bypassing SWIFT by 2030?

80% - Will the US federal deficit exceed 7% of GDP by 2027?

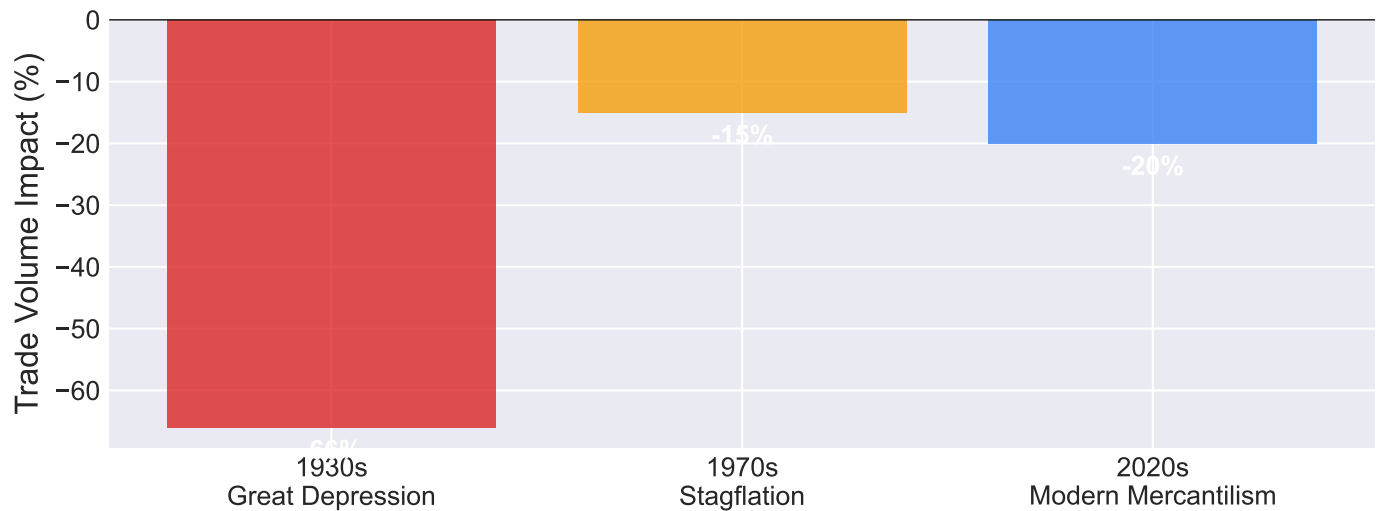
Average Forecast Probability by Category and Timeframe



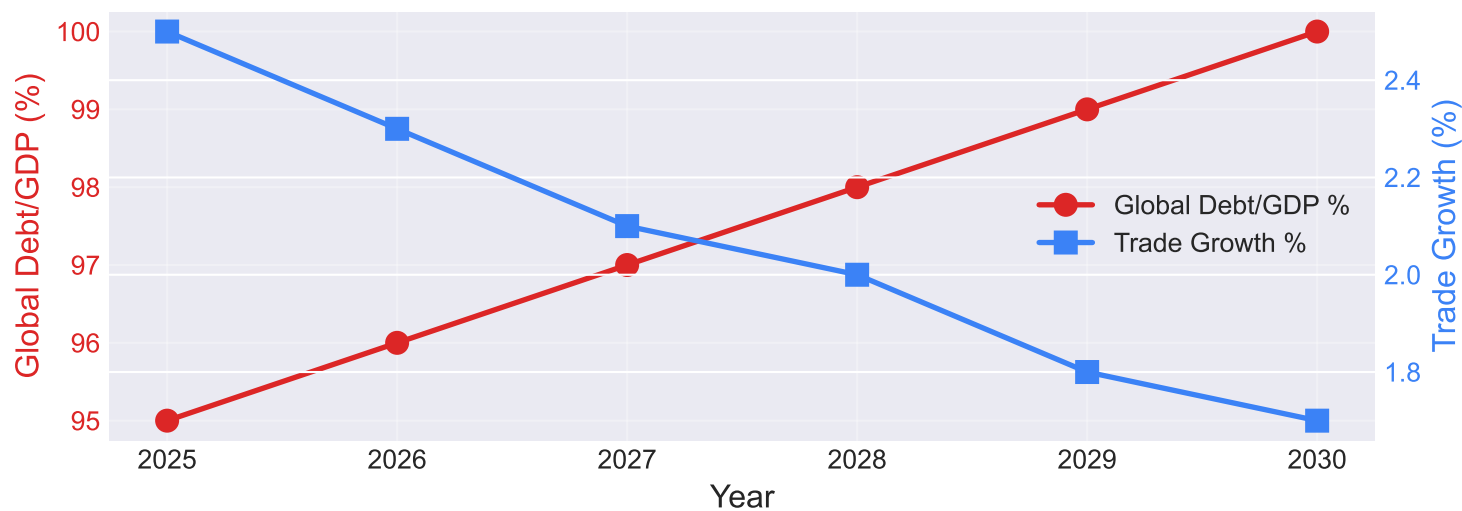
Scenario Analysis: Probability Distribution



Historical Trade Shocks Comparison



Key Metric Projections 2025-2030



Winners & Losers in a Mercantilist World

WINNERS

- Commodity producers
(pricing power in fragmented world)
- Defense/security companies
(expanding dual-use definition)
- Domestic champions

