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# The Geopolitics of 2035: An Alternative Futures Analysis

#### INTRODUCTION

By 2035, the global order will be unrecognizable compared to today. Political transformations, economic shifts, and technological advancements will reshape societies, dismantle old power structures, and introduce new forms of governance. Traditional nation-states will either adapt to these changes or be overtaken by corporate and technological entities that better manage resources and populations. The collapse of U.S. global hegemony, the expansion of China's influence, the rise of AI-driven economies, and the breakdown of traditional political systems into populist or authoritarian models will collectively define the world in 2035. This analysis explores how these geopolitical, political, economic, and social trends will shape the future, drawing upon multiple alternative futures scenarios.

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#### A THOUGHT EXERCISE FOR THE FUTURE



The world can change dramatically in just a decade.

History has repeatedly demonstrated how unexpected events—whether political, economic, technological, or social—can alter the course of nations and industries in ways few could have foreseen. The assassination of Archduke Franz Ferdinand in 1914 triggered World War I, leading to the collapse of empires. The Great Depression in 1929 reshaped the global economic order, while Hitler's rise to power in the 1930s set the stage for World War II. The Cold War's technological competition led to the invention of the

internet, an innovation that revolutionized business, security, and human interaction in ways unimaginable in previous decades. Each ten-year span throughout the 20th century saw radical transformations, proving that the future is never linear—it is shaped by disruptions, crises, and unexpected breakthroughs.

This report is not an attempt to predict the exact nature of the world in 2035. Instead, it is a thought exercise designed to help business executives, security professionals, and policymakers think critically about potential futures and prepare for uncertainty. By exploring how global geopolitics, economic structures, technological innovations, and social dynamics might evolve, this analysis encourages organizations to build resilience and adaptability into their strategies.

Businesses must be prepared for emerging power shifts, supply chain disruptions, and economic fragmentation, while security professionals must anticipate new threats, from AI-driven cyber warfare to the geopolitical consequences of digital sovereignty. By thinking about how the world could transform, organizations can better position themselves to navigate uncertainty, seize opportunities, and mitigate risks in a rapidly changing environment.

The following sections explore potential transformations in geopolitics, governance, economics, and social structures. The goal is not to declare what will happen, but to challenge assumptions about what could happen—because **if history has shown us anything, it is that the most profound changes often come from the most unexpected places.** 



## THE DECLINE OF U.S. HEGEMONY AND THE RISE OF A FRACTURED MULTIPOLAR WORLD

Scenario – Geopolitical Transformation

One of the most significant changes in the global landscape will be the loss of U.S. hegemony. Once the dominant superpower, the United States will struggle with internal polarization, economic stagnation, and military overextension, ultimately relinquishing its position as the sole global leader. In its place, a fractured multipolar order will emerge, where regional hegemons such as China, India, the remnants of the European Union, and a coalition of Gulf States exert influence in their respective spheres. This diffusion of power will lead to an increase in regional conflicts, as no single entity will be strong enough to enforce stability on a global scale.

China will emerge as the dominant power in Africa, leveraging its Belt and Road Initiative 2.0 to control infrastructure, resources, and digital governance across the continent. With an expanded military presence, China will ensure compliance from African governments while securing rare earth minerals and other essential commodities. Meanwhile, the European Union will undergo a transformation, shrinking in size as nationalist and populist governments pull member states away from the bloc, leaving behind only a Franco-German economic core. Latin America will see an expansion of right-wing populism, following the "Trumpist" model of nationalism, economic protectionism, and anti-globalization rhetoric. As the United States disengages, Latin American nations will seek alternative alignments, forming new coalitions or aligning with China's economic sphere.

This geopolitical fragmentation will result in increased trade conflicts, military stand-offs, and the weakening of global institutions such as the United Nations, IMF, and WTO. Countries caught between rival blocs will struggle to maintain neutrality, leading to a resurgence of non-aligned movements as smaller nations seek economic and security arrangements outside of the dominant power structures.





#### Causes of the U.S. Decline

The decline of U.S. global dominance will be driven by several interrelated factors. Internally, deepening political polarization will paralyze decision-making, preventing coherent long-term strategic planning. Economic stagnation, fueled by unsustainable debt levels, aging infrastructure, and a declining workforce, will weaken the United States' ability to maintain global influence.

Externally, China's rapid economic growth, technological advancements, and strategic diplomacy will challenge U.S. supremacy. The rise of alternative financial systems, such as digital yuan-based trade settlements, will erode the dominance of the U.S. dollar as the world's reserve currency, limiting Washington's ability to impose economic sanctions and project financial power.

