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**Dave McClure** • Jun. 13, 2012

Every 10 years or so, the technology markets crash. Not dip, or slump. Crash, as in a company like FaceBook sucking in untold billions of investor dollars only to spiral downward. Taking other tech stocks, and the markets in general, with it.

Every 10 years, the US economy hits a slump that may be caused by this tech crash. Or perhaps it is that the tech stocks – often bereft of business models or common sense – are the early casualties of the downturn. But in 1982, people who worked in “traditional” tech companies were thrown out of work as the markets re-tooled to meet the rise of the new-fangled “personal computer.”

In 1992, while Word Perfect was busy dying in the word processing market and Windows 1.0 was beginning to ring the death knell for DOS, a little program called Turbo-Tax was busy re-inventing how people did their taxes each spring. These changes alone drove a revolution that took scores of companies out of business.

Then there was the crash of 2002, in which hundreds of Internet companies discovered – to the shock and horror of their investors – that they had a catchy name and consumer recognition, but not a dime in revenues or the hope of ever having any. Cleverly, these companies managed to drag the rest of the economy down with them.

Which brings us to 2012, a year in which we are already overdue for a major asteroid strike on the planet, the reversal of the magnetic poles and a new ice age. We are also now due for a crash in the tech markets. Though in truth, the economy in general is so bad that it may have already happened and no one noticed.

I'm not a doom-and-gloom kind of guy. Neither do I hold a grudge against tech companies, or the stock markets in general. Heck, I even have a Facebook account, though I am a bit stingy about how much real information about myself I reveal

there. The point is that I am not rooting for a crash in the tech markets – I just believe

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that may be great for telco bottom lines but ends up being very restrictive in terms of how much data consumers can actually use over the Internet. Just look at the millions of “4G” devices that have been sold – that don’t meet the 4G specification at all.

The second is the industry’s pre-occupation with 13-year-olds. It’s the hot demographic of choice, and companies from Research in Motion to Facebook and Google are re-tooling their products for shiny colors, juvenile “themes” and video games. Never mind that this demographic has little money and less loyalty than any other – the trend will leave adults and business users awash in a sea of useless apps and even more useless accessories.

Finally, we seem to be losing the cyber-war in security. It used to be that a week never passed without some massive penetration of a consumer database and the loss of personal information. Now these losses occur daily. Linked-In, Facebook, Google and others have all been hit, with user data now in the hands of scammers, spammers and identity thieves. If we fail to bring this situation under control, there is little hope for the future of electronic commerce – or the tech markets.

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