

# **Futurist Gerd Leonhard talks to Business Insider about cryptocurrency, the professions that will disappear over the next 20 years, and why he quit Facebook**



Futurist Gerd Leonhard believes hard currency and many professions will disappear over the next 20 years. Gerd Leonhard - Youtube / [youtube.com/watch?v=wIQJNtUgmwY](https://youtube.com/watch?v=wIQJNtUgmwY)

A well-known futurist and writer, the CEO of the Futures Agency and one of the most influential people in Europe, Gerd Leonhard claims that some banks in the near future will lose 60% of their revenue due to blockchain and technological development. He also predicts that hard currency will have disappeared within 10 years, having been replaced by digital money.

Business Insider Poland's Łukasz Grass spoke to Gerd Leonhard in Warsaw during the "SAP NOW Inteligentna Organizacja" ("SAP New Intelligence Organisation") conference.

Below is a transcript of the interview:

**Łukasz Grass:** You've suggested that, over the next 20 years, humanity will change more than it has in the past 300 years — what, specifically, will change and what will be the cause?

**Gerd Leonhard:** When I talk about humanity changing, I mean society, our jobs, our work and our economy. In a broader sense, I also mean our chemistry, our consciousness ... everything that makes us human. Until now, technology has remained outside our bodies. But now, technology is so advanced that it can be used inside our bodies. We can use technology to change our minds — to be superhuman. In the next 10 years, technology will be inside our body: we'll have nanobots in our bloodstreams and brain-computer interfaces.

**Grass:** You've alluded to the idea that "software is consuming the world." I also get the sense that new technology and blockchain will soon be consuming the banks too. In March, I hosted a panel discussion at the London School of Economics, where I talked to the CEOs of five of the biggest banks in Poland. My interlocutors were, among others, the heads of several of the largest banks in Poland, and we discussed the future of their industry. Among their claims were that bank branches weren't going anywhere anytime soon and that cryptocurrencies posed no threat to the banking sector. They only said that blockchain would help in the development of banking. What do you think about these assertions?

**Leonhard:** There's no "black and white" answer to whether those ideas are true or not. The most important thing about technology is that it makes service faster and more convenient and that it takes out the middleman. The banks are middlemen, and it must be emphasised that the role they play is too big. In the near future, there will be thousands of ways of doing things currently done by the banks that won't require them. For instance,

we'll eventually be able to instantly transfer wages via phone without banks as intermediaries, as is already the case in Africa. This does not equate to the idea that banks will completely disappear but it does mean that some of them will lose between 40% and 60% of their of their income. Let us remember though that we have private banking, consumer banking, and investment banking. We're connected to the internet and really don't need to use a bank to send money anyway.



Leonhard says that in five years, buying a car will become like creating a Spotify playlist. Flickr.com / Gerd Leonhard / CC BY-SA 2.0

**Grass:** And bank branches?

**Leonhard:** We haven't used bank branches in a traditional sense for a long time. The situation is similar to car factories and dealerships. In five years, we won't be going to car dealership; cars will be 100% personalised. We'll be putting them together in virtually the exact same way we create a Spotify playlist. And the car will be delivered to us — or will deliver itself.

**Grass:** What about insurance and media companies? Will they also be

consumed by technological progress?

**Leonhard:** The current intermediaries are being threatened by powerful, new intermediaries i.e. digital platforms such as Amazon, Google, Facebook, or Alibaba. The latter already runs 65 different businesses, in sectors ranging from retail, e-commerce and banking to social media and films — and Amazon is soon to become a "bank"! 350 million premium users will get free banking services and no one will pay a penny for transferring money. Conventional banking businesses have a very simple financial model: they take money from you and invest it, sometimes charging a fee higher than the amount transferred for international transfers. The new digital banking will facilitate you in spending your money rather than holding onto it in the traditional banking sense, so this is a completely different business model.

**Grass:** Do you think that traditional money will disappear? What about cryptocurrency?

**Leonhard:** Money will go digital, that's for sure. And this is the first, most important change; not cryptocurrencies. In the next 10 years, currency will all be digital and paper currency will be gone.