Additionally, the <u>overstretching</u> of U.S. military commitments will leave Washington unable to respond effectively to multiple crises simultaneously. The disengagement from long-term allies in Europe, the Middle East, and Asia will allow regional powers to assert their own security priorities, further reducing American influence. Finally, an overall shift away from Westerncentric globalization will give rise to new economic and political <u>power structures</u> that do not depend on U.S. leadership.

#### The Rise of a Fractured Multipolar World

As the U.S. retrenches, China will emerge as the dominant power in Africa, leveraging its Belt and Road Initiative 2.0 to control infrastructure, resources, and digital governance across the continent. With an expanded military presence, China will ensure compliance from African governments while securing rare earth minerals and other essential commodities. Beijing's ability to dictate trade terms in Africa will increase its economic leverage over Europe, which will depend heavily on Chinese-controlled supply chains.

Meanwhile, the European Union will undergo a transformation, shrinking in size as nationalist and populist governments pull member states away from the bloc, leaving behind only a Franco-German economic core. The departure of economically weaker or politically independent-minded nations will weaken the EU's global standing, making it more of a regional player than a global force.

Latin America will see an expansion of right-wing populism, following the "Trumpist" model of nationalism, economic protectionism, and anti-globalization rhetoric. As the United States disengages, Latin American nations will seek alternative alignments, forming new coalitions or aligning with China's economic sphere. With Chinese investment in infrastructure and resource extraction, nations in the region will become increasingly dependent on Beijing's financial and political support.

India, while not seeking outright global hegemony, will emerge as a balancing power. By maintaining relationships with both Western and Chinese-led spheres, India will position itself as a critical economic and security partner for nations that seek alternatives to direct alignment with either the U.S. or China.

Meanwhile, Gulf States, enriched by continued energy dominance and diversification into AI and digital finance, will assert themselves as major financial and security players in the Middle East and North Africa, reducing their reliance on the U.S. military umbrella.

#### **Consequences of Geopolitical Fragmentation**

This geopolitical fragmentation will result in increased trade conflicts, military stand-offs, and the weakening of global institutions such as the United Nations, IMF, and WTO. As global governance institutions fail to adapt to the new power dynamics, their effectiveness in conflict resolution and economic stability will diminish, further accelerating instability.

Regional military conflicts will become more frequent as competing powers assert influence in contested areas. The South China Sea will remain a flashpoint for military confrontations, while border disputes between India and China, and Russian expansion into former Soviet territories, will destabilize Eurasia. The weakening of the U.S.-led security umbrella will embolden regional powers like Turkey and Iran to engage in more aggressive foreign policies, leading to proxy wars across the Middle East and beyond.

Countries caught between rival blocs will struggle to maintain neutrality, leading to a resurgence of non-aligned movements as smaller nations seek economic and security arrangements outside of the dominant power structures. This will create a patchwork of alliances where nations hedge their bets between major powers, navigating an era of diplomatic fluidity where long-term alliances are rare, and short-term transactional relationships become the norm.

The shift to a multipolar world will also create challenges for multinational corporations and international trade. As economic zones become increasingly regionalized, companies will be forced to navigate competing regulatory systems, tariffs, and sanctions. The division of digital ecosystems—where China, the U.S., and the EU each operate distinct technological and data governance models—will make global commerce more fragmented, reducing efficiency and raising costs for businesses and consumers alike.

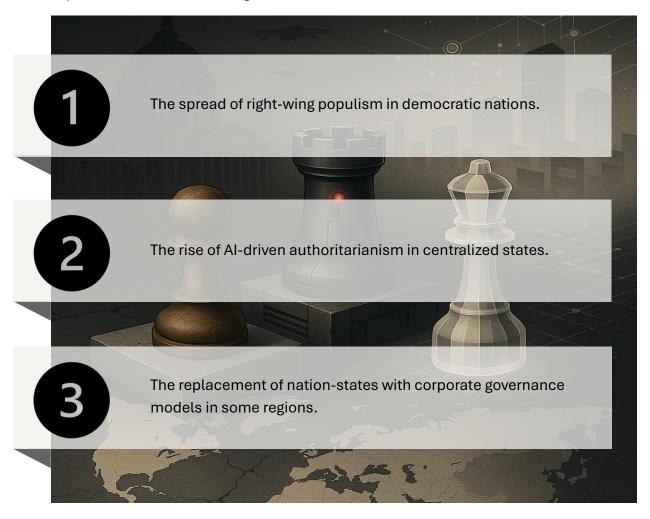
Ultimately, the decline of U.S. hegemony and the rise of a fractured multipolar world will usher in an era of instability, as power struggles play out across economic, military, and technological domains. Without a single dominant power to enforce global norms, the international system will become more unpredictable, increasing the risk of conflicts and economic volatility.



