



## The shape of things to come

The shifting sands of the global social and economic landscape continue to have a profound effect on Asia.

Some consider the economic shift to be a new phenomenon, but in reality it goes back two decades to the early 1990s. Back then all buzz was on Asia's tigers and vogue window dressing came in the form of those roaring images of black and orange cats, sharp teeth ready to snap and devour whatever prey lay in its path. Those tigers which propelled the region's economies, currencies and property markets into the stratosphere took a massive hit by one atomic tranquilizer dart as 1997's Asian contagion wrecked havoc.

Luckily, it was not a kill shot, more likely catch and release. Big cats while they hunt, need a bit of 'personal time' and this inevitability came whether it was welcomed or not. Lessons were learned, as the cat population grew there was little doubt looking at the sheer numbers and upside the old school terms of 'developed' and 'developing' were heading to the sin bin – permanently.

While the 2000s brought a worldwide, across the board uplift, Asia got back to business and the West – well they went to war. Costly wars which overshadowed a pending economic shift, drained government coffers, took industry to the edge of unregulated shelf destruction while consumerism and the false security

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of increasing credit lines which kept cash registers ringing.

Quasimodo was haunted by those ringing bells, I wonder if Allen Greenspan and the wizards of Wall Street hear them as they turn in for the night? Today, as the Greeks demonstrate, the Irish are relegated and the Italians wait and wonder – Asia continues to surge. America? No answers there and I'm not even going to talk about that, it's too messy. While I love my country, I'd happily become a Canadian anytime as things seem to work better up there. It's been three long years or so since Lehman's and the financial pancake known as the GFC. Somehow that same pancake is now being used by the US treasury to flatten it even more, print

more and more money and go further into its catatonic state of denial.

Some could say a good dose of shock therapy would do the job, but all the machinery has been allowed to those intelligence officers at Guantanamo Bay. Car jumper cables would work, but you'd have to chase down those feisty two faced politicians first. Glancing over our back shoulder, the biggest weapon of mass destruction has been the West's ego idiom that things will continue to be okay and that returning prosperity is a given. Asia ultimately took the lead as a good shepherd for the flock of lost enterprise after the markets crashed and burned. Of course, there was a wider world, those BRIC's, mini-Brics and wannabes. So you think you can dance? Sure, as long as you can afford the price of admission.

For real estate forecasting in the decade ahead there are still two camps. Those living in the new world economic order or NEOs (we love that term), and the others waiting for clocks to suddenly run backwards and the time machine to jet them back to their own comfort zones.

I recently read a book by Ross Honeywill and Verity Byth about how the NEO's are changing the way we live, work, and play. It's both insightful and provocative. Things are changing rapidly and yet so many businesses have yet to come to terms with the inevitable shift.

In South East Asia the resort market continues to reflect these changes with China, Russia, India, other parts of Eastern Europe and the Middle East flourishing. Europe and the west in broad terms have shown consistent declines. Even more profound are domestic and inter-regional travel and commerce. A leading indicator of this is the 2015 ASEAN Economic Community initiative which could potentially define Asia for the next two decades. Looking at property prospects, and the distant horizon, understanding, planning and developing new products for the NEO's instead of looking nostalgically back at that way were just might keep you out of the jaws of a voracious tiger.



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