



John Naisbitt's *Trend Letter*: Reimagining Business Civilization in the 1980s.

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Throughout the 1970s and 1980s, John Naisbitt enjoyed success as a trend forecaster. In his paid speaking engagements, his two subscription-based publications, and his 1982 book, *Megatrends*, the author and publisher offered a way for executives to make sense of potentially unsettling economic, political and social transformation by tracking tiny changes taking place all over the country. These documents offer glimpses of an informal, but vibrant, discourse that helped shape managers' sense of the global economy in the 1980s. Tucked in among the many trends he saw as important, including tofu - "the yogurt of the eighties" - Naisbitt provided a coherent narrative and chronicle of a business scene that was becoming more international in scope. Naisbitt, in other words, detailed events that he saw as evidence of a globalizing economy. In this paper, I trace how Naisbitt's evolving concept of a "business state" - or civilization - shaped American managers' sense of globalization.

There were worse ways to make a living. Wearing a pinstriped suit that clashed with his blond, unruly beard, John Naisbitt would stand in front of a room full of clean cut bankers or executives; but it was still his crowd. By the time he declared, "We have to learn from the future," just a few minutes into his talk, the bankers and businessmen already loved him.¹ In a

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given year, the author and business owner might speak to around 100 different audiences, making between \$5,000 to \$7,500 per speaking engagement. In one year at the end of the 1970s, he earned a quarter of a million dollars in speaking fees.

It is not hard to see why Naisbitt was such a hit with these corporate audiences. “The Speech” – as he and his team had dubbed it – started with a provocative statement. The people in the room, he declared, were “living in the time of the parenthesis.”² From there, Naisbitt would offer example after example of what he regarded as epochal change, eventually building to a crescendo. To finish, he returned to his opener about living in the parenthesis. “It’s a time of great change and uncertainty,” he told the now-rapt audience. And if only businesses could “get a clear sense of the road ahead,” he exclaimed, “My God what a fantastic time to be alive.”³ In the early 1980s, it was not uncommon for Naisbitt to be mobbed by audience members – their heads full of questions – immediately after finishing “The Speech.”⁴

Given his appearance and overblown rhetoric, it might be tempting to dismiss Naisbitt as some sort of post-industrial snake oil salesman. However, his speeches and publications were part of a larger, more scattered conversation taking place on the margins of business in the 1980s that eventually became common sense among managers by the end of the twentieth century. As Ben Waterhouse argues, early in the decade American manufacturing executives were slow to realize the ways in which globalization was reshaping economies and the business scene.⁵ These men failed to recognize how competition was becoming increasingly international, and how industries such as finance and other services were growing in power. However, there were some people puzzling through these changes. Authors and consultants like Naisbitt offered an evolving sense of this new economy. By the early 1990s, even respectable management theorists such as Peter Drucker were writing about profound upheaval and societal restructuring in publications like the *Harvard Business Review*.⁶ A close look at Naisbitt’s ideas and how they developed over the course of the eighties offer a glimpse how managers and executives were exposed to new ideas about the world that placed them in the center of this change. Naisbitt, in other words, was hardly a lone voice.

As the historian Matthew Connolly has observed, during the tumultuous 1970s, when “history seemed to be accelerating,” many in the United States became “focused on the future.”⁷

¹ John Naisbitt, Untitled Speech, J Walter Thompson Company. Writings and Speeches, 1912-2000 and undated. Box 12 c. 1, “Gunshee, Edward T., N.D., For John Naisbitt (Consultant).” David M. Rubenstein Rare Book & Manuscript Library, Duke University.

² Naisbitt, Untitled Speech.

³ Naisbitt, Untitled Speech.

⁴ B.G. Yovovich, “His Crystal Ball: The Daily Ball,” *Advertising Age*, October 12, 1982. J. Walter Thompson Company. Jack Peters Papers, David M. Rubenstein Rare Book & Manuscript Library, Duke University.

⁵ Benjamin C. Waterhouse, *Lobbying America: The Politics of Business From Nixon to NAFTA*, (Princeton: Princeton University Press, 2014): 229-232.

