

Joe Nicols' Predictions 2014

INTERNATIONAL

Sochi Winter Olympics

I don't see any serious terrorist event disrupting the actual games, but over the next 4 weeks there will be a number of breakdowns and glitches, some of which will cause events to rescheduled. Russian security and rigidity will ruffle the feathers of visitors and athletes, and the games will not showcase Russia as is hoped. The city of Sochi will have serious problems 6 months after the games are over.

U.S. Relations with Russia

I've always said Russia is self-serving and is not a friend of the U.S., but apart from a difficult period between now and the Sochi games, Russia will be dealing positively with the U.S. behind the scenes, which will actually benefit the U.S. financially and in trade over the next 18 months.

U.S. Relations with China

There is serious strain right now between the two governments, even though on the surface there is diplomatic cordiality. The U.S. feels it is losing ground. Previously, I have said that the U.S. needs to tread skillfully and respectfully in its dealings with China, and that cowboy diplomacy and swagger would create great difficulties for the U.S. in the future. I get a prolonged standoff between the countries in 2014 with the U.S. achieving some ground and success in 2015. However, in 2016 the Chinese government will accelerate pressure using any means at their disposal and, like a patient python, will begin a slow squeeze in their world pressure and influence to the U.S.'s continued disadvantage. For years I have seen China being ready in 2020 to flex its muscle militarily in the Pacific and financially in the world, and recently that the U.S. would be on the defensive. Now, I am seeing that the U.S. government is waking up and learning how it must give and take with China, thus giving more future security to the U.S. It is possible that some of the change relates to the U.S.'s new energy independence, which reduces U.S. pressure to vie for international petroleum.

Russia and China

While these two countries will appear to be different in the way they operate, they will both be working to maintain a good relationship since they share a border. I also see China in some ways feeling intimidated or insecure about Russia, but becomes more comfortable as Vladimir Putin seems to be attempting to head Russia back to a more totalitarian state.

U.S. Relations with Iran

There is mutual mistrust and feelings of betrayal on both sides that goes back decades. It feels to me like feuding relatives, i.e. love/hate. The U.S. will make a decision in the next month that will precipitate a temporary crisis, but I also get that over the next 6 months Iran will be deceptive with one hand while reaching out with the other. The relationship will continue to be up and down over the next 18 months and then stabilize by the end of 2015, at which time there will be movement toward more normalized diplomatic relations.

U.S. and North Korea

With all of its threats and posturing, I don't see North Korea precipitating an armed conflict, because as green as Kim Jung Un may be, he and his advisors know that threats get more traction from the rest of the world and allows North Korea to be the main attraction, than lighting off the bombs. I believe Dennis Rodman is following his own spontaneous and impulsive path and is liked and tolerated by Kim Jung Un, and is a bit of a thumb in the U.S.'s eye. Ironically, Dennis' incursion with sports into North Korea may actually serve to open up the country to outside influences in 3 to 4 years, much to the dismay of the North Korean government.

U.S. Relations with Egypt

Relations are now strained between the two countries and Egypt is no longer telling the U.S. what it is doing or going to do. Over the next three years, interactions will be up and down like a yo-yo, and every time the U.S. thinks the situation is stable, something will happen to put that into question. Things will, in fact, begin to smooth out in three years.

World Health

I get that there was a virus outbreak somewhere in the world in the last two months, which was serious but contained, so we didn't hear much about it. There will be another outbreak in a third world country in April, which will be carried to Europe and the U.S. but will be contained by quarantine. There will also be another flu outbreak at the end of this year, which will concern international authorities.

The Price of Gold

I see gold prices steady but with a potentially precipitous drop around May, then up again through the summer and early fall. I see a marked increase around November, and steady into 2015.

Rare Earth Elements

Due to the scarcity of rare earth elements used for technology, which are found mostly in China, international companies will look more seriously for them around the world.

Within 7 months results will be encouraging, and new sources will be found in early 2015.

TECHNOLOGY

Drones in the Media

As drones become more topical and commonplace, we will see them popping up in TV and movies as the subject of government, terrorist, or criminal misuse as delivery systems. (Or attack of the robot drones?)

Medical

There will be more dramatic breakthroughs in 2014 in areas such as prosthetic joint replacement, cochlear implants, and brain/technology interface.

NATIONAL

U.S. Economy

The U.S. economy is growing stronger and will surge ahead in May through July. A difficulty will arise around November which will slow growth and create a temporary downturn through this time next year, but the economy will rebound strongly by mid to late 2015.

U.S. Stock Market

The U.S. stock market is holding its own and will be growing slowly into the spring and will taper off in the summer, but over the next 9 months it will benefit from global situations and the financial weaknesses of other countries. I see another financial scandal in November or December of this year, but it will not precipitate a meltdown.

Health Care

The Affordable Care Act (Obamacare) will be financially viable within 4 months and within 6 months will be achieving the required result the insurance companies are desiring. It will also continue to be a divisive and polarizing issue. Opponents will continue to attempt to derail or water it down, especially between 18 months and 3 and a half years, after which time the public will begin to accept and expect it, as Medicare and Social Security are accepted now.

U.S. Interest Rates

Interest rates in the U.S. will be held down, although after a couple of good quarters the Fed will suggest between July and September that they will or may consider a gradual increase, but in any event, I feel rates will continue to be lower over the next 2 years.

