

2015 IDEAFACTORY



**NEW SOLUTION SPACES:
THE PRE-2060 AGENDA**

This report contains a summary of all the content captured by the facilitation team, through writing and visual dialogue mapping. It is not a complete transcript and does not claim to be precise; we hope it captures the main ideas and concepts that emerged and were discussed during the session.

The opinions expressed and arguments employed in this report are those of the participants in the OECD_IdeaFactory and do not necessarily reflect the official views of the OECD or the governments of its member countries.

about the **OECD_IDEAFACTORY**

The OECD_IdeaFactory invites global experts and Forum participants to work together to explore significant social phenomena, combine their perspectives, and discuss the potential of new approaches and solutions.

Inside the IdeaFactory everyone is part of the process, everyone's experience counts and ideas can be combined, tested, prototyped, and formed into potential new solutions.





NEW SOLUTION SPACES: THE PRE-2060 AGENDA

2015 is a landmark year in global ambitions.

The post-2015 agenda implies change, and the scale of global ambitions in meeting the emerging challenges of a more connected and multipolar world are breathtaking. They involve global transformation—shifting the current trajectory of lower global economic growth on a more sustainable development pathway.

And the window of opportunity is closing for making the shift in time to enable more of humanity to thrive, rather than struggle to survive, in the 21st century.

The aim of this IdeaFactory was to discuss emerging policy challenges and possible solutions needed for a whole world on track for sustainable development by 2060.

The following pages capture some of the key ideas that came up during the session.





ANGELA WILKINSON

COUNSELLOR
FOR STRATEGIC
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“There isn’t anyone in this room who doesn’t care about a better future. That is what motivates us and it is why we are here. Whether we are policy makers, researchers, or activists, we are all trying to build a better future. The challenge is to get people to think about how we think about the future.

In this IdeaFactory, we will open up a new space to talk about the future. We will harness our collective intelligence to discuss important questions about the transitions we will face in the next 50 years, and about ways for us to begin a new era of shared and inclusive prosperity.”



**MAURIZIO
TRAVAGLINI**

FOUNDER, ARCHITECTS OF GROUP GENIUS,
IDEAFACTORY DESIGNER AND FACILITATOR

“The IdeaFactory started five years ago as an experiment: a physical, social, and intellectual space for people to have a different kind of conversation.

This year we are taking this experiment into the realm of foresight. We want to invite you to enter a conversation about future-related questions: ‘How can we think about the future together?’ ‘How can we make sense of the hints and clues about what we see coming?’ ‘How can we prepare our communities and organisations for an uncertain tomorrow?’

We are not trying to make predictions. The purpose of this IdeaFactory is not consensus—the purpose is to develop a deeper understanding of everyone’s ideas about *what matters* in the future. This is a good opportunity to understand how others’ ideas connect to yours.”

Explore.



A TIMELINE OF TRANSITIONS



WHAT SIGNIFICANT TRANSITIONS HAVE WE WITNESSED OR EXPERIENCED IN THE LAST 50 YEARS?

A collective conversation about *transitions*. Transitions are profound shifts in the way we live, think, and work, and which require us to revisit, renew, and reimagine policies, regulations, and other political domains. They are the result of multiple intersecting trends and transformations which come together in previously unforeseen ways.

SOME EMERGING PATTERNS:

- Global governance is becoming increasingly relevant
- New “collective identities” are emerging
- Established hierarchies are fading out
- Diversity and complexity are becoming increasingly pervasive
- Sustainable development is acquiring a new meaning

A TIMELINE OF TRANSITIONS



environmental ecosystem

global risk number one
90% of all disaster water related
water
demographic transition
more older people than people under 5
demography
urbanisation
energy: political transition
urbanisation

challenged role of western Multilaterals
rising Multilaterals in Asia
role of Multilaterals
education and labour market
artificial intelligence
impact on economy and social relations
inequality and growth
January 2015 election of Syriza in Greece
Occupy movement
increasing inequality
class dynamics

market and monopolies
different economic structures
zero marginal cost economy
sharing economy
70s oil shock
2007 crisis: failure of free market idea
big data

70s Brazil development of biofuel
relationship with the environment
social media
health sector
impact on decision making
citizens empowerment

short term political horizon
long term investment horizon
growth model
COP21 in Paris
climate change

development for the whole planet
inequality, social values and political aims
western democracies
Arab Spring
viral communication
Internet has empowered citizens
social democracy
social democracy downside
monitoring civil society and activists
emerging economies specific challenges

the Internet we had
the Internet we are shaping
Internet neutrality
digital economy
2001: end of universal values

