

HOW TO BREAK OUT OF THE SYSTEM TRAP?

A model to support conversations for
a more strategic activism

What is this short paper for?

The core Smart CSOs purpose is to learn about and improve our system change (Great Transition) strategies to overcome our inequitable growth-obsessed global economic system as well as the globally spreading culture of consumerism and marketisation of nearly every sphere of life; and promote the transition to an economic system based on the principles of ecological limits, solidarity, human wellbeing and intergenerational justice – in this paper called eco-solidarity economy.

To help us have an informed discussion on how we as change agents in civil society can improve our theories and strategies of change, in 2011 the Smart CSOs Report introduced a model of change. This is an evolved version of the multi-level-perspective diagram previously used and developed by transition researchers F. Geels, J. Rotmans, A. Smith and others.¹

This short paper presents an updated version of the original model and makes an attempt to show its practical relevance. The paper puts the model into the context of the world we are currently living in, reflects on what is holding us back from a transition to sustainability, and provides a few examples of how civil society organisations are using promising new ways of working towards systemic change.

Its immediate intention is to serve as a framework and support the discussions at the Civil Society in Transition Conference in October 2013.

¹ See Smart CSOs Report: Effective Change Strategies for the Great Transition, page 15ff



Innovating Civil Society strategies to make the Great Transition happen

www.smart-csos.org

Contact:

Micha Narberhaus
Coordinator Smart CSOs Lab
michael@smart-csos.org

This discussion paper has been written by Micha Narberhaus.
Many thanks to David Fell, Rich Hawkins, Lara Kirch, Stefan Tuschen
and Luke Wreford for their valuable feedback.
Graphic design and layout by Ina Schneider.

Some necessary theory first

Three levels of change are important:

Culture – The Culture level represents the dominant world views, values, and mental frames that underpin the goals and success factors of the system as a whole, and its constituent parts.

Regimes – The Regimes level includes the dominant infrastructures and technologies, as well as the current political, economic and social institutions and the regulatory frameworks. Together these constitute the basis of our current economic system. It is here where so-called lock-ins occur: existing capabilities and knowledge, economic cost of changes, vested interests, politics and power relations, established infrastructures, institutions, markets as well as people's life styles. These factors together combine into a complex system that tends to self-stabilize around the status quo and reject any tendencies for systemic change.

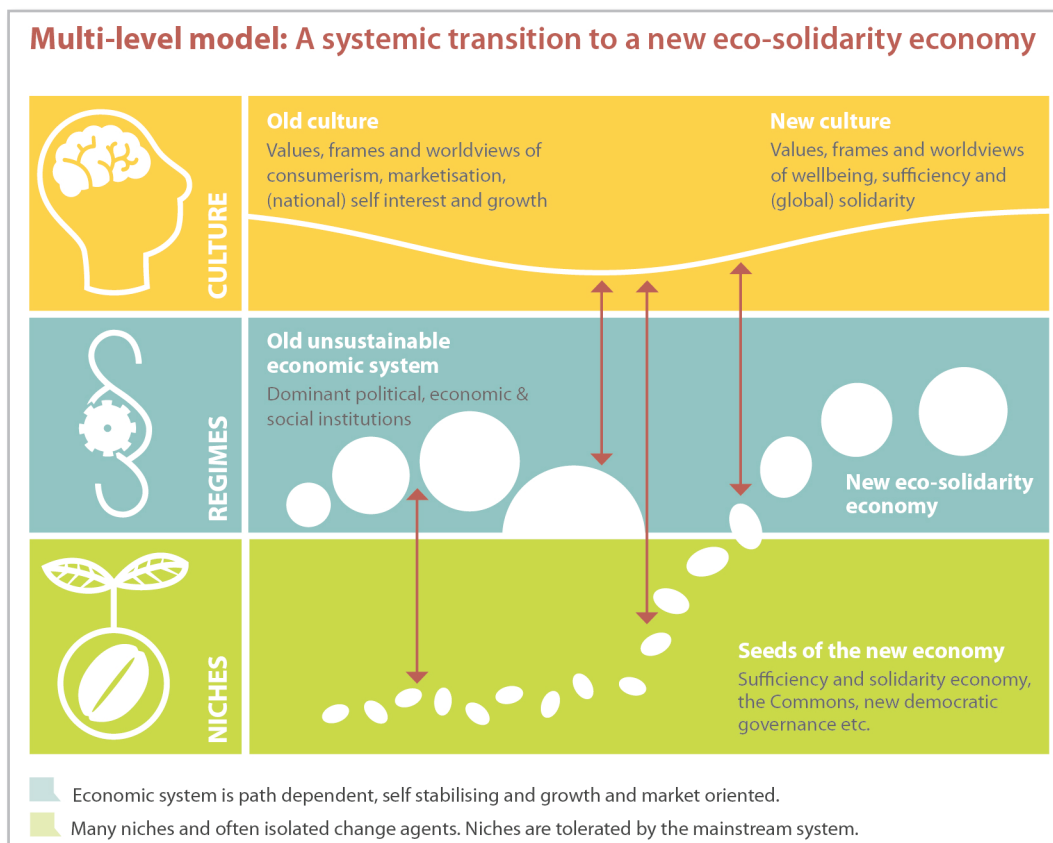
Niches – This is where the seeds of the new eco-solidarity economy (innovative models of sustainable life styles, business, political and societal institutions, technology etc.) are being developed and experimented with. A niche is a protected space where actors who question the mainstream worldviews are able to experiment with radical innovations without direct competition from the dominant system.