⁶ Peter F. Drucker, “The New Society of Organizations,” *Harvard Business Review*, Sept./Oct 92. Vol. 70, No. 5, 95-105.

⁷ Likewise, Walter Friedman has described economic forecasting in the 1920s. Matthew Connolly, “Future Shock: The End of the World as They Knew It,” in *The Shock of the Global*, ed. Niall Ferguson et al., (Cambridge, MA: The Belknap Press of Harvard University Press, 2010), 337-350, 338.

For Connolly, futurology texts – from apocalyptic evangelical tracts to books heralding the arrival of a postindustrial society – provided mental models for thinking about a globalizing world. As he puts it, “what historians now call the shock of the global was experienced by contemporaries as the shock of the future.”⁸ In keeping with the general malaise that seemed to characterize the 1970s, many visions of the future that emerged during the decade were unhappy ones. Such futurism was informed by economic crises that included oil shocks and uncontrollable inflation.⁹ By contrast, as Daniel Rodgers notes, most futurologists in the 1980s, including John Naisbitt, were optimistic.¹⁰ Naisbitt himself, though, had been developing his sunny outlook throughout the turbulent and dour 1970s.

After studying political science at schools including Cornell and Harvard, the future futurist found work in the Johnson administration, but lost faith in Great Society programs and left government to work as a consultant.¹¹ By 1973, he started a new company called The Naisbitt Group that published a document titled *The Trend Report* four times a year.¹² Using a method called “content analysis,” (which he adapted from World War Two intelligence operations), Naisbitt and his team, including library scientists, scoured hundreds of daily newspapers around the country, sorting articles into eleven different topics and then further cataloging them into 150 subtopics. Next, they would quantify the column inches each topic received in coverage around the country.¹³ Naisbitt believed that newspapers were “closed systems.” Because of the physical limits of a newspaper, editors had to make choices about how much attention each news item got each day. By tracking and aggregating these changes, The Naisbitt Group measured the waxing and waning of specific trends and offered the analysis to their clients. *The Trend Report* did not come cheap, costing \$15,000 for a year’s subscription.¹⁴ To be sure, there were a number of problems with Naisbitt’s method, which did not account for the ways in which public relations firms might have been able to place stories for clients. Likewise, a newspaper’s size might not be static, but rather expand and contract with changing advertising revenues. Such design flaws, though, did not seem to hurt his business. By the early 1980s, the Naisbitt Group was pulling in around \$1.5 million a year in revenue.

During the 1970s, corporate subscribers to the letter included Sears Roebuck, Ogilvy and Mather, Merrill Lynch, Arco, AT&T, IBM, GE, Dow Chemical, and Westinghouse.¹⁵ Most often, issues of *The Trend Letter* found their way to corporate and strategic planning departments.¹⁶ Significantly, the executives in these departments were not reading Naisbitt’s research to track specific developments that they could capitalize on. Indeed, some regarded

⁸ Connolly, 339.

⁹ Connolly, 344-6.

¹⁰ Daniel T. Rodgers, *Age of Fracture*, (Cambridge, MA: The Belknap Press of Harvard University Press: 2011), 109.

¹¹ Yovovich. J. Walter Thompson Company. Jack Peters Papers, David M. Rubenstein Rare Book & Manuscript Library, Duke University.

¹² Bill Abrams, “John Naisbitt Makes a Handsome Living Reading Newspapers for Big Corporations,” *Wall Street Journal*, September 30, 1982. J. Walter Thompson Company. Jack Peters Papers, David M. Rubenstein Rare Book & Manuscript Library, Duke University.

¹³ Yovovich.

¹⁴ Abrams.

¹⁵ *Publisher’s Weekly*, June 18, 1982.

¹⁶ Yovovich.