1979 China opens doors
globalisation and beginning of structural reforms

from linear economic thinking to circular economic model
waste economy
more than recycling
economy as a circular entity not and accumulative phenomenon
inclusive prosperity
financial innovation strongly needed
now value of money to determined democratically

remittances somewhere higher than FDI
changes in migration
humanitarian crises at the borders
new category of crisis migrants
1990 Nelson Mandela
1994 South Africa's transition to democracy

Africa key before 2060
history of African continent

THE MOST SIGNIFICANT Transitions

WE HAVE WITNESSED IN THE LAST 50 YEARS

DE-INDUSTRIALIZATION & RE-INDUSTRIALIZATION

MICRO MULTINATIONALS & SMEs
NEW tools!

DECREASING LABOUR SHARE
K L

FIRM-LEVEL DATA

Understanding the "Life" of the REAL "TRADE" Actors

GLOBAL FINANCIAL INTEGRATION

HEALTH

HIV & APPROACHES TO THESE TYPES OF DISEASES

GROWTH MODEL

EQUALITY & GROWTH

PUNCTATED EQUILIBRIA & SYSTEMIC PARADIGMATIC CHANGES

equality benefits all

CRISIS OF WESTERN SOCIAL VALUES OF DEMOCRACY

SECURITY

INTERDEPENDENCIES INTERACTIONS, INTEGRATION

MIGRATION PATTERNS

INCREASING URBANIZATION

OIL SHOCK



CIRCULAR ECONOMIES NO WASTE!

THE BRAIN-WALLET DANCE

which one will prevail?

ZERO-MARGINAL COST ECONOMY

$M_c = 0!$

CONVENTIONAL VALUE OF MONEY & ROLE OF GOVERNMENT

"FAILURE" OF FREE MARKET IDEA

COMPROMISE of one OLD "PILLAR"

REGULATIONS? TRADE?

GLOBAL GOVERNANCE - SOCIAL MODEL OF GOVERNANCE A MULTI-POLAR WORLD

AFRICA

SUSTAINABLE DEVELOPMENT

THE LIMITS OF GROWTH

INCREASING POLARIZATION OF INEQUALITY

poor wealthy

CHINA

ROLE OF WESTERN MULTI-LATERALS

SHRINKING SPACES FOR CIVIL SOCIETY

DESIGN SYSTEMS

BERLIN WALL

an ongoing transition...

SOCIAL DEMOCRACY

ARAB SPRING

ARTIFICIAL INTELLIGENCE

... a New FORM of Life...?