Feedback loops – The interactions between the three change levels will determine the systemic transition (or not) to a new eco-solidarity economy. This Great Transiti-

on is ultimately about unlocking the institutional lock-ins at the Regimes level, helping the institutions to radically transform themselves or replacing them with new ones that are needed for the new eco-solidarity economy. This is when radical (systemic) innovations eventually break out of their niches and become mainstream, i.e. they use windows of opportunity and gain sufficient support in the mainstream. As a fundamental pillar of the Great Transition, the Culture level plays an important role as a shift in cultural values and mental frames can support the new radical innovations and help them to become mainstream at a much faster pace.

The boundaries of the model: The diagram takes a meta-perspective of change in society, economy and politics with an attempt to be of global relevance. As with all models it reduces complexity to gain clarity. For the sake of our discussions it is important to note that the model is neither explicitly addressing the personal nor the organisational change dimensions. In addition to the three change levels in the diagram it is important to pay attention to the ways CSOs as well as ourselves individually should and can change to become better change agents. As organisations and human beings, we are part of the bigger societal system and are suffering the political, cultural and economic consequences and constraints of the system similarly to other actors. The core idea is that we as people and organisations need to intervene in the three bigger change dimensions (multi-level diagram). We get better in our interventions to the extent that we draw the right lessons from the model and our actions,

and develop our capacities as individuals and organisations.



The system is still playing business as usual

Culture – The ideas of the market-driven ever-growing economy and of a steady technological progress making our lives better are deeply embedded in our mental frames. Self-interest and national interest values are reinforced in our society.

In some European countries, recent experience of negative growth in the form of rising unemployment and lower living standards has reinforced the belief that more consumption and economic growth is the solution. Also, public fear associated with the financial/economic crisis has reinforced populist narratives that blame foreigners, immigrants, the unemployed and wasteful governments. Public debate is increasingly divisive within and between countries.

Regimes – In spite of multiplying crises (climate, banking, Euro etc.) governments are not embarking on deeper reforms to tackle the root causes but are rather fighting the crises with more of the same. This is mainly a desperate fight to return to a path of economic growth. As part of this old paradigm politics, public services are being cut or privatised, with deepening neoliberal reforms extending markets into systems and services formerly based on solidarity. On the other hand, government-led processes aimed at exploring alternative indicators for GDP (e.g. France, UK and Germany) have not led to any fundamental reforms despite initial optimism. Ultimately governmental (and business) pressure to put growth first continues to kill any initial good intentions. Even the so-called energy transition project in Germany put forward in 2011 by the German government to phase out nuclear energy in favour of renewables is under severe risk of losing its initial ambition. The public debate in Germany is instead shifting Germany towards the need for cheap energy to preserve German competitiveness and bring the country back on a growth path. On the global level processes like UNFCCC and Rio+20 are severely damaged and almost paralysed by governments putting their short-term national economic interests first, leaving the common interest of international collaboration behind.