# THE RISE OF POPULISM, CORPORATE GOVERNANCE, AND AI-DRIVEN AUTHORITARIANISM

Scenario - Political Transformation

In 2035, political structures will diverge into three main models:



The appeal of strongman politics and nationalism will dominate Latin America, Europe, and parts of Asia, as economic hardship, mass migration, and distrust in democratic institutions drive populations toward leaders who promise stability through control. As the EU weakens, European nations will either turn to nationalist governments or integrate into smaller, more ideologically aligned economic coalitions.

Simultaneously, China, Russia, and other authoritarian states will refine AI-driven governance systems, using predictive algorithms for social control, censorship, and economic planning. Surveillance states will expand beyond China, as governments recognize the effectiveness of AI in managing dissent and shaping public opinion. The internet itself will be fractured into two



ecosystems: a "closed digital authoritarian network" dominated by China, Russia, and Iran, and an "open but fragmented Western network" led by the United States and its allies.

Meanwhile, traditional nation-states will decline in influence as mega-corporations take on governance roles. Cities like Dubai, Singapore, Shenzhen, and Saudi Arabia's NEOM will evolve into self-sustaining city-states where corporate entities provide security, infrastructure, and citizenship services. These corporate-controlled zones will offer economic prosperity and stability but at the cost of democratic freedoms, as residents effectively subscribe to "corporate citizenship" with limited political rights.

### The Rise of Populism and the Weakening of Democratic Institutions

Populism, particularly of the right-wing nationalist variety, will continue to rise in Latin America, Europe, and parts of Asia. Economic hardship, growing inequality, and mass migration will <u>fuel resentment</u> against traditional political elites, leading to the election of <u>strongman leaders</u> who promise security, national identity, and economic protectionism. As the European Union weakens due to <u>internal fractures</u>, individual nations will either turn to nationalist governments or integrate into smaller, more ideologically aligned economic coalitions.

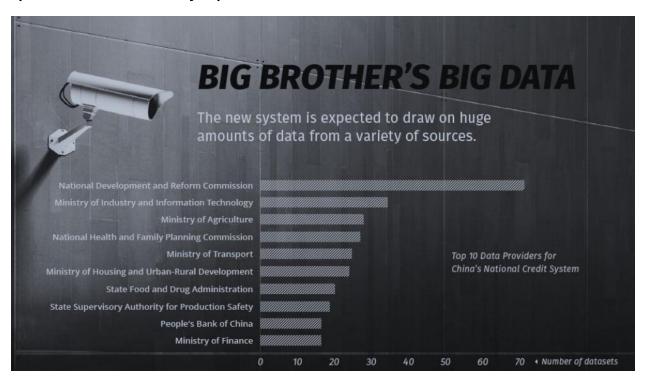
Several factors will drive this trend. **Economic inequality** <u>will worsen</u> as automation and Al eliminate traditional jobs, leaving many workers without stable employment. **Mass migration**, largely driven by climate change, political instability, and economic disparities, will create social tensions in host countries, fueling xenophobic rhetoric and anti-immigrant policies. **Distrust in traditional democratic institutions** will grow as political gridlock, corruption scandals, and perceived ineffectiveness make established parties appear obsolete.

The consequences of this shift will be significant. Democratic norms will erode as leaders consolidate power, bypassing checks and balances through emergency decrees and weakening independent institutions. The judiciary, media, and civil society organizations will face increasing suppression in the name of "national security" and "economic stability." Global cooperation will suffer as nationalist governments prioritize short-term domestic gains over multilateral agreements, leading to trade wars, diplomatic stand-offs, and a decline in international organizations' effectiveness. Meanwhile, civil unrest will become more common as inter-group hostilities rise.

#### The Rise of Al-Driven Authoritarianism

At the same time, centralized states—particularly China, Russia, and certain Middle Eastern nations—will refine AI-driven governance models, using predictive algorithms for social control, censorship, and economic planning. These governments will increasingly rely on artificial intelligence to monitor dissent, shape public opinion, and preempt political opposition.

The driving forces behind this shift will be both technological advancements and state security concerns. The ability of AI to analyze massive amounts of data will allow regimes to identify potential threats before they materialize, leading to widespread "preemptive governance." Predictive policing will enable states to crack down on opposition movements before they gain traction, while AI-generated propaganda will make distinguishing truth from state-sponsored narratives nearly impossible.