BIG DATA

Heavy Potential to INFLUENCE DAILY Life

NET NEUTRALITY

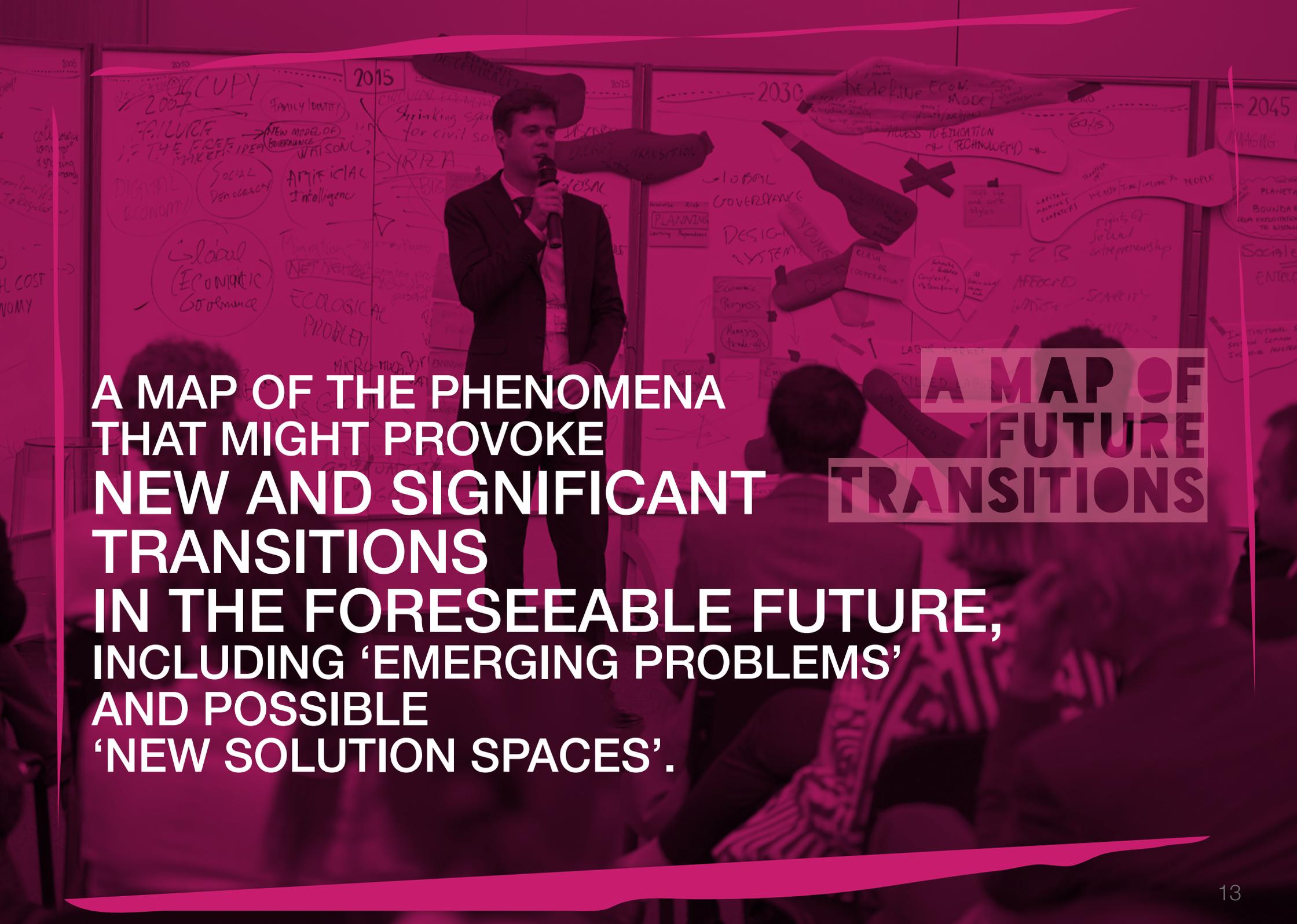
FAMILY IDENTITY

DIGITAL ECONOMY

invention REGULATION & LEGISLATION



A MAP OF FUTURE TRANSITIONS



**A MAP OF THE PHENOMENA
THAT MIGHT PROVOKE
NEW AND SIGNIFICANT
TRANSITIONS
IN THE FORESEEABLE FUTURE,
INCLUDING 'EMERGING PROBLEMS'
AND POSSIBLE
'NEW SOLUTION SPACES'.**

**A MAP OF
FUTURE
TRANSITIONS**

“There is a growing homo-heterogeneity. In the global context there is more exposure to different cultural systems. At the same time, less importance is placed on hierarchy, governance, and a single identity.”



PEOPLE: REDEFINED INDIVIDUAL DIMENSIONS



“We need to redefine factors of production, and base them on *access* instead of *ownership*. When we think about how we want to grow—not just economically—we have to take into account the importance of *access* over *ownership*.”

“We need to establish, across the world, the rights of people to determine their own future.”

PLANET: REFRAMING TRADEOFFS

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“We need to reframe tradeoffs, look at ‘new models’, and become better, more sophisticated planners concerning risks and resources. We are not doing a good job of managing risk, planning for disasters, or tackling corruption.”

“We need to develop new practices to work with renewable energy, taking into account their impact on politics.”

“In order to move towards cleaner growth, we need a comprehensive approach to the pricing of externalities – to allow the true cost of our choices to emerge, and change our investments accordingly.”

“We need to move beyond the ‘never-ending growth’ paradigm and engineer the transformation from exploitation of resources to their sustainable use. We need solution spaces at the individual level and the global level.”





“Society will increasingly need only skilled labour, and so we need to re-evaluate the role of unskilled labour in the future. If there is no place for unskilled workers in the future, there must be a conversation on how they will get their share of resources.”

PRODUCTIVITY: A NEW GROWTH MODEL

“In the future, redistribution will occur through a transformation of strategies resulting from pressure on resources, a growing population, and technological developments. There will be incompatibilities and a need to move from an economy of growth to an economy of redistribution. The peak of the population is expected in 2050, so these will soon become more pressing issues.”

“We are missing a plan to address the increasing number of older people on the planet and the resulting implications for sustainable living: we might consider a work-week with shorter hours but for a longer part of our lives, as well as a different value of our free time.”

