

HUMILITY, FLEXIBILITY, AND RESILIENCE

Dick Vodra, CFP®
Worldview Two Planning
McLean VA 22102
ASPO-USA NATIONAL CONFERENCE
October 7, 2010

Dick Vodra is an Investment Advisor Representative with Spire Wealth Management, LLC, a Federally Registered Investment Advisor, and a Registered Representative of Spire Securities, LLC, a FINRA member firm.



Humility, Flexibility, and Resilience

- The Peak Oil story seems clear
- Real resource and climate-caused constraints will be very important
- But what confidence can we have in our expectations on how this will play out?



We're always being surprised

- After 1969 – US peak oil, rise of OPEC power
- After 1979 – Impact of new production from Alaska, North Sea, Mexico
- After 1989 – Fall of USSR and communism, glut of oil
- After 1999 – terrorism, finance crises, rise of oil and commodity prices
- After 2009 - ??????



The crisis is not just energy

- Peak oil is important, but so are
 - Weather, diseases, other resource issues
 - A fragile and interconnected world
 - Unbalanced wealth and power
 - High debt levels and strained financial system
 - Political deadlock here and abroad



Can the responses emerge?

- Climate people assume there will be enough energy
- Peak oil people assume there will be enough electricity
- Alt energy people assume society, finance and agriculture will continue to work
- Collapse people assume we can't work it out



Society isn't a mutual suicide pact

- There are a lot of bright people working on these problems
- The incentives to find workable responses are very high
- The Powers That Be really don't want to lose what control they have
- Don't assume the "responses" will directly address energy problems



The Future will be...

Outside the range of guesses



What surprises might be coming?

- Energy supplies
 - New oil supplies
 - Natural gas
 - Nuclear
 - Artificial photosynthesis
 - Coal and electricity might crash first



What surprises? - 2

- Energy efficiency and usage changes
 - Reduced demand with technology, rules, standards
 - Relocalization
 - Rationing
 - Electric transport
 - New transport expectations (less shipping and travel)



What surprises? – 3

- Political and Social structures
 - Transition towns and localization
 - New ethical expectations on community cooperation
 - Political restructuring
 - Authoritarian rules and controls
 - International cooperation
 - New rules for trade and finance



What surprises? - 4

- Financial systems
 - New kinds of markets
 - “The Grand Reset” of debt and currencies
 - More – or less - inequality



What surprises? - 5

- Other events (related or not)
 - Weather disasters
 - Food crises
 - Global epidemics – human or agricultural
 - War or terrorism
 - Domestic insurrection
 - Social/religious “awakening”



How to prepare

- What is your worldview? What do you expect?
 - Can you hold ambiguity?
 - Community vs individual responsibility
 - Shift? – decline? – collapse?
 - What's most important to you
 - Values vs stuff

Don't lock into a single path too early

Don't wait too long for clarity



How to prepare - 2

- Some specific recommendations for building resilience with your neighbors
 - Downscale as you can
 - Travel now
 - Look at your skills
 - Collaborate and build community
 - Own productive (or efficient) things, not paper
 - Diversify and de-risk your investments



Change has already started

There's an urgent need to do
reasonable things

Thank you.

Richard Vodra

Richard.vodra@worldviewtwoplanning.com



WorldviewTwoPlanning
INSIGHT FOR A CHANGING WORLD