(subsidies + protection)

LOSERS

- Multinational corporations
(complexity costs rise)
- Unaligned emerging markets
(squeezed between blocs)
- Global banks

(compliance nightmares)

Reinforcing Feedback Loops

- Financial infrastructure

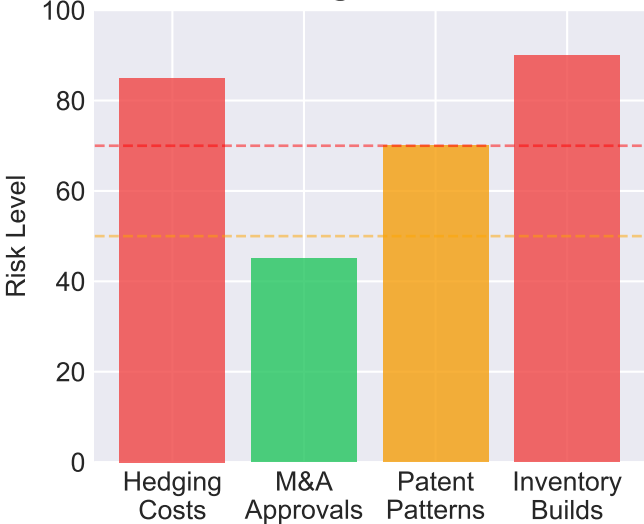
(payment systems, exchanges)

- Consumers

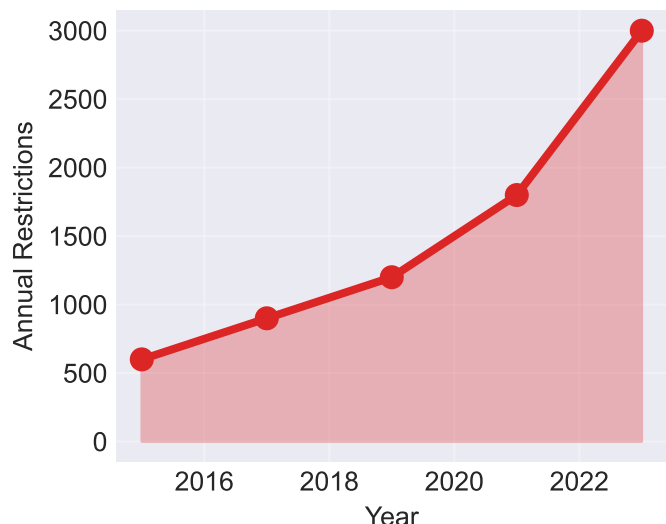
(higher prices, less choice)

Debt Pressures → Financial Repression → Capital Controls
↓ ↓
Trade Deficits ← Industrial Policy ← Strategic Competition
↓ ↓
Currency Blocs → Payment Fragmentation → Reduced \$ Dominance

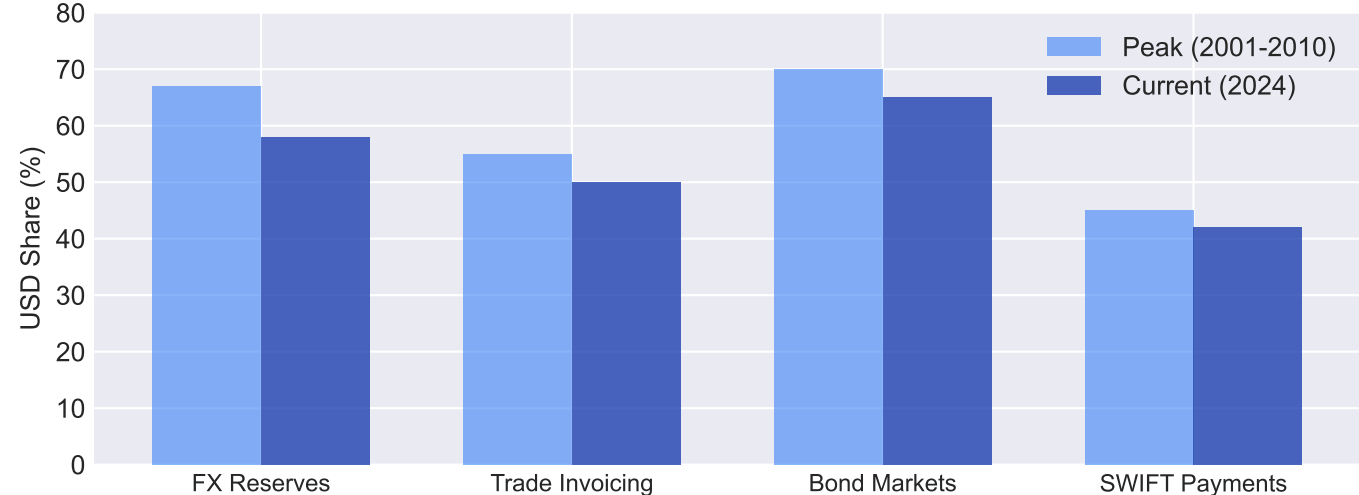
Leading Indicators



Trade Restrictions Growth



Dollar Dominance Erosion



Public Debt Projections