China's social credit system already shows how Al-driven authoritarianism could work. Source: Breaking Asia

The consequences of Al-driven authoritarianism will be profound. Political dissent will become harder to organize as mass surveillance systems integrate facial recognition, biometric tracking, and real-time behavioral analysis. The internet itself will fracture, splitting into two distinct ecosystems: a "closed digital authoritarian network" dominated by China, Russia, and Iran, and an "open but fragmented Western network" led by the United States and its allies. Citizens in authoritarian states will have limited access to global information, reinforcing government control over knowledge and ideological narratives.

This digital divide will not only affect freedom of expression but also commerce, as businesses operating in authoritarian states must comply with restrictive digital policies or risk being shut out of lucrative markets. Al-controlled financial systems will ensure that economic transactions are monitored, allowing governments to financially blacklist dissidents or reward compliance. As Al governance becomes more sophisticated, authoritarian states may become more resilient to internal uprisings, making regime change increasingly difficult.



#### The Rise of Corporate Governance and the Decline of Nation-States

The decline of traditional nation-states will also give rise to corporate governance models, where multinational companies take on roles traditionally held by governments. Cities like Dubai, Singapore, Shenzhen, and Saudi Arabia's NEOM will evolve into self-sustaining corporate city-states, where private entities control security, infrastructure, and even citizenship services.

These corporate-run zones will attract talent and investment by offering economic prosperity, advanced technological infrastructure, and Al-managed social stability. However, they will come at the cost of democratic freedoms, as governance in these regions will be dictated by corporate policies rather than public elections or constitutional laws.

This shift will be driven by the inefficiency of traditional governments in handling <u>rapid</u> technological change and economic volatility. As Al-driven companies generate unprecedented levels of wealth, they will increasingly bypass national regulations by creating self-contained governance models. Governments, facing declining tax revenues and rising debt burdens, may willingly cede certain functions to corporations in exchange for economic stability. In extreme cases, weakened nation-states may become subsidiaries of major multinational entities, blurring the lines between public and private governance.

The consequences of corporate governance will be mixed. On one hand, these entities will be more efficient in providing services such as healthcare, education, and infrastructure, leveraging AI to optimize urban management. On the other hand, citizenship will become a transactional arrangement rather than a fundamental right. Residents will effectively subscribe to corporate governance models, where their access to basic services is contingent on adherence to corporate policies. Dissent will be



Reality might become like fiction. The television series Continuum depicts a future where corporations control all aspects of governance.

discouraged, as corporations implement Al-driven surveillance systems that track employee and resident behavior to maintain "social stability."

Furthermore, corporate legal systems will operate independently of national judicial frameworks, creating new challenges for human rights and accountability. Workers may have fewer legal protections, and contract-based governance could lead to increased economic disparity between those who can afford premium-tier services and those who are left in underdeveloped governmental regions. Additionally, corporate city-states may operate as diplomatic entities in their own right, negotiating trade and security agreements independently from their host nations, further eroding the power of traditional governments.



#### Consequences and the Future Political Landscape

These three political transformations—populism, AI-driven authoritarianism, and corporate governance—will not evolve in isolation but will interact in complex ways. Some nations will transition from populist governments to authoritarian regimes, using nationalism as a justification for increased state control. Others will see their governments replaced by corporate entities that provide greater stability at the cost of democratic participation. Meanwhile, authoritarian states will use AI to maintain and expand their power, exporting digital governance tools to weaker governments seeking to manage dissent.

The erosion of democratic institutions will make global governance more volatile, with fewer mechanisms for conflict resolution and cooperation. The decline of nation-states will also redefine the concept of citizenship, shifting it from a national identity to a digital or corporate affiliation. As states lose their ability to regulate powerful corporations, multinational tech giants may become the de facto arbiters of law, human rights, and governance.

Ultimately, the political landscape of 2035 will be shaped by who controls governance—populist leaders, Al-driven states, or corporate entities—and how populations respond to these changes. Whether this future results in greater economic efficiency or widespread suppression of individual freedoms will depend on the choices made in the next decade, as governments, businesses, and citizens navigate these tectonic political shifts.



# REGIONALIZED TRADE BLOCS, AI-DRIVEN AUTOMATION, AND THE DECLINE OF TRADITIONAL EMPLOYMENT

#### Scenario - Economic Transformation

Economically, the world will shift away from a single integrated system into fragmented regional trade blocs. The U.S.-China decoupling will accelerate, leading to the formation of economic alliances that exclude the opposing power. The "China-led bloc" will dominate Asia, Africa, and parts of Latin America through digital yuan-based trade and Al-powered supply chains. Meanwhile, a "Western bloc" composed of the U.S., Canada, Japan, and a reduced EU will attempt to maintain economic independence through subsidies, supply chain reshoring, and export controls on critical technologies. Countries that fail to align with either bloc will struggle, becoming economically isolated or forced into exploitative agreements with the dominant powers.