Niches – At the Niche level, there is a growing number of initiatives and networks experimenting with new models of an ecological solidarity economy operating beyond the current market-consumerism-growth paradigm. Some of the most visible are the networks of transition towns, eco villages, solidarity economy, new economy, de-growth economy, commons movement,

occupy movement, sharing and gift economy, economy for the common good etc. In addition, especially in the global South, many communities are fighting to preserve and extend their old traditions of alternative models of living and wellbeing that have been threatened and in many places are being replaced by the global neoliberal market model (e.g. Buen Vivir in South America). While the niches are very much alive and expanding, they are staying in their niches and are not yet posing any serious threat to the core institutions of the market-growth economy. The niches are being tolerated by the system as long as they are not seen as a threat.

Feedback loops – It seems at this moment in time that momentum is still not sufficient to unlock the institutions at the Regimes level and bring about the systemic transition.

There are a number of feedback loops that are currently still unresponsive of a Great Transition (negative feedback loops reinforcing the current system). These are some of them:

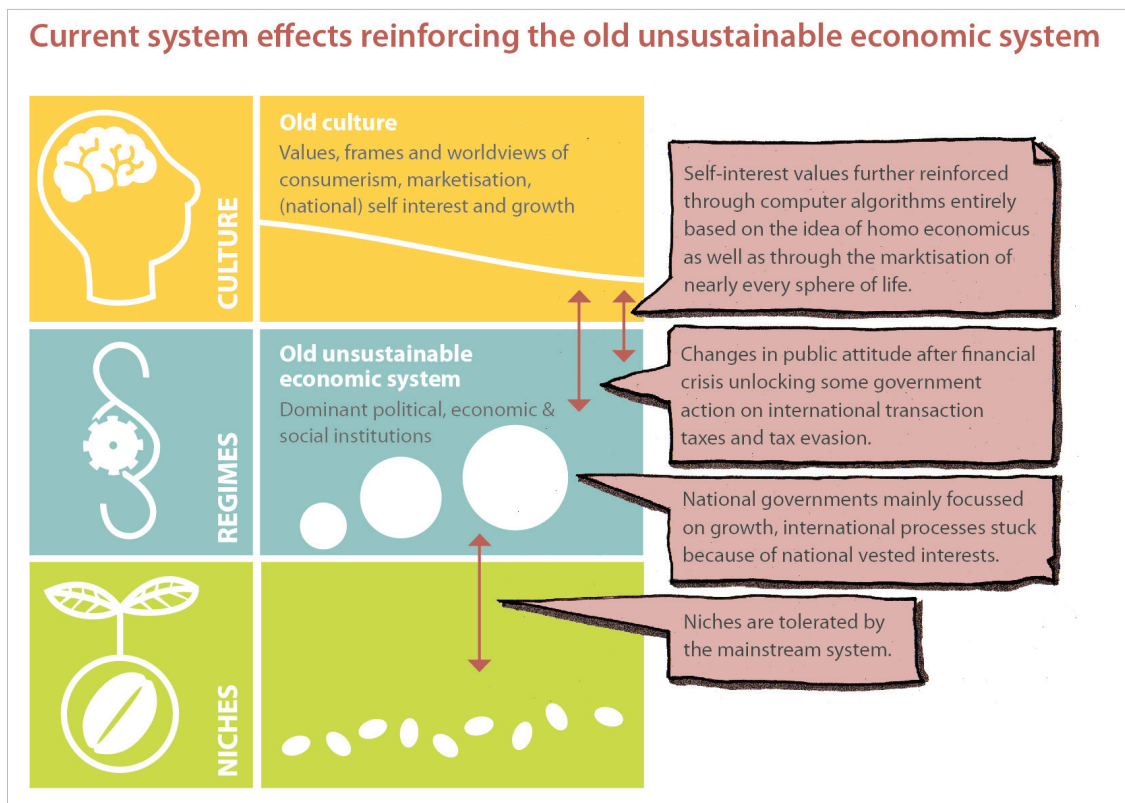
- The idea of the human being as homo economicus, largely driven by material self-interest, is being pushed further by information technology. Computer algorithms used in the global financial markets as well as by most of the dominant internet institutions (Google, Facebook etc.) are based on game theory and the idea that humans are entirely driven by self-interest. As a result of this increasingly omnipresent use of technology as well as of the increasing marketisation of nearly every sphere of life, extrinsic (self-interest) values are being strengthened in our culture. The negative impact that the advertising industry has on cultural values is part of this wider story.
- Our strengthened identity of homo economicus is further consolidating our current neoliberal institutions, for example by providing public support to governments massively cutting back social security benefits in some countries.