U.S. Weather Events

I get there will be another huge winter storm in the U.S. in about a month, a hurricane accompanied by tornadic activity which will cause extensive damage around October, and another huge storm will occur around Thanksgiving. I see climate change continuing, and even though the U.S. has just experienced a polar vortex, powerful influences are now at work which are accelerating the changes.

Mass Shootings

I get that there will be a least 13 attempted mass shootings in the U.S. in 2014. The gun lobby will continue to pressure lawmakers not to restrict gun sales or ownership with background checks or limitations on weapon types. It appears that some limited legislation will pass in about 3 and a half years but it will take almost 5 years to find a compromise that will increase public safety.

Marijuana Legalization

The legalization movement for medicinal and recreational use is not making the cartels happy as it is already starting to cost them money. In the next 6-12 months the cartels will work to become more involved in the legal growing and distribution sectors, and will begin bribing officials in this country to try to achieve more control. I see at least 10 states moving to legal recreational marijuana use over the next 5 years, which will positively impact the court and prison systems by reducing incarcerations and saving tax money.

President Obama

I get that while the President hides it well, he is feeling emotionally vulnerable from recent events, and will continue to feel extreme pressure from all sides over the next 2 months. I see challenges in the spring, but by summer, a number of situations will have resolved and the second half of the year will be more successful. I believe 2015 will be easier for him.

Nominations for President (Democrats)

In the Democratic Party, Joe Biden is seen as a likable “everyman,” but I don’t think that will carry him to the nomination. Three women seem to be emerging at this time, Hilary Clinton, who will pick up speed over the next year and will vie for the women’s vote, Kristen Gillibrand, whom I see dropping out, and Amy Klabuchar, who will be stronger than expected. I don’t see Andrew Cuomo having enough broad appeal and Howard Dean has some associations with the past, which will make his receiving the nomination very difficult.

Nominations for President (Republicans)

Although it is a bit early, I see that Chris Christie, Ted Cruz, John Kasick, Paul Ryan, and Rick Perry will start strong, but Ted Cruz will commit a gaffe in late 2014 or early 2015, and I see the Tea Party going after Chris Christie to try to deny him the nomination. John Kasich will be steady and Mario Rubio will begin to come on strong in 2015. I see Rick Perry and Paul Ryan losing momentum, and Jeb Bush will be steady but will not gain enough momentum to have a shot at the nomination.

U.S. Congress

It's hard for me to believe, but despite the deception, fear mongering, and personal attacks, I actually see less gridlocks and more cooperation in the U.S. Congress over the next year. That being said, I see an outrage reaction during mid-summer around a woman in Congress, but its not clear to me which party she is in.

TEXAS

Texas Governor

In the Greg Abbott/Wendy Davis Governor's race, I see Wendy Davis quietly building up campaign funds over the next 6 months, and focusing on education, minorities, and women. Although Greg Abbott will seem to lose ground over the spring and summer, he will receive backing from big donors and will fare better with women than some anticipate. With some negative ads from both sides, it looks at this time that Greg Abbott has the edge in this close election.

Texas Weather

I get rain in Texas occurring less frequently in the spring, and except for tornadoes in late June, hot and dry conditions in the summer. I see more rain the fall, possibly due to weather events, especially in the Gulf of Mexico, and late tornadoes in November.

Hispanics in Texas

The leaders of the establishment majority in Texas are seriously worried about the growing political, and especially financial, power of the Hispanic community. Hispanics will appear to be gaining ground until June, when a powerful male Hispanic leader will experience a scandal which will seem to temporarily set the cause back, but others will quickly step in to fill the gap.

AUSTIN

Austin Real Estate

I get that the Austin real estate market is doing well and is not even at its full potential. However, I do see some sectors struggling during the summer, possibly due to continued population and traffic increase, and road building projects in the city. Nevertheless, I see that property purchased in the next year will be greatly increased in value in 4 to 5 years from now.

Austin Economy

Just like with its real estate, Austin's economy is poised with a huge upside for 2014, but for some reason the potential will not be realized. There seems to be an economic set back for the city in early 2015, but I have not been able to see what it relates to.

U.T. Football

New U.T. Head Coach, Charlie Strong, will face a tough job implementing change in U.T.'s entrenched program. The administration and fans will be polite but will be waiting to see what he can do, and while spring and summer will look promising, the heat will be up during the season when he will be frustrated being in the fishbowl. As for the Longhorns, I feel it is going to be a building year, and they will win at least 6 games, maybe 8, but it will not be considered a successful season. (I hope I'm wrong.) Coach Strong will recruit better in 2015 and will have a better chance to succeed in the 2015 season.

Mack Brown

I get that outgoing, "nice-guy" Coach Mack Brown is actually very angry or bitter about his leaving and may not have a desire to coach again. However, I predict he still has a good reputation and after the smoke clears will consider accepting a college coaching position offered in 2015.

Financial Scandal

I see the makings of a financial scandal brewing now at a large financial institution in Austin. However, the discovery of dishonesty and the fallout will not occur until November/December.

Technology Growth

In 5 months, I see another major technology corporation announcing opening a facility in Austin, and there will be an increase of medical technology corporations in anticipation of the medical school. Startups will also surge in Austin during 2014 and 2015.

