

Turning Time

By John Mauldin | July 29, 2023



Archetypes

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Dallas, Paris, and Europe (NYC?)

We talk frequently about the way central banks and governments affect the economy. In the grander scheme of things, though, whatever the Fed does is more like throwing a hand grenade into a large building. Yes, you'll make some noise and cause some damage. People may be hurt. But the building won't care, and the owner will fix it.

Economically, what really matters, in the long run, is Human Action, the kind Ludwig von Mises called "purposeful behavior." We all make choices that reflect our backgrounds, experiences, and environments. These choices add up to form "the economy." Adam Smith called it the Invisible Hand.

But these choices aren't purely voluntary. We face external constraints, and not just from governments. As humans, we're subject to time and space. Our choices reflect the era in which we live and the others who share it. This affects our choices and, thus, the kind of economy we collectively create. And it changes over time.

Today, I'm beginning a series of letters on these big-picture thoughts, prompted by Neil Howe's new book, [The Fourth Turning is Here](#). It's available at your favorite bookseller now. This is an update of Neil's 1997 work with the late William Strauss. Their concept of generational turnings has entered pop culture, but unfortunately, not everyone has read their books, which have much more insight than most realize. I want to help give you a broader understanding.

In future letters, we'll dig into other long-term cycle theories by George Friedman and Peter Turchin. Both foresee something similar to the Fourth Turning at about the same time but **for entirely different reasons**. That's quite interesting to me. Then we'll visit my thoughts about my own view of the "fin de siècle" (which wording I use to suggest the end of an era and the beginning of a new era) I have termed the Great Reset, the end of the Debt Supercycle. That these various ways to look at cycles in history seem to be pointing to a tumultuous period just ahead seems more than coincidental to me.

I think the seminal cycle work is by Neil Howe and his partner William Strauss (who tragically died in 2007 of cancer) in the late 80s and the early 90s in their first book, *Generations: The History of America's Future*, in 1991, and then culminated in the scarily prescient *The Fourth Turning: An American Prophecy* in 1997. They laid out a picture of how American generations progress and, in general terms, what was likely to happen over the next 25–20 years. They made rather specific suggestions and predictions that have generally turned out to be true, which only grows the very deserved following the book has developed.

I have reviewed *The Fourth Turning* before, recommended it numerous times, and feel it is one of the top five books of the last 30 years. Note that I have developed a very close relationship with Neil Howe, so some of that might leak into my viewpoint, but our relationship has gone far past the fanboy stage. We regularly hold long conversations that, to some observers, might seem like steel on steel, but we do help each other focus our thoughts. As an aside, Neil is one of the most widely read historians I've ever had the pleasure of associating with. He always has an anecdote.

The Fourth Turning is Here gives us a view of the future landscape of the economic, political, social, and geopolitical pressures that will be building up over the next 5–10 years. The book is not prescriptive in the sense of it can tell you precisely what to do to avoid the projected turmoil, but it describes the pressures that we will face. I highly recommend you read it.

While all these books talk about a tumultuous period, understand that each viewpoint ends up with a far less tumultuous period following it, and, in fact, the era/period that follows is generally one of stability, order, and advancement on all fronts of the country. Unfortunately, we can't skip to the end. We have to go through the entire period.

To understand Neil's outlook, you need to know where he derives this "turning" idea. So we'll start at the beginning. This will set the stage for my next few letters. It's important to know these basics so we can explore how to use this for our own planning. So let's dive in.

Archetypes

The core idea behind the Fourth Turning (and the other three turnings that precede it) is a repeating pattern of four society-driving, generational "archetypes."

Howe and Strauss observed how societies change in a cycle as each generation assumes cultural dominance in its middle age years. The interplay between the dominant generation, the fading one that preceded it, and the upcoming younger generation follows an almost musical rhythm.

At the same time, each generation isn't just an extension of the last one. No generation is like the preceding one. Rather, generational change corrects excesses, ultimately sustaining a stable society. Otherwise, civilization would have collapsed long ago.

In *The Fourth Turning*, Howe and Strauss identified four types of generation: **Hero, Artist, Prophet, and Nomad**. They call these "archetypes," and each consists of people born in a roughly twenty-year period. As each archetype reaches the end of its 80-year lifespan, it is replaced with a new generation of the same archetype. (Note: with longer lifespans, the 80-year generational cycle may become longer.)

Each archetype/generation proceeds through the normal stages of life: childhood, young adulthood, mature adulthood, and elderly years. Each tends to dominate society during its middle age years (40–60), then begins dying off as the next generation takes the helm. **The change of control from one generation to the next is called a "Turning."**

Here's a look at the archetypes and how they match the generations we know today.

Birth Year	Archetype	Generational Name
1883–1900	Nomad	Lost
1901–1924	Hero	G.I. Generation
1925–1942	Artist	Silent Generation
1943–1960	Prophet	Baby Boom Generation
1961–1981	Nomad	Generation X
1982–2003	Hero	Millennial Generation
2004–?	Artist	Generation Z

The archetypes aren't neatly divided by the calendar; they are better seen as a continuum. People born toward the end of a generation share some aspects of the following one. Individual differences can also outweigh generational identity for any particular person. The archetypes simply describe broad tendencies which, at the societal level, add up to noticeable differences.

