

PROSPERITY IN 4D: TOOLS FOR SUSTAINABLE FUTURES

Lala Deheinzelin, 2012

The “awareness test/moon walking bear” video, an awareness campaign made by Transport for London, available on YouTube¹, is a beautiful metaphor for what might be taking place in our world now. In the video, we are asked to count how many passes are made by a basketball team. It is quite incredible to be aware that almost invariably we are so busy doing what we were told to, usually counting that we do not see a fake bear dancing like Michael Jackson spends more than half of the video right in the middle of the screen!! When I saw this, I began to think about how many dancing bears we fail to see because we are so busy focusing on something else (for instance, on counting and competing). Futurists and artists, on the other hand, have in common the practice of looking at things from a different perspective – as Peter Drucker used to say: “I just look out the window and see what's visible but not yet seen”.

One King Kong that still remains invisible for many is the relationship between creative economy, network society and sustainability. And also the change this will bring to the economy – to count and compete will no longer be our focus in a new economy based on the centrality of the intangible. After working on the subject for several years, and with a vision of the future, today I believe that Creative Economy is broader than just the sectors considered by the economics of culture and creative industries. It is rather an economy based upon intangible resources: culture, knowledge, creativity, experience diversity. All that which qualifies and differentiates people, enterprises and communities.

The progressive centrality of the intangible is perhaps the central aspect of the times we are living in is, and maybe historians of the future will consider this epoch as important as the Renaissance, or even more so. A time that will bring such major changes that we can't even imagine, since we are changing from competition to collaboration, thus from scarcity to abundance We have lived through centuries where society, economics and politics were all based on natural resources such as the soil, gold or oil which, being **tangible, are finite and consumed by use**. And this finitude creates an economy of scarcity based on **competition** models. However, intangible resources such as culture, knowledge, experience are **infinite and renewable** and may represent an economy of

¹ <http://www.youtube.com/watch?v=Ahg6qcgoay4>

abundance, based upon models of **collaboration**. The network society and collaborative processes are the missing key to access the abundance and the diversity of possibilities that lie ahead. Our invisible bear, is the real possibility of sustainability if we change paradigms.. It is activated by four vectors of the future, which correspond to four infinities, with exponential dynamics and each pillar leveraging and enabling the others.

The **first vector** is that of intangible resources, which are not exhaustible but renewable and multiply with use. This fact alone should **make creative economy a strategic priority** - at a time like this, when the major predicament is how to continue improving the quality of life and generating income, if the planet is only one and finite.

But while the atoms of the Earth are finite, the bits of technologies of communication and information are our **second vector**. With them we can create many virtual worlds and infinite ways to enhance, connect, recreate and interact. The result is the possibility of mapping and sharing all kind of existing resources, from skills to places or equipments.

Combining the first two vectors we have our **third one**: the infinite ways in which a network society can produce, organize and reinvent itself. There are many examples: networks of creative collectives, like the Fora do Eixo²; the thousands of crowdsourcing platforms that have appeared in just a few years;; open direct democracy; experiments where the citizens act as co- managers of their neighborhoods; all kind of collaborative production of knowledge such as Wikipedia.

The **fourth pillar** is the key that allows us to see and act with the former ones: a multidimensional perspective of wealth, which we call 4D Prosperity, because it considers resources and results in the four dimensions of sustainability: not only the financial dimension, but also the environmental, social and cultural.

The fascinating thing about our times is that each vector is infinite and triggers the other allowing its leverage from a potential into a reality, and in exponential dynamics. Of course, infinite #1 of intangible resources (culture, knowledge, creativity, experiences) has always existed. However, the new technologies of infinite #2 created links between areas and partners. allowing the potential to be realized and making them more visible and accessible. One example is the possibility of bringing together the collective time,

² A huge Brazilian collaborative network of production and circulation of culture that gathers more than 200 collectives and spread to Ibero America.

knowledge and will, resulting in what is probably the biggest resource of the future: the cognitive surplus (as proposed by Clay Shirky). The combination of these two infinities generates the third, the new ways of organizing people, relationships, business, the peer-to-peer (p2p) processes of the network society”. And finally, to enable this process, we need to “tangibilize the intangibles”: to develop measuring tools and indicators that allow us to recognize, evaluate, exchange and monitor resources and results, beyond the quantitative/financial level. Here is our fourth infinity: multidimensional concept of wealth. Our 4D perspective considers resources (what we have) and results (what we produce) in the four dimensions of sustainability (and, therefore, of Economy): environmental; financial; symbolic-cultural; sociopolitical³.