Simultaneously positive feedback loops are happening but are only having a fringe impact on the dominant economic system and are not yet de-stabilising it. Since the financial crisis there has been some shift in public attitude towards the global financial system as being perceived as serving the 1% (global rich) and being out-of-control. This has pushed governments towards some action on financial transaction tax and tax evasion.

While the dominant system seems to remain resilient and in some aspects still expanding, increasingly people are losing faith in it. Our old myths about growth and progress are breaking. In many countries, the number of people losing their belief in the economic system is growing (e.g. approx. 80% of Germans and Austrians wish to have a different economic system according to a 2012 survey by the Bertelsmann Foundation). This disillusion is related to increasingly visible negative social effects of the system, e.g. jobless growth and growing global inequality. Many people are still completely unaware about the potential alternatives. Others are starting a search towards an alternative model for themselves and join one of the many emerging niches. Also, there is

growing distrust of established elites, which opens some space for progressive political change.

The positive feedback loops between the Niches and the Culture levels are still too weak to have a destabilising effect. It is often argued that the current trend towards sharing assets (sharing economy) might strengthen intrinsic cultural values. It seems that this might be true at the very niches where people are truly sharing out of intrinsic motivations and without a clear transactional mode, but it seems doubtful that large commercial operations like Airbnb or commercial car clubs (car sharing) can have any positive cultural effects but could possibly even be counterproductive.



Most activism is involuntarily reinforcing the current system

Culture – Current CSO campaigns often fail to address the cultural dimension of the Great Transition. The shortcomings can be found at two levels: (1) The heavy reliance on technical facts and rational arguments fails to address the importance of the non-conscious mind in human behaviour. (2) Short-term tactics, i.e. the hope to move the political agenda forward by playing the game of government and business, often means that CSOs are communicating the very values and frames of our current culture of self-interest and national interest.

As a result there is no tangible support for a cultural transformation away from our current expansionist, consumerist and nationalistic frames (extrinsic values).

Regimes – The broad majority of civil society organisations, such as environmental and developmental NGOs, human rights organisations and unions are putting most of their attention towards the Regimes level (through their advocacy work and elite campaigning). The aim is to achieve large-scale policy shifts and to get large

corporations to commit to more sustainable practices. Some NGOs use protest and confrontational campaigns to achieve their campaign goals while others are cooperating with governments and business (often becoming almost advisors). Both ways of working are constrained by the strong path dependencies and tendency to self-stabilise at the (institutional) Regimes level. In order to achieve any tangible (incremental) results, most NGOs become very tactical in their advocacy work and run the danger of becoming part of the system problem rather than giving any tangible impulse towards a systemic transition.