Hero generations are usually raised by protective parents. They come of age during a time of great crisis. Howe calls them "heroes" because they resolve that crisis, an accomplishment that then defines the rest of their lives.

Following the crisis, the Heroes become institutionally powerful in midlife and stay focused on solving great challenges. In old age, they tend to have a spiritual awakening as they watch younger generations work through cultural upheaval.

The “G.I. Generation” that fought World War II is the most recent example of a Hero archetype. They built the US into an economic powerhouse in the postwar years and then confronted youthful rebellion in the 1960s. Further back, the generation of Thomas Jefferson and James Madison, heroes of the American Revolution, experienced the religious “Great Awakening” in their twilight years.

Artists are the children of heroes, born before and during the crisis but not old enough to be an active part of the solution. Highly protected during childhood, Artists are risk-averse young adults in the post-crisis years. They see conformity as the best path to success. They develop and refine the innovations forged in the crisis. Artists experience the same cultural awakening as Heroes but from the perspective of mid-adulthood.

Today’s oldest retirees are mostly artists, part of the “Silent Generation” that may remember World War II but were too young to participate. They married early and moved into gleaming new 1950s suburbs. The Silent Generation went through its own midlife crisis in the 1970s and 1980s before entering a historically affluent, active, gated-community retirement.

Prophets experience childhood in a period of post-crisis affluence. Baby Boomers like me are a Prophet generation. Not having known a real crisis, Prophets often see (or perhaps create) cultural upheaval during their young adult years (I remember the ’60s!). In midlife, they become moralistic, values-obsessed leaders and parents. As they enter old age, prophet generations lay the groundwork for the next crisis. (Oh, did we Boomers ever do that, and in spades!)

Nomads are the fourth and final archetype. They are children during the “Awakening” periods of cultural chaos. Unlike the overly indulged and protected Prophets, Nomads go through childhood with minimal supervision and guidance. They learn early in life not to trust society’s basic institutions. They come of age as individualistic pragmatists.

The most recent Nomads are Generation X, born in the 1960s and 1970s. Their earliest memories are of faraway war, urban protests, no-fault divorce, and broken homes. Now in mid-life, Generation X is trying to give its own children a better experience. They find success elusive because they distrust large institutions and have few strong connections to public life. They prefer to stay out of the spotlight and trust only themselves.

After the Nomad Archetype, the cycle repeats with another Hero generation. The Millennial Generation, born from 1981 through about 2003, is just beginning to take root in American culture. They are a large generation numerically, filling schools and colleges and propelling new technology into the mainstream. If the pattern holds, they will face a great crisis. It will influence the rest of their lives just as World War II shaped the G.I. Generation Heroes.

That’s where we are now: The Fourth Turning.

Turnings

These four generational archetypes literally created Anglo-American history. A new era, or “Turning,” begins every twenty or so years. As with generations, the Turnings also unfold in a recurring pattern.

Four turnings bring a complete cycle matching the 80- to 90-year human lifespan. The Romans used the word “*saeculum*” to describe this length of time, meaning “a long human life” or a “natural century.” In their earlier book *Generations*, Strauss and Howe outlined seven full *saecula* going back to the 15th century. Much like the changing seasons, the turnings within each *saeculum* follow a similar pattern.

- The first turning is called a *High*, a confident time in which social institutions are strong, and factions pull together for the greater good. (Note: that is the halcyon period after a Fourth Turning, our light at the end of the tunnel, and is why I am so optimistic about the 2030s.)
- The second turning is the *Awakening*. This period is marked by cultural and religious renewal—changes accompanied by resistance and conflict.
- The third turning is an *Unraveling*. People lose trust in institutions and embrace individualism.
- The fourth turning is the *Crisis*, a time of major upheaval when some great threat forces a redefinition of core institutions and public behavior.

US history suggests the pattern is more than coincidental. Let’s look back, beginning with a day everyone believes will live in infamy: December 7, 1941. The Japanese attack on Pearl Harbor marked a new crisis for a nation already facing the Great Depression.

Eighty-five years earlier, Confederate forces fired on Fort Sumter, launching the Civil War, which redefined states’ rights and individual rights.

Dial the calendar back another eighty-five years, and we find a group of men in Philadelphia signing the Declaration of Independence.

The pattern continues: four generations before the American Revolution, our mother country experienced the 1689 “Glorious Revolution,” one lifespan after the English navy defeated the Spanish Armada, which followed the bloody War of the Roses, creating Tudor England as a modern nation-state by a century.

Halfway between these crisis periods were Awakening periods like England’s Protestant Reformation and the 1960s’ American spiritual and social upheaval. As with the seasons, the turnings unfold gradually, almost unnoticeably at first.

Social forces drive the turnings just as planetary forces create seasons. They aren't rigidly defined; we experience warm autumn days and springtime cold fronts. But at any given time, four generations are alive: children, young adults, middle-aged, and the elderly. Each generation experiences history from its own perspective. If you were six years old, listening to the radio with your 65-year-old grandmother on December 7, 1941, you both heard about Pearl Harbor together. Your reactions, however, were quite different. You were on the way up. Grandma was on the way out.