“Sustainable development goals will require serious trade-offs. We will need the right forums to address them: every stakeholder cares about these different issues, to different degrees, from very different perspectives.”



POLITY: MULTI-LAYERED GOVERNANCE



“New governance-social-economic models will need to be multi-layered; located beyond the nation state; capable of adapting to virtual and physical networks; and able to take into account the private sector, cities, and citizens. How will we establish legitimacy and representation in these systems? What values will facilitate the emergence of a truly global community around issues of governance? Who will be excluded from this conversation?”

“The redistribution model that will regulate this new world will determine the plausible scenarios for a new kind of ‘governance’.”

“What is the cost of inaction when you already know that something is not working? How does this apply to our education system?”

“What is our capacity to influence the direction of change, whatever that vision of change is? Can the political and economic structures make this new vision possible? Do we need a new understanding of the political economy? What are the systemic, institutional, and structural changes that need to happen?”

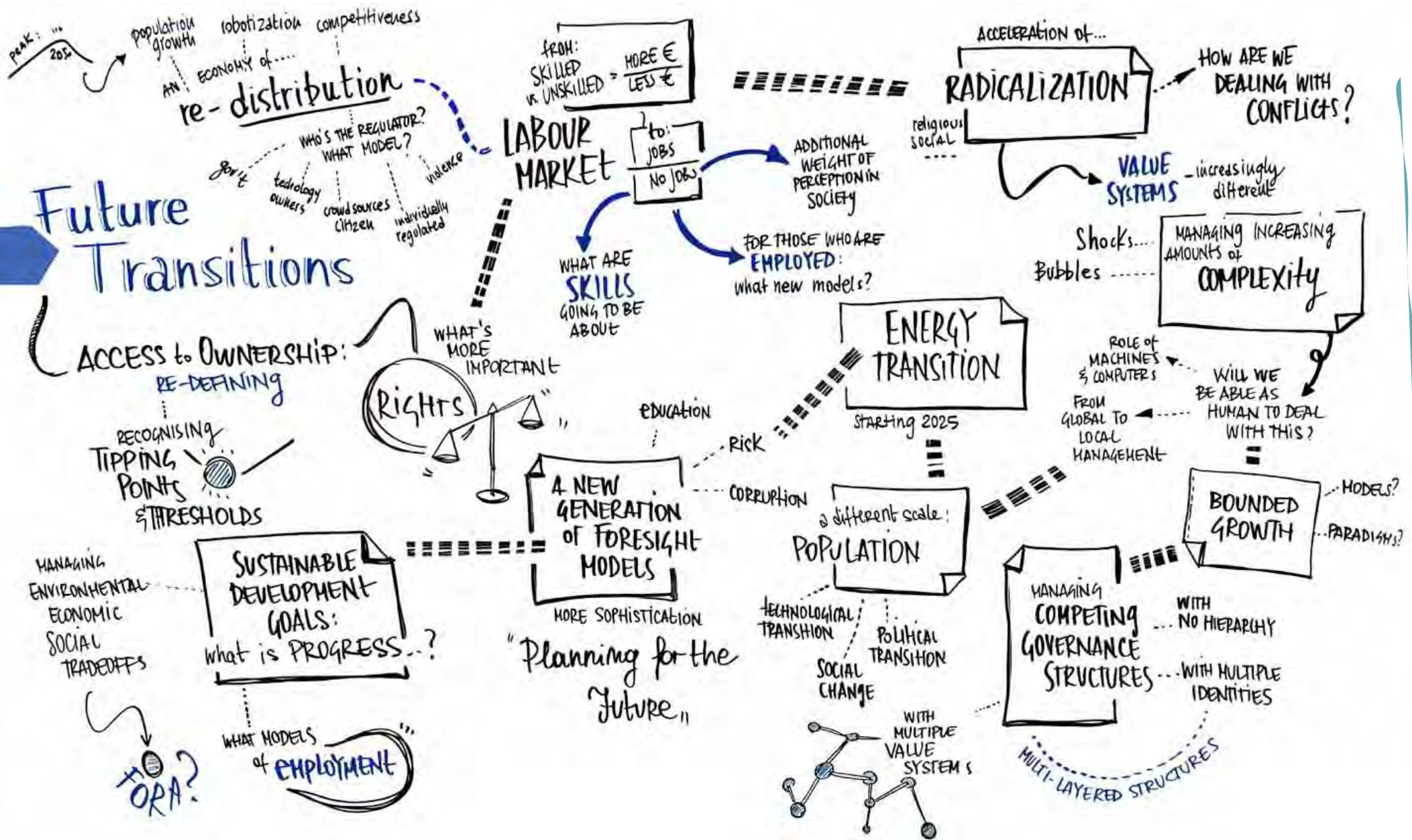
“To what extent will we rely on artificial intelligence to predict bubbles and quickly react to shocks?”