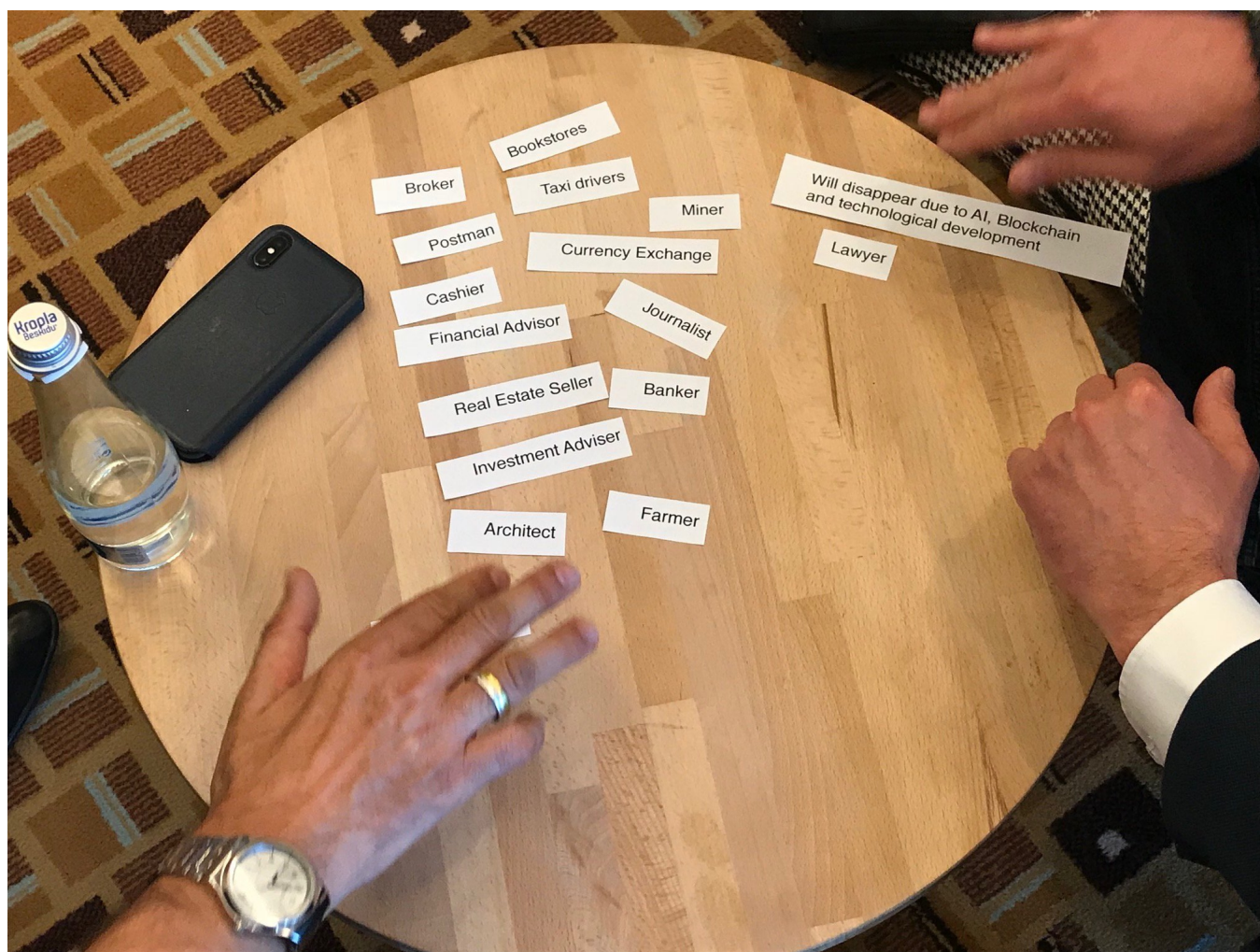
**Grass:** There is no doubt that technological progress will change the world enormously over the next 20 years. The question is, what will it take down with it along the way?

**Leonhard:** People usually think about changes in civilisation in the context of loss. I actually think 95% of changes are positive. The only thing we have to agree on is how much these changes are allowed to interfere with our lives.

**Grass:** Fair enough but, all the same, I'd like for you to partake in a small experiment concerning changes that may not be to everyone's liking. On a dozen or so cards, I've printed the names of various professions. Could you single out the professions that are to disappear or be severely cut back in the next 20 years? I've chosen, among others, a lawyer, a banker, a



journalist, a postman, a cashier, an architect, an investment advisor, a broker, a miner, a financial advisor and a farmer.