The nature of employment will be fundamentally altered by AI and automation. By 2035, AI-driven economies will have rendered most traditional jobs obsolete, particularly in developed nations. Manufacturing, logistics, customer service, and even knowledge-based professions such as law and medicine will be largely automated. Governments will be forced to introduce Universal Basic Income (UBI) programs to prevent social collapse, but this will also create a permanent economic underclass dependent on state handouts. Wealth concentration will accelerate, as AI-driven corporations surpass the power of most national governments, setting policies that shape global labor markets and trade regulations.

Meanwhile, economic warfare will become the norm. Sanctions, digital currency manipulation, and cyber-attacks on financial systems will replace traditional warfare as tools of geopolitical influence. The U.S. dollar's dominance will weaken as China's digital yuan and regional cryptocurrencies challenge its status as the global reserve currency. Financial systems will shift toward decentralized, Al-managed economic models, where governments play a diminishing role in monetary policy.



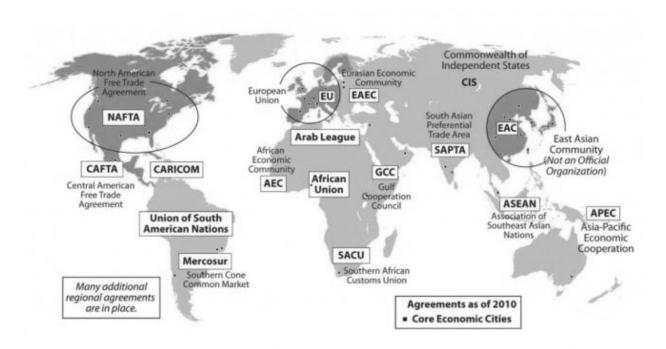


#### The Rise of Regionalized Trade Blocs and the End of Globalization

The post-World War II era of economic globalization will give way to a new order in which trade is increasingly dictated by regional alliances rather than global markets. The decoupling of the United States and China will accelerate, forcing nations to align with one of two dominant economic spheres:

- The China-led bloc, which will extend its influence over Asia, Africa, and parts of Latin America through Belt and Road Initiative 2.0 investments, AI-driven supply chains, and digital yuan-based financial networks. China's growing dominance in critical industries such as renewable energy, semiconductors, and rare earth minerals will force dependent nations into economic agreements that solidify their reliance on Beijing.
- The Western bloc, led by the United States, Canada, Japan, and a smaller, more
  protectionist European Union, will attempt to secure economic self-sufficiency by reshoring
  supply chains, restricting the export of critical technologies, and establishing alternative
  energy and manufacturing hubs. The introduction of "friendshoring" policies will encourage
  trade among politically aligned nations while shutting out China-led economies.

Countries that fail to integrate into either bloc will face economic isolation or exploitative agreements with dominant powers. Nations in Latin America, Southeast Asia, and parts of Africa will struggle to maintain neutrality, often having to choose between infrastructure investments from China or security guarantees from the United States. Smaller economies may become battlegrounds for economic proxy wars, where trade disputes and financial coercion determine national policy rather than military intervention.



Current major trade blocs that will likely realign. **Source:** News.az

The consequences of this economic fragmentation will be severe. Global trade will become more expensive and less efficient, leading to higher production costs, inflation, and supply chain disruptions. Companies will be forced to localize their production facilities, increasing redundancy in manufacturing but reducing overall innovation and technological exchange.

Economic warfare will intensify, with sanctions, currency manipulation, and cyber-attacks replacing traditional military confrontations as the primary tools of geopolitical conflict. The weakening of global institutions like the World Trade Organization (WTO) and the International Monetary Fund (IMF) will further erode mechanisms for economic stability, increasing the risk of regional financial crises and debt defaults.

#### Al-Driven Automation and the Redefinition of Work

By 2035, artificial intelligence and automation will have <u>fundamentally altered</u> the nature of employment, making many traditional jobs obsolete. The transition to Al-driven economies will be most disruptive in developed nations, where high labor costs incentivize corporations to replace human workers with automated systems. Key industries affected will include:



**Manufacturing and logistics**: Al-powered robotics and autonomous transportation will eliminate the need for factory workers, warehouse employees, and truck drivers.



**Customer service and retail**: All chatbots and automated shopping systems will drastically reduce the demand for human service workers.