Yet, in order to come together these vectors need “activators”: people, institutions and platforms that act as “modems” or catalyzers, integrating sectors and languages, prompting the convergence required for a systemic action. If we dare to leave behind many of the 20th century models (familiar and comfortable albeit outdated), and make the right choice, this combined vector that forms an Exponential Cycle of Abundance may bring about the possibility to create the sustainable and fair world we desire (and that is possible...).

What would be some of the premises, starting points to create policies, processes and products that would activate these four infinities? The logo of our movement Crie Futuros⁴ is a hand, since the idea is to lend a hand to the future. Below are listed five premises, or “fingers” of the hand that pushes the future...

1 – A SOCIO-ENVIRONMENTAL ECOSYSTEM

To realize that we live in an ecosystem comprised of interdependent parts. This interdependence takes place between the environment that relies on biodiversity and society that relies on cultural diversity. The tangible environment is like the hardware, the supporting infrastructure. Society, the intangible, is like software – the process. As a matter of fact, in this century we will probably see the emergence of new fields of study that will work comprehensively and systemically with all disciplines related to the human

³ Read more about this in chapters 1 and 2 of the book *Desirable New World*, which narrates how will life be in 2042.

⁴ www.criefuturos.com – to create desirable futures

being – the same way as in the 20th century, environmental ecology emerged as a form of integrating disciplines dealing with nature.

Both diversities - Biological and Cultural – are equally important heritages and from these diversities come two ways of dealing with the economy that are key for the future: the Economy of Experience and the Niche Economy.

About the Economy of Experience: our history went through stages when the economy was propelled by raw materials, then by products and by services. Today, the strength is in tourism, entertainment and well being, sectors that grow six fold more than others. In these business the ground is experience – instead of consumption or ownership of something, there is sharing and enjoyment. This changes everything and opens more opportunities for sustainability. Today products and services tend to be similar, therefore the differential will be intangible elements: the experiences offered and their attributes and values – another reason why cultural diversity is so precious.

If up to the 20th century the desired model had been the Mass Economy of Scale centralized and homogenized (few producing a lot, for many) - now we see that the sustainable solution is found more often in the decentralized, diversified model, that of niche economics (many producing a little, for many). No longer a factory making thousands of the same cakes and having all the power over distribution, but the diversity. Imagine a community bakery + the deluxe sweetshop + my aunt selling them by bicycle +the kids from the vegan deli and so on. This passage from “mass” to “niche”, network society will bring about such major structural changes that we are yet unable to phantom their extent... Instead of having “THE leader” we will have many diversified leaders, spread out and visible mostly in their communities. Instead of having “THE sector” that creates development, we will have the territory with its peculiar and singular mix. Instead of having “THE resort” we will have a multiplicity of ways of lodging, including solidary ones. Likewise, regarding currency, in the future we will have many currencies and not just one per country. All new “economies” – green, creative, niche, experience, information etc. – have diversity as their mainstay and already give us a hint that the economy is undergoing a profound process of transformation.

2 – TWO COORDINATES TO LOCATE ONESELF, TWO LEGS TO GO FORWARD

To act in this *one* socio-environmental ecosystem, products and processes should always consider the tangible/environment and the intangible/society. The hardware (the product, which gives support) and the software (the process, which makes the support work). For example: the Olympic Games and World Cup. Almost everything that was done to host these events is “hardware”, infrastructure – such as stadiums and highways. Very little was done about “software” – management, entrepreneurship. Thus the results were not positive.

In fact, if we practice looking at things as hardware/infrastructure or software/process, we see that most of the time the focus is on hardware, as if the mere fact that hardware exists sufficed to generate software. The upshot is always a huge waste, since hardware does not work without software....We make the products, but do not create the process to make them visible and distribute them. We invest in infrastructure but not in education. We change government priorities but do not modify the laws and standards to enable them. One of the reasons for China’s progress is that they take *soft technologies* (processes, management, learning) even more into account than *hard technologies* (inventions).

Considering that the tangible and intangible coordinates are always interdependent, we may always seek an equivalent, a “translation” of the same idea on the other coordinate. For instance: sustainable would be to make a clean and renewable management both of the tangible assets (biodiversity, natural resources) as well as of the intangible assets (cultural diversity, human and social resources). Those with high levels of carbon emissions might pay a credit to compensate for the emission. If the same motion picture is exhibited in 75% of the cinemas in town, maybe a “cultural diversity credit” should be paid?