The futurist also asserts that many professions will be non-existent within the next ten years. Business Insider Polska / Łukasz Grass

**Leonhard:** A lot of this depends on where you work. Let's start with the lawyer. In many cases, this profession is simply routine work, such as checking contracts. That sort of work will disappear. But the same goes for architects, investment advisors, real estate agents, and bankers — but only in positions which are mainly centered around menial office work.

Let's say I have 10,000 euros to spend. I don't need an advisor; I can use an artificial intelligence stock portfolio, which is better, quicker, and cheaper.

As for journalists, AI is unlikely to kill them off but we have a similar situation to the one we have with lawyers: those journalists who write original work, whose work requires meeting with people — those people

will keep their jobs.

**Grass:** Fully agree. Simple information, messages, translations, and texts based on sets of data will be written by artificial intelligence. But what about farmers?

**Leonhard:** Agriculture is already highly automated, but I can't see farmers completely disappearing. We're now developing 'vertical farms.' This is a very good but expensive investment. Imagine a 40-storey skyscraper where you can grow lettuce, radish, chives, and other fruit and vegetables on each floor. This is already happening in Abu Dhabi. So farmers will probably stick around and in some countries, they'll make a comeback but, rather, with the use of modern technologies. They will not be conventional farmers in fields where pesticides are used. New technologies will change agriculture very quickly.

**Grass:** What about postmen?

**Leonhard:** That's an interesting one, which could go either way. I don't see drones as a viable substitute for this profession due to noise, privacy, and security. I think we'll still need people to deliver goods and shipments.

**Grass:** And as for the miners?

**Leonhard:** The mining industry is almost completely automated. In Poland, this issue will soon be quite a challenge as I think that, within 10 years, coal will no longer be able to compete with solar energy.

**Grass:** Do you think solar energy will replace coal?

**Leonhard:** Absolutely. Firstly, because we need to do this for environmental reasons. Secondly, because the production costs of solar panels have fallen by more than 90% in some cases.

**Grass:** That's a lovely and idealistic vision, but I don't think that would work in Poland any time soon, mainly as our government is supporting the

development of mining by building more coal-fuelled power plants. Let's talk about social media. I'd like to ask you about the role of social media in such a rapidly changing world. Especially about Facebook.

**Leonhard:** I quit Facebook three weeks ago — you won't find me on there anymore.

**Grass:** Why's that?

**Leonhard:** Basically, Facebook has become a perversion of what social media was meant to be. It has used its position, in essence, to conduct experiments with artificial intelligence.

**Grass:** So you disagree with them having done so? And your decision to delete your Facebook account is an act of protest?

**Leonhard:** Well, I think it is a question of responsibility. The principle of Facebook is to provide you with a platform but it takes everything you put into it and makes money from it in a thousand really strange ways. The way I see it, you can watch on as the abuse takes place or you can delete your account.

**Grass:** Maybe now's a good time to ask about the ethical side of creating a business. What, in your opinion, will happen if entrepreneurs, startup founders, and CEOs of large corporations overlook this?

**Leonhard:** Everyone should take responsibility for their business. Whatever you create as a tool, it can change culture and society and you are responsible for all consequences. Just like factory owners are responsible for environmental pollution.



Leonhard says: "So if you create an AI tool, you're responsible for safety implications and any other consequences of whatever you create." Foto: Flick.com / Gerd Leonhard / CC BY-SA 2.0

So if you create an AI tool, you're responsible for safety implications and any other consequences of whatever you create. Theoretically, the more you are connected to new technologies, the more vulnerable you are to loss of privacy, cybercrime and surveillance. Imagine everything you have is connected to a network — a fridge, an account, a house, a car etc. Anyone who owns this data could easily reproduce it.

**Grass:** So how can this be controlled?

**Leonhard:** Control is not the solution; we need conscious responsibility, accountability, and honesty in conducting business. And Facebook is not responsible; it's behaving irresponsibly.

**Grass:** What else is the big challenge for humanity with regards to new technologies?

**Leonhard:** We're developing technology but it's not benefitting everyone.



This is what we call inequality. This is what is happening. If we create new technologies and become more powerful, automate factories and, at the same time, think about low unemployment, we have to pay taxes accordingly, create new jobs and keep people in mind at all times. If we privatise entire companies, we'll end up left with more money for companies and dividends for shareholders but masses of unemployed people on the streets.