**Professional services**: Fields such as law, finance, and medicine will see major disruption as AI algorithms outperform human experts in tasks like contract analysis, investment management, and medical diagnostics.

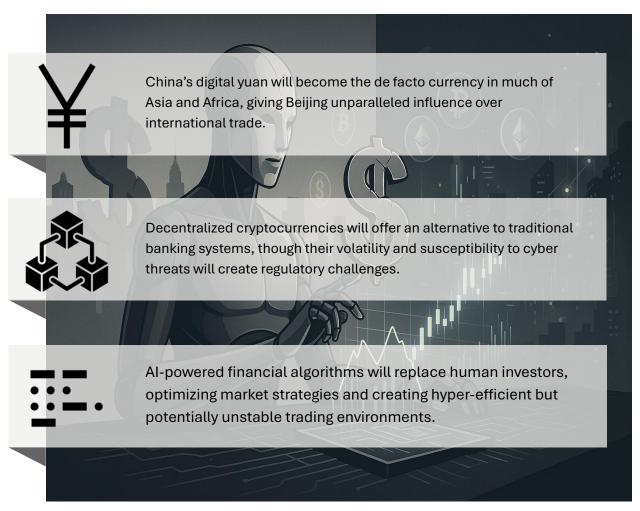
As traditional employment opportunities vanish, governments will be forced to intervene to prevent mass economic destabilization. Universal Basic Income (UBI) programs will be introduced in many advanced economies, providing financial support to displaced workers. However, these programs will create a new economic underclass—a permanent population of people reliant on state assistance, with limited opportunities for upward mobility.

Meanwhile, Al-driven corporations will consolidate unprecedented levels of economic power, surpassing national governments in wealth and influence. With direct control over financial networks, digital infrastructure, and supply chains, these corporations will effectively dictate global

labor policies. Governments that fail to regulate AI-driven industries will find themselves economically dependent on multinational tech firms, further eroding their sovereignty.

### The Shift to Al-Managed Financial Systems and the Decline of Traditional Currency

The financial sector will undergo a revolution as artificial intelligence takes over monetary policy, investment management, and risk assessment. Central banks will struggle to maintain control over national economies as decentralized AI-managed financial systems emerge. The dominance of the U.S. dollar as the world's reserve currency will weaken as alternative digital currencies challenge its status:



This shift will diminish the role of traditional governments in financial regulation. Al-driven economies will prioritize efficiency over stability, potentially increasing economic inequality as financial systems cater to the needs of data-driven corporations rather than national policies.

Governments that fail to integrate Al into financial regulation will struggle to manage inflation, debt crises, and economic bubbles.



Economic warfare will also intensify, with digital currency manipulation, algorithm-driven financial attacks, and AI-coordinated sanctions becoming routine tools of geopolitical conflict. The collapse of trust in traditional financial institutions may lead to the rise of AI-controlled economic zones, where AI sets monetary policy independently of political influence. Nations that fail to adapt to AI-driven economic management will face financial obsolescence, as investors and corporations shift their capital to regions where algorithmic governance offers more stability and growth.

#### **Consequences of Economic Transformation**

The transition to regionalized trade blocs, Al-driven automation, and Al-managed financial systems will fundamentally alter the global economy. The consequences will be profound:

- 1. **Increased Economic Inequality** The divide between AI-powered economies and those reliant on human labor will create an unprecedented wealth gap, exacerbating social unrest and political instability.
- 2. **The End of Traditional Employment** Governments will have to redefine economic value, moving away from wage-based economies toward state-managed financial support models such as UBI or government-sponsored corporate work programs.
- 3. **The Fragmentation of Financial Systems** With AI managing monetary policy and digital currencies replacing traditional money, national governments will lose control over economic regulation, leading to unpredictable market fluctuations.
- 4. **New Economic Power Structures** Al-driven corporations will surpass national governments in economic influence, dictating trade policies, labor laws, and investment strategies.
- 5. **The Decline of the U.S. Dollar** With multiple competing digital currencies in circulation, the global financial system will become more decentralized but also more unstable, as economic conflicts will increasingly be fought through financial and algorithmic warfare rather than conventional military engagement.

By 2035, the global economy will be fundamentally restructured. Regional trade blocs will replace globalization, AI-driven automation will redefine the labor market, and AI-managed financial systems will render traditional economic models obsolete. Whether these changes lead to prosperity or chaos will depend on how well governments, corporations, and societies adapt to this radically different economic landscape.