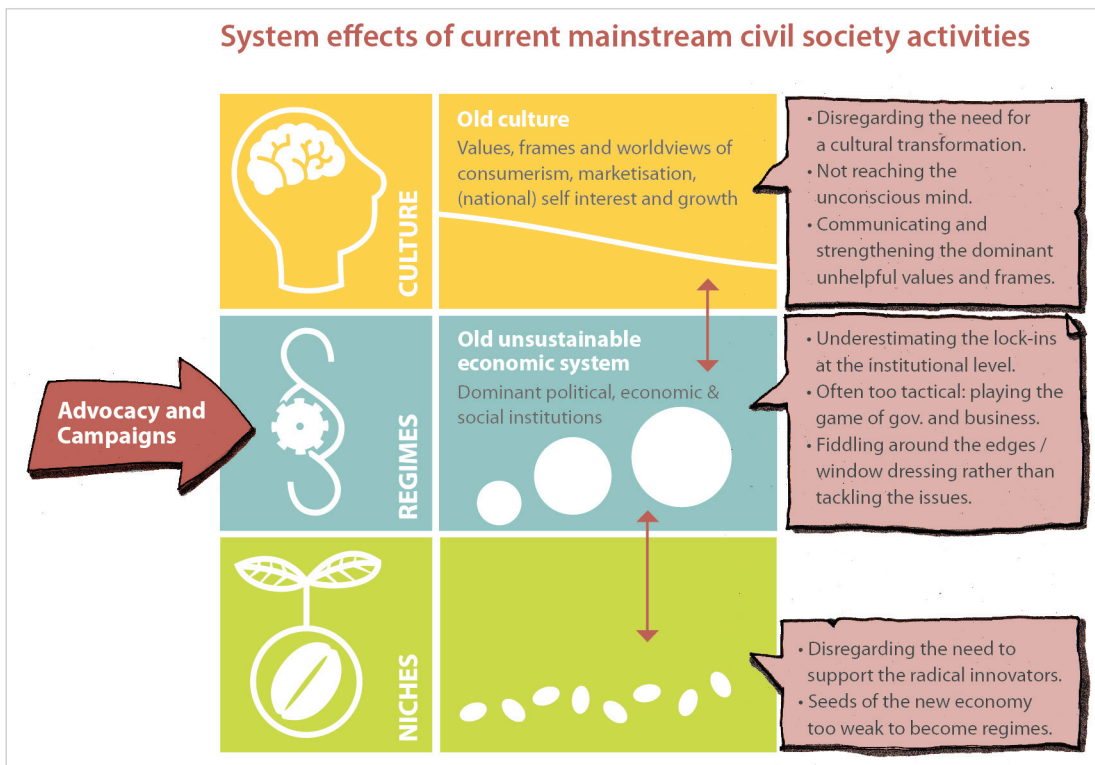
A clear example of this is much of the NGO work done on pushing governments to achieve strong international agreements on sustainable development, green economy or climate. As explained above, these processes are highly constrained by national vested interests and are unlikely to achieve anything else than window dressing (under the current scenario). Nevertheless thousands of NGOs put much of their resources into participating in these processes as they don't see any clear alternatives. The new UN led SDG (sustainable development goals) and Post-2015 processes have become the latest NGO hope ending up stuck in the paradigm.

Niches – The majority of civil society organisations are still finding it hard to make meaningful links with the

radical innovators experimenting with the seeds of the new system (Niches level). There is often little knowledge about the radical system innovations but also scepticism and anxiety that the ideas for a different economic system are too radical or utopian to ever be mainstreamed. As a result the seeds of the new economy are too weak to find their way to the Regimes level.

Feedback loops – So far, CSO strategies are largely disregarding the potential for leverage at the Culture and Niches change levels and are therefore not creating any meaningful positive feedback loops that would destabilise the system.

However, system stabilising negative feedback loops between the Culture and the Regimes levels are probably happening with many CSO campaigns reinforcing the unhelpful frames and values in their audiences for example by making people believe that we can tackle climate change, resource scarcity and inequality through smarter investments in the right industries and through some changes in our purchasing behaviour. Many of the frames used in development and nature conservation are unhelpful for their organisations' longer-term causes, like for example any commercial transaction and monetary frames used in communications (for example the economic valuation of nature).



Some seeds of new civil society practice and activism

Example One: FUTUREPERFECT – The Futurability Foundation

FUTUREPERFECT is an organisation based in Berlin and founded by socio psychologist Harald Welzer in 2011. It focuses on identifying, researching, telling and illuminating real stories of pioneers who are experimenting with new socially and ecologically sustainable economic models. These alternative experiments are generally hidden from the current mainstream political and societal discourse. The rationale is that by bringing these stories into the public sphere (illuminating them) they have a chance to resonate in society and encourage more people to experiment with the new practices. FUTUREPERFECT might work on the three levels of change the following way:

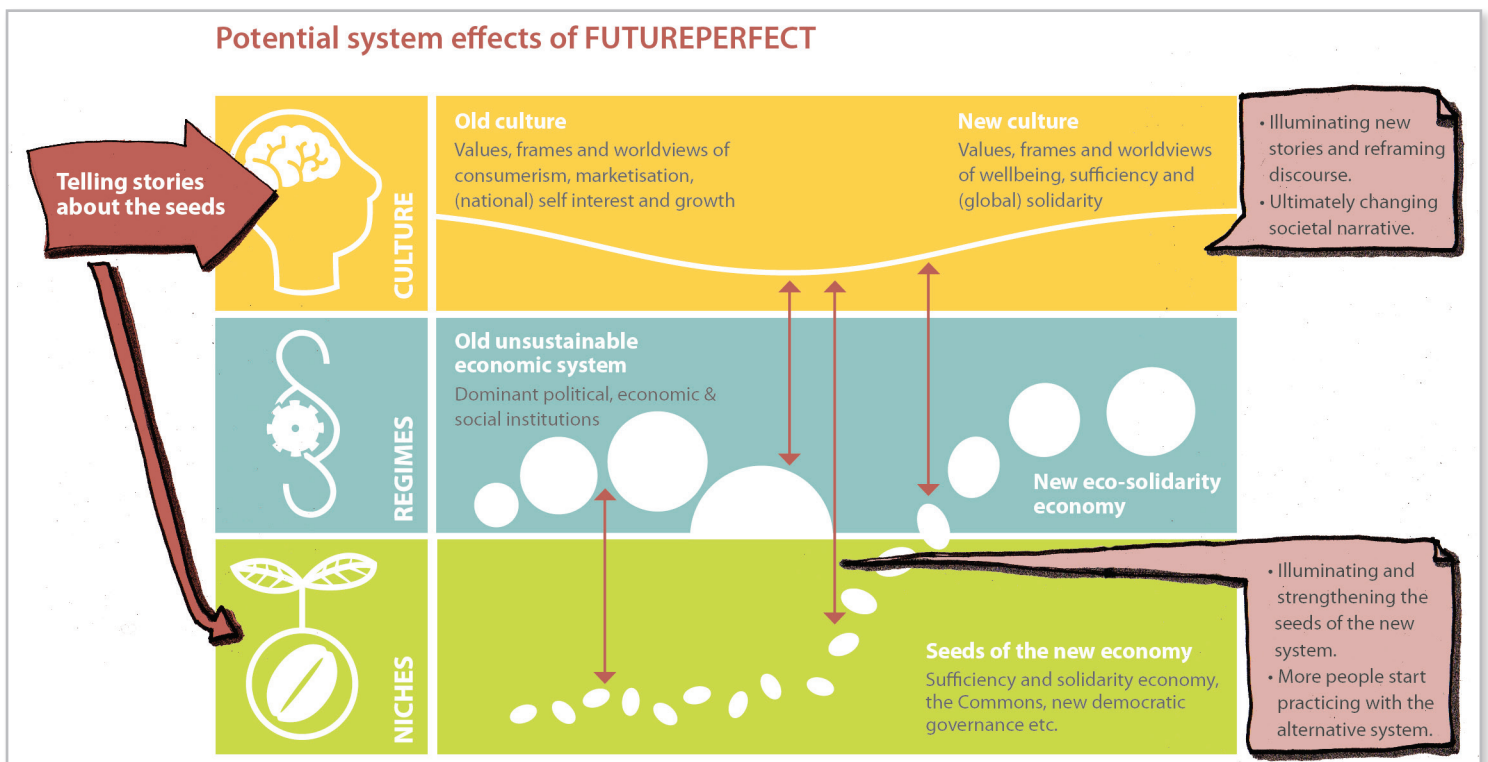
Culture – FUTUREPERFECT has a clear aim to contribute to changing the current expansionist and consumerist frames in our society. It uses storytelling as an approach because stories have a much higher chance to stick in our minds than traditional ways of communicating facts. If stories are told and retold millions and millions of times they can become part of bigger societal narratives and change our societal myths. The collection of smaller stories that FUTUREPERFECT is building is intended to support the creation of bigger narratives of changes in life style and the economy.

Regimes – In the first place this project is not operating on the Regimes level. The rationale is that by focusing on the level of Culture and Niches, ultimately the project will contribute to destabilising the system. While Futurereperfect successfully works with mainstream media companies, in order to achieve a high level of dissemination of the stories, it does not attempt to directly achieve change at the institutional level.

