## Emerging Realism – Azerbaijan "Post Petroleum" Economic Options

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In the Industrial Age we created wealth by <u>exploiting</u> Natural Resources,

Now in the IT Age we create wealth by <u>Inventing</u> things.....

## The Major Future Economic Issue is EMPLOYMENT

Azerbaijan Agriculture: ~ 5% of GDP but ~ 38% of Work Force. Agriculture is being mechanized worldwide, employment in Agriculture expected to reduce even with sector growth

Oil Sector: ~80% of GDP but very small part of work the jobs.

# Climate Change accelerates shift away from Fossil Carbon Fuels

Positive Feedbacks [Fossil Methane & CO2, Acidic Oceans, Albedo Change, Water Evaporation, Etc.] causing major acceleration of the IPCC Climate Change Projections, will result in much faster shift to Energy Renewables, which have massive capacity and costs on a rapid downward spiral.

WORLD WILL MORE Rapidly -- than thought previously -- shift away from Fossil Carbon Fuels

#### The Key Technologies are Synergetic

- <u>IT</u> (comms/computing/sensors/electronics/machine intelligence)
- Bio (genomics/molecular biology/designer life forms)
- Nano (coatings/barriers/computers/sensors/materials/ "assemblers")
- <u>Energetics</u> (HEDM (various)/revol. solar/biomass/explosives/propellants/storage)
- Quantum [crypto/computing/sensors/optics/Electronics]
- <u>Societal Technological Systems</u> (motivational asynchronous "distance learning," immersive/virtual presence, "tele-everything," "robotic everything,"]

#### "Rise of the Machines"

- Machine Intelligence approaching Human via Biomimetics and perhaps emergence
- Autonomous Robotics
- Creating increasing unemployment [manufacturing, now service, soon Intellectual]
- Humans becoming Cyborgs [Retinas, hearts, limbs, brain chips, ......]
- Emergence of a Global Sensor Grid and a "Global Mind" [Web 3.0++]

"When Industrialization first occurred there were fears of massive unemployment which never happened, Why will the integration of robots into the workforce be any different?"

"We didn't create a second intelligent species 150 years ago, now we are doing that with intelligence that will get better and better....."

Marshall Brain, Author 'Robotic Nation"

- We had to "work" to feed ourselves
- It appears we will create/develop machines that will be MUCH more productive than we are...
- Which will create Massive Wealth, relieving us of the need to "work"- this will be a MASSIVE Change in civilization
- Robotics will reduce standards of living for the masses unless the ownership of the machines is somehow "shared".

#### **ICT Revolution Impacts on Society**

- Work (at home telecommuting, reduced local/corporal travel)
- Shopping (at home web based, (robotic?) delivery)
- Entertainment/leisure (at home immersive 3-D interactive/multi-sensory via VR/holographic projection)
- Travel (3-D/interactive/multi-sensory tele-travel)
- Education (at home low cost asynchronous, web based ondemand, highly motivational, life-long distance learning, .edu)
- Health (at home interactive tele-medicine)
- Politics (increased real-time virtual involvement of the body politic)
- Commerce (tele-commerce already ubiquitous)
- Tele-Socialization, Tele -[onsite] Manufacturing

### Water/Food

- Current food production based on Fresh Water Plants
- We are "running out" of Fresh Water
- Engendered by Population Growth,~ 50% too many of us for the Ecosystem to support NOW at current level and distribution of living standards, if/as the Rest of the World attains Western Consumption rate will need 4 more planets... Not Available
- A Partial "Solution" is to switch to Halophytes
   ["Salt Plants"], produce food on wastelands
   using saline/salt water, 22 nations working
   this, 'Solves" Land, water, food, energy and
   climate change.

# Potential Economic Ways Forward for Azerbaijan

- Note Each of these is both a "Product" going forward AND a "Tool" to attain the Economic Forefront.....
- Serious Web-Based Asynchronous Distance
  Education offered "nearly free" to educate/train
  EVERYONE at all levels [ "Now Create Wealth by
  Inventing Things"].MAJOR improvements in
  Education "efficiency", "coverage"/availability and
  cost Reduction[s]. The need for a more/more
  widely trained workforce is a key requirement and
  virtual Education can be provided nearly FREE.

 Develop/Apply Robotics and Machine Intelligence [for "Productivity improvements"] as rapidly as feasible, also utilize for Technical/ Competitive/ Market/ Application "Intelligence". Most efficient/effective approach is to leverage off of the investments of others. [Replacement value of the worlds technical literature is order of 100 million entries/papers etc times an average of at least \$100,000 per, That product is some \$10 Trillion].

 Beyond the IT/Bio/Nano Age is the Virtual Age, Tele-EVERYTHING including on-site manufacturing. Exploit/develop this Mega Technology Trend to reduce costs across-theboard, reduced physical travel, improved education, medical care, etc...Soon - 5 senses Virtual Reality/Immersive Presence .Also - As the populations increasingly operate out of their homes there will be massive opportunities associated with "Enriching" the Physical Home **Environment across-the-board** 

- Genomic and Synthetic Biology is increasingly critical for [vast opportunities in]:
- Human Health Care/ Life Extension [Prevention vice repair]
- Increased efficiency/reduced costs for biofuels, food and carbon sequestration
- Living Products"/ Bio-Functionalism and Bio-Production
- Climate Change Adaptation [ "Take the heat" etc.., Atmos. N2 uptake vice Fertilizer etc...]

- Renewable Energy :
- Wind [Resource Available]
- Hot Rock/Drilled Geothermal
- Solar Thermal
- Nano Plastic Solar PV
- Biofuels using waste water, saline water and wastelands [ Halophytes, Cyanobacteria]
- Distributed Generation & Conservation
- Atmospheric CO2 to CO [ a fuel] via solar energy processing
- Exotics [LENR, IECF Aneutronic Fusion, Etc.]

 Quantum TECHNOLOGY [ Vice Quantum Science] is the current "Beyond Nano" Technology Frontier[s], truly major opportunities across the board in sensors, energy, electronics/photonics, Materials Etc., An opportunity to "Get ahead of the wave".

 Water "Management" will be of increasing importance worldwide due to both rising Ocean Levels and An increasing shortage of Fresh Water [ which will be greatly alleviated by shifts to halophyte/saline water agriculture]. Water reclamation, decreasing water requirement[s] of all "flavors" [agriculture via genomics/synthetic bio, domestic [closed cycle systems], Industrial.Part of a larger nascent "industry" associated with Environmental Reclamation/ [re]terraforming/ Engineering

#### Bottom Line[s]

- To the extent that you invest in CONVENTIONAL INDUSTRIES to provide employment/ Economic Development these will inevitably lose employment due to the ever improving Machines, some [like agriculture] sooner than others.......
- Need to shift, as you are planning, to a KNOWLEDGE BASED, INNOVATIVE Economy, these jobs will be the last to be taken up by the machines
- There are several specific Frontier Technologies and Industries which you can Pioneer, will require rapid action on several Intellectual fronts as the technology landscape worldwide is essentially Flat, MUCH and Effective Competition....