The character of each turning follows a pattern rooted in the position of each generational archetype. Neil describes these in detail in the books. For our current purposes, the important point is that **each saecula ends with a Fourth Turning**. Not just a rough stretch but a crisis of such magnitude that the nation's survival is an open question. To resolve it, society's strongest pillars have to be torn down and replaced.

We are experiencing the latest Fourth Turning now. Its exact parameters will be clear only in hindsight. When it's over, we will have been through something comparable to the last Crisis turning, which encompassed the 1929 stock market crash, the Great Depression, and World War II.

No one in their right mind wants to re-live that period or anything resembling it. But what we "want" doesn't really matter. It is what we're going to get. Indeed, it is already underway.

This major upheaval doesn't have to include war, or at least the calamitous shooting wars of past cycles. Hopefully. But anyone who thinks the current cultural antagonisms, rabid partisanship, unrealistic expectations, geopolitical turmoil, and the staggering accumulation of debt will end with a whimper isn't paying attention.

Questions

Read the book reviews, and you'll see a common criticism: All this repeating cycle stuff is just too neat, imagined with the benefit of hindsight. Academic historians say history isn't nearly so well organized. Those are fair points. I would note, however, that *all* history has the benefit of hindsight. That's why we call it "history." We can still learn much from studying it.

I think this points to the real usefulness of Neil Howe's work. Are the patterns he describes real? It seems so to me. They derive from the natural cycle of life, which isn't random. People are born, they live, they die, and along the way, they do things appropriate to their age, heavily influenced by their generational peers. The idea these forces can coalesce into broader patterns seems plausible. Such patterns can be meaningful even with exceptions.

This is similar in some respects to economic forecasting. As I often say in my January forecasts for the year, a forecast can be *useful* even when it's not *right*. How can that be? Because the forecast, right or wrong, at least serves as a starting point. It gives us a frame of reference that highlights conflicting data we should consider.

I believe this summer of 2023 is as close to relative “peacetime” as we will get between now and the end of the decade. Those who make no plans will be subject to the whims and vagaries of outrageous fortune. Those who make even imperfect plans (they likely will be) will have created signposts they can use to measure their progress and make course corrections.

By using the best historical guideposts that we have today, we can at least try to avoid the major problems. The goal should be to get through The Fourth Turning (or the terms other authors use, as we’ll explore in later letters) with as much of our family, friends, countries, and personal worth as possible intact and even thriving.

Archetypes and Turnings help us organize our knowledge of the past and think about how it may apply to the present. Neil Howe is the first to say we shouldn’t take the cycle too rigidly. It evolves over time, just as society does. Longer life expectancies could lengthen the cycle from 80 years closer to 100 and perhaps beyond if age-reversal biotechnologies develop, as I expect. Delayed childbearing has an effect as well. Neil addresses many other criticisms in *The Fourth Turning is Here*, which I highly recommend. It is over almost 500 pages (plus copious footnotes) and contains far more detail than I can describe here.

By the way, back in April, Neil allowed me to share a long excerpt of the then-unpublished book with *Over My Shoulder* members. It’s still online [here](#). If you aren’t reading *Over My Shoulder*, you absolutely should be because it’s the best way to get the latest insight from my network long before you see it here. [Click here for a special offer](#).

Next week, we’ll look in more depth at how this Fourth Turning is developing, with special attention to the unique roles each generation plays. It’s fascinating, if also a little frightening. But remember, we’ll get through it. Maybe more “stumble through” than “muddle through,” but we’ll get there. Hopefully together!

Dallas, Paris, and Europe (NYC?)

Shane and I will be going to Dallas for a week. We both have things we need to do as well as see old friends. Then we’ll come back home before flying to Europe for a week, ending up in Paris for my great friend Charles Gave’s 80th birthday. Besides the obvious time I will get with him and his son Louis (whom long-time readers know well), we have so many mutual friends that I expect a few days of celebration. And I have to get to NYC and DC soon.

Speaking of friends, I was in West Palm Beach the last few days and saw many good ones. Thanks to Barry Habib for letting us stay at one of his fabulous apartments. Part of the trip was to get an update on Galectin Therapeutics, where I was on the board and have lots of friends and some shares. The presentation was in Ben Carson’s home, and Dick Uihlein, the chairman, was there. We, of course, talked some politics, but the thrust was the progress on a drug to cure cirrhosis of the liver (and some cancers). Dick is funding the company as it is one of his passions to see this drug brought to market. He has literally invested more than the market cap of the firm. The next evening was a fun group where I talked about energy and oil.

I got some nice comments on some of the recent pictures I put in the letter, so I'll do that some more. Below is one of Shane and I on her birthday and our anniversary. Yes, we married on her birthday. I am a blessed man.



Time to hit the send button. You have a great week, pick up a book or two and have fun! And don't forget to [follow me on X!](#) (X? Really?)

Your wondering why planes are not as comfortable analyst,

John Mauldin

subscribers@mauldineconomics.com

<http://www.mauldineconomics.com/members>

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