Niches – The initiative makes clear links with the radical change agents (and the Niches level) by illuminating the stories about the seeds of the new system and by attracting more people to take part in the alternative practices. By bringing the stories together, the pioneers are encouraged to see themselves to be part of a bigger movement.

Feedback loops – While it is early days to talk about big societal impacts from this experiment, so far it has clearly shown that the stories have inspired people to become active on their own accord and as a consequence become part of the seeds of the new system that FUTUREPERFECT is promoting.

Clearly the logic is to initiate lots of positive feedback loops between the Niches level and the Culture level. The more the stories become known in the wider public and find a place in public discourse, the more the pioneers get support, for example by new customers buying their products or individuals being inspired to change aspects of their life style. And the more people practice the new economic models and lifestyles, the more this can result in a shift in their mental structures as well (as mental structures and behaviour are interdependent). Ultimately these changes at the Culture and the Niches level shall open opportunities for institutional change (destabilise the lock-ins at the Regimes level).



Example Two:

City of London, the Tax Haven Capital of the World – A campaign by The Rules

THE RULES is a decentralised network of activists distributed all over the planet aiming to connect movements from the South and the North and create momentum on key systemic issues like for example the global system of tax havens. The **City of London, the Tax Haven Capital of the World** is a key target of their campaign on tax justice. The Tax Haven Capital of the World campaign is an example of how THE RULES is thoughtfully designing its campaigns and paying attention to the knowledge and insights we have about destabilising the system (unlock the institutional level). The Tax Haven Capital of the World campaign might work on the three levels of change in the following way:

Regimes – THE RULES focuses on key leverage points in the economic and political system to advance towards system change. It selected the City of London and the issue of tax havens as a key leverage point with the following rationale: The power and influence of the City of London on global tax injustice is immense. The Corporation of London is the wealthy behind-the-scenes agent globally negotiating new tax havens to make it as easy as possible for the City's banks and their clients to avoid paying hardly any taxes at all. This is a key leverage point in the fight against global inequality and indirectly against ecologically unsustainable power and wealth distribution.

The assumption is that the issue of tax havens is a window of opportunity for some fundamental global policy shift in the medium term if the campaign is well designed.

Culture – THE RULES attempts to mindfully choose the frames to engage people. The idea is to change the logic