## DEMOGRAPHIC COLLAPSE, AI-INTEGRATED SOCIETIES, AND THE EMERGENCE OF POST-NATIONAL IDENTITIES

Scenario - Social Transformation

By 2035, the world will undergo deep social transformations driven by demographic shifts, AI integration into daily life, and the redefinition of identity. Demographically, many parts of the world will face rapid population decline, particularly in developed nations. Fertility rates will continue to fall, leading to labor shortages and the rise of "artificial societies," where governments promote cash incentives for childbirth, paid surrogate programs, and AI-assisted childcare solutions. Some countries will embrace mass migration to offset declining populations, while others will implement strict ethno-nationalist policies to preserve cultural identities.

Al and biotech will redefine human social structures. Al-driven personal assistants, synthetic companions, and bioengineered enhancements will be integrated into daily life, blurring the lines between human and machine interactions. The social fabric will shift from traditional community-based interactions to digital relationships, where Al curates personal experiences, friendships, and even political ideologies.

As national identities weaken, post-national affiliations will emerge. Digital citizenship, corporate loyalty programs, and decentralized virtual communities will replace traditional notions of nationality. People will identify more with global or corporate affiliations rather than with the nation-state they were born into. The concept of a "nation" will become increasingly obsolete for many individuals, replaced by ideological or digital membership in Al-managed societies.



#### Demographic Collapse and the Struggle to Sustain Populations

One of the most pressing social challenges of the 21st century will be population decline, particularly in developed countries. Nations like Japan, South Korea, Germany, and China will experience shrinking workforces due to low fertility rates, despite efforts to encourage childbirth. Several key factors will drive this trend:



**Economic Pressures on Families:** The rising cost of housing, education, and childcare will discourage people from having children, particularly in urbanized societies where living spaces and financial stability are limited.



**Shifting Cultural Norms:** Younger generations will increasingly prioritize career advancement, personal freedom, and alternative lifestyles over traditional family structures.



**Advancements in AI and Automation**: As AI and robotics replace human labor, the economic necessity of maintaining a large workforce will diminish, further reducing incentives for population growth.

Governments will attempt to counteract this demographic collapse through <u>various interventions</u>, including cash incentives for childbirth, paid surrogate programs, Al-assisted childcare solutions, and relaxed immigration policies. Some nations will aggressively promote pro-natalist policies, while others will restrict migration and promote ethno-nationalist agendas in an attempt to preserve cultural identities.

#### Consequences of Demographic Collapse

The economic and social implications of declining populations will be severe. With fewer working-age citizens, governments will struggle to fund social security, healthcare, and pensions. This could result in higher taxes on younger generations, reduced government services, and increasing dependence on Al-driven productivity to sustain economic output. Additionally, industries reliant on human labor—such as elder care, healthcare, and service sectors—will face chronic shortages, necessitating the rapid development of robotic caregivers, Aldriven medical services, and automated support systems.

In societies that reject immigration as a solution, aging populations will lead to economic stagnation and political instability, as nationalist factions resist demographic and cultural shifts. Countries that embrace migration will experience rapid diversification, but also potential political and social conflicts over integration and resource allocation.



### Al-Integrated Societies and the Transformation of Human Relationships

As AI and biotech become deeply embedded in daily life, human relationships and interactions will be transformed. AI-driven personal assistants, synthetic companions, and bioengineered enhancements will blur the lines between human and machine interaction, redefining emotional and social connections.

**Drivers of Al-Integrated Societies** 



The Rise of Al Companionship: Al-driven emotional support systems, ranging from advanced chatbots to humanoid robots, will replace traditional human relationships for many individuals. Loneliness, a growing crisis in aging and technologically advanced societies, will be alleviated through synthetic companions that provide emotional fulfillment.



**Neural Implants and Human-Al Symbiosis:** Brain-computer interfaces will allow for direct integration between Al and human cognition, enhancing memory, learning, and even emotional regulation. This will lead to new forms of communication that transcend traditional verbal and written language.



Al-Curated Social Experiences: Individuals will increasingly rely on Al to curate their social interactions, digital environments, and even belief systems, leading to personalized realities where people only interact with like-minded individuals and Al-generated personas tailored to their psychological profiles.



#### **Consequences of Al-Integrated Societies**

The widespread adoption of AI in social structures will fundamentally alter human behavior and relationships. Romantic partnerships and friendships may no longer be defined by human-to-human interaction, as AI companionship becomes more fulfilling and widely accepted. Traditional social institutions, such as marriage, religion, and education, will struggle to adapt to a world where AI provides more customized, efficient, and emotionally satisfying alternatives.

There will also be ethical and psychological implications. As AI increasingly mediates human experience, people may become detached from reality, living in AI-curated echo chambers where they interact primarily with digital constructs rather than real-world communities. This could lead to a decline in critical thinking, social adaptability, and interpersonal communication skills.