Naisbitt's findings "obvious" and "repetitious." One reviewer for *Fortune* magazine found Naisbitt's work to be "trivial" and "mundane," and more than one writer pointed out that some of the major trends Naisbitt identified were not all that new.¹⁷ After all, Daniel Bell had been writing about the postindustrial society since the mid-1960s. However, some subscribers did find Naisbitt's analysis compelling. As one reader told *Advertising Age* in 1982, *The Trend Report* was useful as a "backdrop" that could be used "to better understand why things are happening."¹⁸ Naisbitt's analysis in both his speaking engagements and the letters were not too helpful in developing specific strategies. Rather, they provided a sense context for changing business conditions.

His declarations could be dramatic, but in some ways, Naisbitt offered his audience a sort of business intellectualism that was distinct from formal business school or academic training. Naisbitt was offering readers what the Marxian economist David Ruccio terms "everyday" economics. For Ruccio, everyday economics are important since they might determine "how economic subjectivities and identities are constituted, the kinds of economic policies that are devised and enacted" and "what kinds of economic conversations take place."¹⁹ In short, economic ideas outside of the academy have real consequences. Keenly aware that he was not offering textbook economic analysis, Naisbitt peppered his speech with dismissive remarks that economists had served society "so poorly."²⁰ As an antidote, Naisbitt's *Trend Letter* provided an "everyday economics" deeply informed by a structural view of history. By looking at economic and business developments over the course of the twentieth century, Naisbitt, unsurprisingly, concluded that the US was transitioning from an "industrial society" to an "information society."

Developments such as the telegraph, railroad, jet, and communications satellite were of critical importance. 1950 was a pivotal year, he reasoned, because industrial jobs in the US began falling after that date. Ultimately, though, he told his audience, looking back on history was not enough in the "global information economic society." "Yesterday is over," he declared.²¹ Success depended less on knowing the past than projecting ideas into the future. Throughout the 1980s, he would find a variety of outlets to deliver this message.

Significantly, in 1982 Naisbitt published the book *Megatrends*, which became a bestseller. In that book, he warned that without an "appreciation of the larger shifts that are restructuring our society," U.S. businesses would be "doomed to fail in the unfolding future."²² By then, *The Trend Report* boasted a subscriber base of 70 companies.²³ Still, his company introduced yet another product, a bi-weekly publication, *John Naisbitt's Trend Letter*, at a lower price and for a more general readership. Much like the more expensive *Trend Report* a decade earlier, the *Trend Letter* enjoyed a healthy subscriber base among American business executives, and offered to explain the changes that were influencing readers' business and industries. In these shorter

¹⁷ Andrew Hacker, "A Trendy View of the Trends," *Fortune*, December 27, 1982. J. Walter Thompson Company. Jack Peters Papers, David M. Rubenstein Rare Book & Manuscript Library, Duke University. Abrams.

¹⁸ Yovovich.

¹⁹ David F. Ruccio, "Economic Representations: What's at Stake," *Cultural Studies* 22.6, (November 2008): 892-915, 907.

²⁰ Naisbitt, Untitled Speech.

²¹ Naisbitt, Untitled Speech.

²² John Naisbitt, *Megatrends*, (New York: Warner Books, 1982), 3.

²³ Abrams.

letters, Naisbitt further developed a sunny, optimistic and coherent picture of the changing landscape that placed business at the center.

Much like *The Trend Report*, some of his observations were trite or off-the-mark. At one point he declared tofu to be “the yogurt of the eighties,” and he had an unshakeable faith in the transformative potential of laserdiscs. Likewise, much like the manufacturers who read his work, Naisbitt sometimes missed important trends and developments, such as the growing importance of finance to the U.S. economy. While later issues of *The Trend Letter* devoted space to changes in banking and the integration of global financial markets, financialization was not one of the “megatrends” Naisbitt identified in his 1982 book. Nonetheless, Naisbitt was able to fit all of these changes into a grand scheme of world history standing at a pivotal moment. In their totality, the letters, the book, and Naisbitt’s continued popularity on the lecture circuit, provided a way for executives to make sense of the changes of the 1980s. As a part of a larger and thriving business print culture in the 1970s and 1980s, these documents reveal an informal, but vibrant, discourse that helped shape managers’ sense of the global economy in the 1980s.²⁴

For instance, each issue of the *Trend Letter* offered summaries of news stories (or several connected stories) and then organized them into different categories, including “Financial Institutions,” “Business Economics,” “Rising Industry,” “Entrepreneurs,” “Declining Industry,” “Ideas,” “Government and Politics,” and the “Global Economy.” Stylistically, the *Trend Letter* resembled a stack of telegrams. Written in staccato bursts, underlining particular sentences and often omitting articles and sometimes even proper nouns, these passages appeared as short, harried messages sent just ahead of an imminently unfolding future.