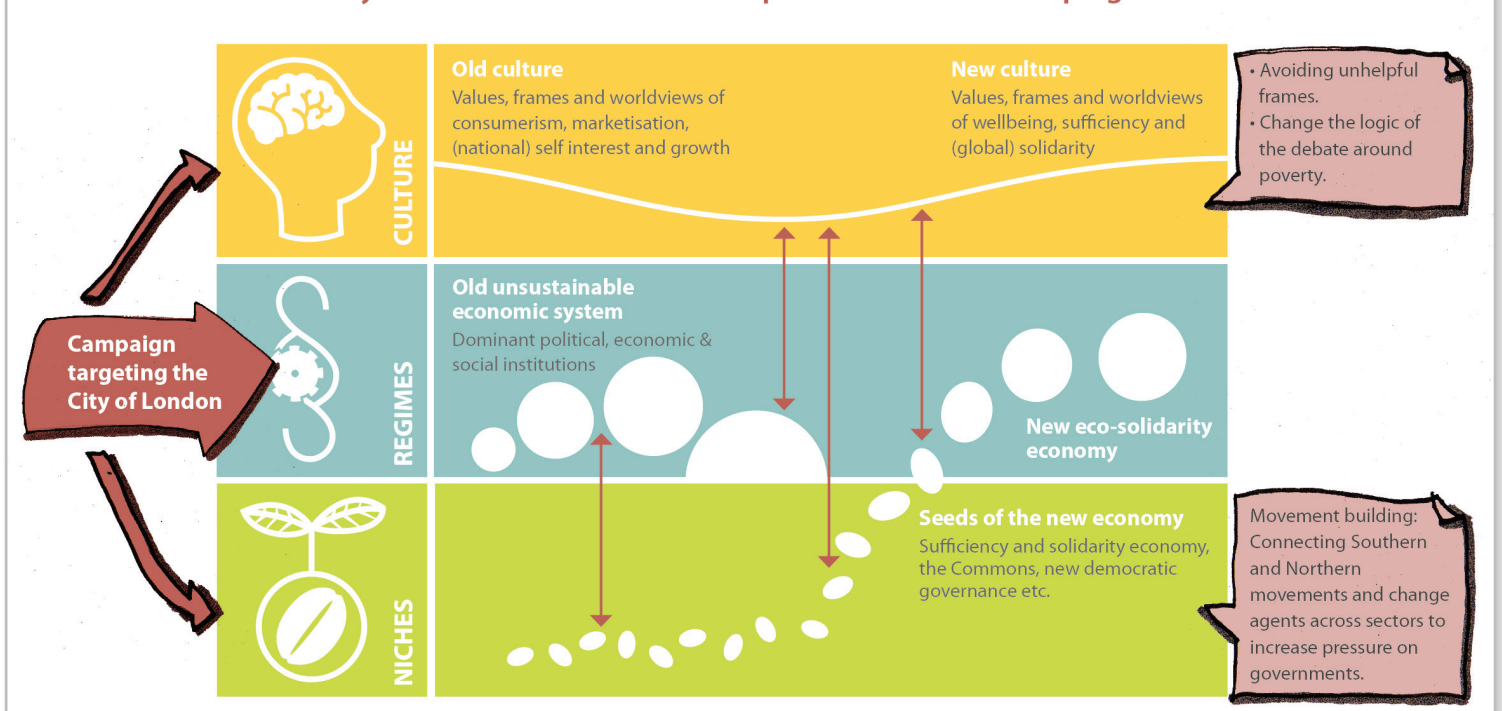
of the debate around issues like poverty and avoid unhelpful frames that evoke the idea of charity (like e.g. the term 'aid') but rather frame poverty as something created by human beings with an underlying system logic that we in fact are able to change.

Niches – THE RULES aims to learn from many campaigning failures by saying that they are often too much elite driven and not sufficiently using the power of movement building. THE RULES connects Southern and Northern movements and change agents as well as civil society across sectors by breaking down issue silos.

Feedback loops – With campaigns like the Tax Haven of the World, The Rules tries to create positive feedback loops between all three levels of change:

- By trying to change the logic of the debate, the hope is to change public discourse about the issues (in this case the tax haven system and its links to global inequality) and as a consequence gain more public support for policy change (Regimes level).
- By trying to link different movements in the South and the North, the aim is to gain visibility and support a change in public discourse as well as putting pressure on governments (in this case especially the UK government) to take the issue much more seriously and start a fundamental reform.
- By focusing on very strategic leverage points like the role of the City of London in the global system of tax havens, the aim is to catalyse further knock-on effects once the initial policy goal starts to shift. Once big corporates and investors some of their important privileges, more transformational change can be catalysed.

Potential system effects of Tax Haven Capital of the World campaign



How can different types of strategic activism mutually support each other and catalyse the Great Transition?

Questions for the Civil Society in Transition Conference

This paper is a contribution to the Civil Society in Transition conference and beyond. It puts its faith in the assumption that the model and its above exemplary application can support conversations among thoughtful activists who want to learn how their campaigns, projects and initiatives can increase their impact towards the Great Transition.

The above two examples are not meant to represent the silver bullets of new activism but are in fact two experiments of new civil society practice and activism and representing two of many possible new approaches that shall be discussed and experimented with.

We need to think of a whole range of different types of campaigns, approaches and projects that have to work in parallel and shall together open the door to systemic change and the Great Transition a bit further.

If we seriously explore the following two questions in depth at the conference (and beyond) we might get a step closer to the Smart CSOs aim of developing and putting into practice effective strategies for the Great Transition:

- 1) What are the effects we believe campaigns, projects or initiatives can have on the three change levels of the model (Culture, Regimes and Niches)? And what are the feedback loops it can catalyse between the change levels?
- 2) What different strategic approaches (campaigns, processes, initiatives) could mutually reinforce each other and how could they develop strong positive feedback loops to support the Great Transition?