#### The Emergence of Post-National Identities

As Al-driven globalization accelerates, <u>traditional national identities will erode</u>, giving way to **post-national affiliations based on ideology, corporate loyalty, and digital communities** rather than physical geography.

**Drivers of Post-National Identities** 



**The Decline of the Nation-State:** As regional trade blocs and corporate governance structures replace traditional nation-states, citizenship will become more fluid, with individuals affiliating more with digital or economic entities than with political nations.



**Corporate and Digital Citizenship:** Tech conglomerates and digital ecosystems will offer exclusive membership-based societies, where access to services, resources, and even physical residency is determined by an individual's economic contribution or loyalty to a corporate entity.



The Growth of Ideological and Digital Communities: Virtual reality, blockchain-based governance, and decentralized organizations will create alternative social structures that exist outside of national boundaries. Digital nomads and Al-integrated individuals will form affiliations with communities that align with their values rather than their birthplace.

#### **Consequences of Post-National Identities**

The concept of nationality will become increasingly obsolete for many people. Rather than identifying with a specific country, a large number of individuals will align with ideological movements, corporate ecosystems, or digital citizenship platforms that offer them the greatest benefits. This will lead to:



**Fragmentation of Legal and Political Rights**: If corporations and digital communities replace traditional governance, access to services such as healthcare, security, and economic opportunities may be dictated by subscription-based models rather than birthright citizenship.



**Erosion of Traditional National Loyalty**: Governments will struggle to maintain national unity as their citizens prioritize transnational or digital affiliations over patriotic identities.



**Increased Social Stratification**: Access to elite digital and corporate citizenship programs will create a new class divide, where those with economic power have greater mobility, security, and resources than those who remain bound to weakened nation-states.

#### CONCLUSION

By 2035, the world will be radically transformed across multiple dimensions. U.S. hegemony will give way to a fragmented multipolar order, where China exerts dominance in Africa, Europe shrinks in influence, and Latin America embraces nationalist populism. Political structures will diverge between AI-driven authoritarianism, nationalist governance, and corporate-led city-states. Economically, regional trade blocs will replace globalization, AI-driven automation will eliminate traditional jobs, and financial warfare will become a standard geopolitical tool. Socially, demographic collapse, AI integration, and post-national identities will redefine human civilization.

These alternative futures suggest that the world of 2035 will be a chaotic but innovative period, where adaptation and resilience will determine which nations, corporations, and individuals thrive in the new order. Whether this future is one of dystopian fragmentation or creative reinvention remains an open question, shaped by the choices made in the coming decade.



#### PREPARING FOR THE UNPREDICTABLE FUTURE

The purpose of exploring these alternative futures is not to predict with absolute certainty what the world will look like in 2035, but rather to engage in a thought exercise that equips business executives, security professionals, and policymakers with the tools necessary to anticipate and adapt to potential global transformations. Understanding how political, economic, technological, and social shifts might unfold allows organizations to develop proactive strategies rather than reacting to crises as they emerge.

For business leaders, this exercise highlights the importance of resilience and adaptability in an increasingly unpredictable world. Regionalized trade blocs, Al-driven economies, and corporate governance models will alter how businesses operate, forcing leaders to rethink supply chains, investment strategies, and workforce planning. Companies must be prepared for rapid regulatory shifts, digital currency disruptions, and new economic power structures that could fundamentally reshape global markets. Those who anticipate these trends will have a competitive edge in securing resources, managing risk, and maintaining stability in an era of geopolitical fragmentation.

For security professionals, analyzing these alternative futures is essential for preparing for emerging threats and vulnerabilities. The rise of AI-driven authoritarianism, economic warfare, and post-national identities will present new security challenges that traditional frameworks are illequipped to handle. Cybersecurity will no longer be an IT concern but a fundamental aspect of national security and corporate risk management. AI-enhanced disinformation, algorithmic surveillance, and digital sovereignty conflicts will require security teams to develop novel threat mitigation strategies that go beyond conventional defense mechanisms. Understanding these risks in advance will help security professionals build more resilient, adaptable, and forward-looking security architectures that can withstand the disruptions of the coming decades.

By considering these alternative futures, organizations can enhance their strategic foresight, build flexibility into their operations, and develop contingency plans for a rapidly shifting world. Whether or not these specific scenarios materialize exactly as outlined, the ability to think critically about uncertainty and complexity will remain a crucial skill for navigating the challenges of the 21st century. The future may be unpredictable, but those who plan for multiple possibilities will be best positioned to thrive in whatever world emerges by 2035.