PROGRESS: UNBOUNDED COMPLEXITY



“Radicalisation has transformed the way we see conflicts and the way we think we can solve them. Clashing value systems and less transparent frontiers will increase the complexity of dealing with conflicts through dialogue and education.”

Future Transitions





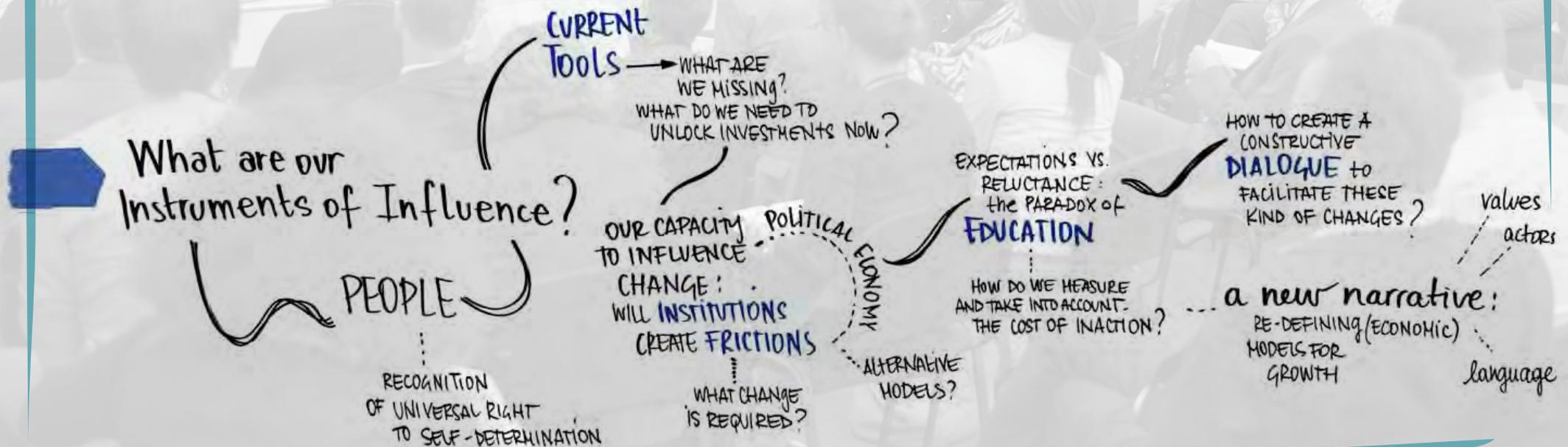
**WHAT IS OUR POSSIBILITY
TO INFLUENCE THE UNFOLDING
OF A BETTER FUTURE?**

HOW DO WE PREPARE FOR AN UNCERTAIN FUTURE?

WHAT ARE OUR 'INSTRUMENTS OF NUDGING'?

WHAT IS OUR POSSIBILITY TO INFLUENCE THE UNFOLDING OF A BETTER FUTURE?

How can we let a better future unfold, and prevent negative aspects from unfolding?





**ANGELA
WILKINSON**

Throughout this session a number of forward transformation enablers have been hinted at. For example, investing in the capacity of people to self-determine their future. However, the emphasis is shifting: from investment in the early years of education to life-long learning and reskilling. Pricing environmental goods and services (with the aim of regenerating natural capital stocks rather than minimising pollution flows) is another such shift towards the transformational scale of change needed in an era in which cumulative human activities are the driving force of global environmental changes. We are reshaping the planet faster and more fundamentally than geological processes over the last 10,000 years, and climate momentum continues to gain pace even after 20 years of negotiating global actions.

In an era characterised by the accelerating pace with which automation is moving up the skills ladder and, in the same breath, the new opportunities for self-generated work offered by the peer-to-peer and digital economy, technology remains an uncertain game changer. Economists debate whether or not humanity is reaching the end of an unprecedented era of prosperity enabled by the industrial revolution and demographic dividends, or if it is already embarked on the confused beginning of a next era of bio-, nano-, ICT-, robotics and AI- enabled productivity. Who knows? Meanwhile, the asymmetric and disruptive impacts of new technologies are already being felt in manufacturing, health, finance and education systems. Will they also prompt a rethink by central governments of revenue and redistribution mechanisms, service provision and job creation?