Throughout, Naisbitt reiterated the basic message of “The Speech,” interpreting each event as yet another step towards the information society. For instance, when GM announced in 1985 it would build a plant in Tennessee to manufacture its Saturn line of cars, Naisbitt called it “a signal from the past.”²⁵ The plant, the forecaster wrote, was “the last of its kind.”²⁶ Likewise, that same year Naisbitt commented that merging labor unions were “dinosaurs” and while the merger’s “aim [was] to unite for mutual survival,” they were actually “moving together toward the sunset. With the rest of big labor.”²⁷ Ever the optimist, though, while tracking the end of “smokestack” jobs, the letters always described a growing middle class. Naisbitt was, it seemed, loathe to point out any tradeoffs the development of the global economy might entail. What is more, Naisbitt told his audience, business would have a special role to play in this new world. People intuitively grasped this, he implied, when he told his audience that “business is becoming the world’s gossip, replacing politics.”²⁸ This was because business represented a “bottom up” approach to solving problems, instead of government’s out-moded “top down” approach. In their

²⁴ When, in the summer of 1984, the group surveyed its subscribers via questionnaire, the group found that most of the readership was made up of company presidents, and other top managers and board members. Significantly, most of the readership was involved in manufacturing. Most respondents, 97%, found the letters to be helpful and informative. In fact, a majority of the respondents (55%) found the letters to be “very helpful.” *John Naisbitt’s Trend Letter*, July 26, 1984.

²⁵ *John Naisbitt’s Trend Letter*, August 8, 1985.

²⁶ *John Naisbitt’s Trend Letter*, August 8, 1985.

²⁷ *John Naisbitt’s Trend Letter*, May 31, 1984.

²⁸ John Naisbitt, Untitled Speech, J Walter Thompson Company. Writings and Speeches, 1912-2000 and undated. Box 12 c. 1, “Gunshee, Edward T., N.D., For John Naisbitt (Consultant).”

totality, however, the *Trend Letters* characterized economic change in grand, evolutionary terms that placed business (writ large) at the center of progressive development.

His temptation to hyperbole – especially when writing about business – never abated. Indeed, by the middle of the decade, Naisbitt claimed that what he termed the “business state” was replacing the nation-state. Businesses, he concluded, were starting to take on some of the basic functions of society.²⁹ This was not a simple argument about privatization or globalization. Rather, Naisbitt’s view was more expansive. Businesses were encroaching into all aspects of daily life. This was a welcome development. For instance, he noted with approval that corporate art collections were more or less a public good. These private collections would soon replace the function of museums.

The lines between business and government, he insisted, were also becoming hazy. In 1986 Naisbitt reported that multinational companies were banding together to create an environmental group. This was quite a development. “These companies have dramatically sidestepped the customary pattern of leaving foreign affairs to gov’t officials and their representatives,” he wrote. It was part of a larger trend “of private-sector involvement with other nations – corporations interacting with foreign powers.” These developments marked a “trend away from the nation state and toward the business state.”³⁰ By the summer of 1987, Naisbitt had concluded that “Large companies are assuming an equal footing in dealing with gov’t agencies and political leaders.”³¹ Likewise, governments were acting more like businesses by becoming more responsive to “customers.” In retrospect, Naisbitt was describing the same globalization that others were beginning to notice. But for the speaker and author, the implications were more profound than integrated markets.