A new narrative of progress is emerging that repositions growth as a means, not an end – a narrative of inclusive, sustainable development and human-centric well-being. Yet, unless we can also develop the architecture to mainstream this narrative – the governance systems, policy frameworks, tools and metrics–, nobody is going to venture in that direction. Instead, we will remain “locked out” of the new global vision of the future, in large part due to institutional inertia. Institutional innovation requires political will, social mobilisation and courageous conversations. New approaches in governance and the need for institutional innovation to keep pace with social and

technological changes also came up in the conversation. The prospect of an unfamiliar future is a source of anxiety that can be overcome by implementing the imaginable, rather than waiting for crisis to become predictable. Yet the incentives in the public policy processes reward stepping up in crisis rather than avoiding missed opportunities! Transformation implies a fundamental culture change, which is needed if we are to reorganise in a timely way on a whole-of-societies basis and find new ways for societies to succeed in a more turbulent, less certain and interdependent world.

We have also entered a new era of unprecedented collaborative potential. New forms of virtual community and new social spaces enabled in the digital era are already starting to transform the world, from the bottom up and on a horizontal basis. Managing systems change and enabling multi-dimensional and purpose-led transformations cannot be calculated in terms of the cost of action – but also the costs of inaction. These also depend on how social needs and values are being met (or not) by more vibrant and diverse value creation systems that cannot be reduced to simplistic measures of GDP alone. What gets measured gets managed. The question is: What are we measuring and evaluating?

At the OECD we have been pushing forward the concept of measurable, multi-dimensional well-being as a new policy framework for guiding a new era of inclusive and sustainable productivity. Using this framework, we are trying to connect the dots – between the systems of economy-society-environment, and also to the quality of long term governance and the new narrative of progress. Connecting these dots is essential in ensuring healthy

linkages between these co-evolving and interdependent systems of modern life. Even as we take into account issues of policy coherence and alignment, in dealing with multiple dimensions and multiple scales, we need to find ways to keep one eye on the longer term and bigger picture and the other on the devil in the detail of distributional effects.

We are pushing a new narrative of progress that is not just a “story”, but a guiding model for structural reform that enables a new economic velocity – a change in speed and direction. This process requires us to forge new and shared strategic vocabulary and new global collaborations. People are no longer the employed vs. unemployed, but self-generating “creators and builders”. Rather than consumers vs. producers we are “prosumers”. The challenges of governance implied in an era of “glocal-isation” (more global and more local) cannot be resolved by territories vs. networks!

During this IdeaFactory we have confirmed some of the directions in which the OECD is trying to support its members and partners in making movement. We have also started to touch upon some of the strategic blind-spots and gaps that we are actively grappling with as we aspire to develop a truly forward-looking, innovative and globally relevant policy agenda. Our search for a narrative is about whole, new and more resilient value creation models, and the language of the actors that are going to be instrumental in this narrative.

There is no conclusion today: rather this is the start of a strategic conversation that needs to be continued...



INTERESTED IN CONNECTING MORE DOTS?

**Personal empowerment revolution @ OECD agenda:
restoring trust; Better Life Initiative**

- >> Trust in government
www.oecd.org/gov/trust-in-government.htm
- >> Trust and Business Project
www.oecd.org/daf/ca/trust-business.htm
- >> Better Life Initiative
www.oecd.org/statistics/better-life-initiative.htm

**Accelerating a new narrative of “beyond growth” progress @ OECD agenda:
New Approaches to Economic Challenges (NAEC); multidimensional well-being**

- >> NAEC Project
www.oecd.org/naec/
- >> High-level Expert Group on the Measurement of Economic Performance and Social Progress
www.oecd.org/statistics/measuring-economic-social-progress/

**Rethinking redistribution/ formalisation of self-generated work @ OECD:
futures of work, inclusive growth**

- >> Employment Outlook 2015
www.oecd.org/employment/oecd-employment-outlook-19991266.htm
- >> Work on employment
www.oecd.org/employment/
- >> Initiative on Inclusive Growth
www.oecd.org/inclusive-growth/

Access becomes the new ownership @ OECD: contribution to the post-2015 agenda

- >> Post-2015 agenda
www.oecd.org/dac/post-2015.htm

The singularity @ OECD: the Next Production Revolution

- >> Enabling the Next Production Revolution
www.oecd.org/sti/ind/next-production-revolution.htm
- >> The Future of Productivity
www.oecd.org/economy/the-future-of-productivity.htm

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