The global business state was, he asserted in 1987, good for international stability. “Nations with interconnected business interests are less inclined to make war on one another,” he wrote to *Trend Letter* subscribers. On the contrary, he reassured his readership, “The increasing preeminence of business leaders in global interchange bodes well for world peace.”³² It was clear what would be on the other side of the parenthetical that anchored “The Speech” – a global civilization led by private enterprise. The appeal of such a vision is not hard to grasp. Amid Cold War tensions in the 1980s, many worried that a nuclear conflict between the United States and the Soviet Union was a genuine possibility.³³ If student radicals in the 1960s saw corporations as part of a war machine, now business was the best hope for world peace.³⁴

In the 1980s and 1990s, Naisbitt co-authored a number of books, including *Re-Inventing the Corporation*, *Megatrends 2000*, and *Megatrends for Women*, with his second wife, Patricia Auburdene. By the time these later books appeared, though, Naisbitt and his wife found themselves in a crowded marketplace. While Naisbitt had been publishing the *Trend Report* and *Trend Letter* in the 1970s and 1980s, a parallel rhetoric was developing on the west coast. As the

²⁹ *John Naisbitt's Trend Letter*, June 25, 1987.

³⁰ *John Naisbitt's Trend Letter*, October 2, 1986.

³¹ *John Naisbitt's Trend Letter*, June 11, 1987.

³² *John Naisbitt's Trend Letter*, June 11, 1987.

³³ Doug Rossinow, *The Reagan Era: A History of the 1980s*, (New York: Columbia University Press, 2015), 117.

³⁴ See: Bethany Moreton, “Make Payroll, Not War: Business Culture as Youth Culture,” in *Rightward Bound: Making America Conservative in the 1970s*, Ed. Bruce J. Schulman and Julian E. Zelizer, (Cambridge, MA: Harvard University Press, 2008): 52-70, 52-55.

historian Fred Turner has shown, in northern California computer programmers and hippies-turned consultants “melded countercultural and cybernetic rhetoric, practice, and social theory to help corporate executives model and manage their work lives in a post-Fordist economy.”³⁵ Organizations such as the Global Business Network modeled new ways of work, many of which mirrored the sorts of changes that Naisbitt was tracking. As Turner argues, “GBN drew on the organizational structure and forecasting tools of cold war-era research culture and blended them with the countercultural turn toward business and social networks as sites of social change.”³⁶ More broadly, the conclusion of the Cold War would lead to declarations of “the end of history.” Thinkers such as Francis Fukuyama now insisted that no other systems existed to challenge the dominance of democracy and capitalism.³⁷ The “business state” – or civilization – that Naisbitt was tracking was indeed developing, even if the *Trend Letter's* precise terminology never caught on.

By the start of the twenty-first century, authors such as Thomas Friedman incorporated similar ideas while popularizing the term “globalization.” Still, it is worth noting that books such as *The Lexus and the Olive Tree* (his first book about globalization) did not appear until the late 1990s. Yet even as his ideas moved into the mainstream, Naisbitt himself was compelled to look beyond the United States for an audience. Naisbitt went on to publish books with titles such as *Global Game Change* with his third wife, Doris Naisbitt. Significantly, the Naisbitts' later publications are marketed to an Asian readership. Similarly, in 2007 they established the Naisbitt China Institute with the goal of analyzing “China's economic, political, social and cultural transformation” by using “local teams in China's cities and provinces.”³⁸ Looking for local trends and determining what their larger portent might be continues to be a hallmark of Naisbitt's brand and strategy. While he spent the 1970s and 1980s tracking an emerging globalization, Naisbitt ultimately had to adjust his business to adapt to this new business world. John Naisbitt would not become one of the twenty-first century's “thought leaders” who gave TED Talks about thrilling, transformative change. Still, his publications in the twentieth century's final decades reveal the ways in which anxious managers made sense of social, economic, and historical development before “globalization” became a widespread term.

³⁵ Fred Turner, *From Counterculture to Cyberculture: Stewart Brand, the Whole Earth Network, and the Rise of Digital Utopianism*, (Chicago: The University of Chicago Press, 2006), 182.

³⁶ Turner, 184.

³⁷ Rodgers, 254-7.

³⁸ Naisbitt China Institute; viewed 14 April 2017. URL: <http://www.naisbitt.com/naisbitt-china-institute/>.