We pay much attention not to waste tangible energy, but disregard the waste of intangible energy. For instance: “the distrust cost” is very high, and environments and processes where there is no trust bring about a huge waste of time, money, knowledge, enthusiasm.

When we walk, one leg supports us while the other goes forward. While thinking about sustainable products and processes, the supporting leg is in the present (the current models and ways of doing, which we already know and master) and the other leg in the

future (to dare, experiment, develop new models and ways of doing). To rely only on the present as a reference is to walk backwards, since the present is the materialization of past ideas and concepts – the “futurist” buildings of today are the concretization of dreams of the future from the 1920s and 70s. The leg that strides towards the future views cooperation as a model, and not competition; it knows that in the future the boundaries between different languages and sectors will be increasingly fluid and therefore we cannot act and think about policies and projects based only on sectors (as is the case of the traditional models of Creative Industry).

3.THREE STAGES OF TIME: PAST, PRESENT AND FUTURE

Something that traditional economics has neglected (as signaled by José Eli Veiga⁵) is that any product or process exists because of a legacy from the past –this is truth both for natural assets and resources (such as oil or water) and for the intangibles (such as traditional knowledge and skills). Same way, every process or product leaves a legacy for the future, positive or negative, tangible (such as solid waste) or intangible (such as knowledge that has to be managed). What kind of choices will we make in the present to balance the use of the legacy received from the past and the legacy left for the future? What usually happens is that our outlook is short-term, focused only on the present.

To think about the three stages of time is an intrinsic part of sustainability and leads to assuming creative economy as strategic for the future. We first recognize the 4D resources we receive from the past both the tangible and intangible assets, the “potencies” that characterize and differentiate each individual, enterprise or community. We have been trained to look only at what is missing, but strength and opportunities come when we identify, connect and circulate what exist. Then we need a shared vision of the future that guides decision making .Finally we build partnerships and put ourselves into action so that this 4D resources can be used do enable desirable futures .

Ah! It is noteworthy that to consider the past is not only to think of novelties but also to think about “oldities”, because there are products and process we have know, or had before that should be maintained, since they are already good enough.

4. THE FOUR DIMENSIONS OF SUSTAINABILITY

⁵ Brazilian economist, expert in sustainability

When we use the 4D perspective, we are able to see wealth (resources, results and value) in four dimensions. In the coordinate of tangibles are the financial and environmental dimensions and in the coordinate of intangibles are the cultural and the social. Normally, we believe that assets relate only to the financial such as investment, funding, market, exchange or even time banks and complementary currencies. However, there are also the assets of the social dimension: the social fabric, the networks, political representation, articulation, leadership, coordinated action, reputation. Assets in the cultural dimensions are knowledge, human values, attributes, history, artistic languages. And the environmental assets are not just the natural environment (biodiversity, raw materials, our body and health) but also the technological environment (spaces, structures and equipment).

Thus, to be efficient and sustainable our products and processes must be systemic and always encompass the four dimensions of sustainability in their goals, results, form of evaluation. It is also interesting to note that we frequently talk about various forms of capital: human capital, intellectual capital, cultural capital, environmental capital. We use these expressions all the time, but still do not recognize that the "value" is much more than financial. Reputation (one of the few things that cannot be copied), for example, tends to be one of the most important values... With the increasing centrality of the intangible it will probably be necessary to develop multidimensional indicators of wealth and results, that take these four dimensions into account. This is what we call 4D Prosperity.

5. FIVE TIPS FOR A 4D PROSPERITY

Since 2005 I have been working on developing a model of action in creative economy + sustainability + future and, observing how the four vectors/infinities cited at the beginning can actually be activated and fulfill their potential for change, I concluded that we can only move forward when a kind of re-invention of the economy takes place. How can the intangibles and the network society assume their centrality as catalyzers for a sustainable world if our metrics are only quantitative and financial? To adopt only these metrics as parameters is like trying to measure liters with a ruler. Impossible. One cannot measure in a linear way what is multidimensional, systemic. A central point to avoid being tied to models from the past is the need to change the indicators of wealth and means of measurement and evaluation of resources and results.

(a) New ways of measuring wealth

Just as at the micro level of local development, products and processes (and forms of assessing and measuring them) should be multidimensional and have "capital" and "currencies" that correspond to the four dimensions, the same should happen at the macro level for the indicators of wealth and development to evaluate communities and nations. It is quite clear by now that GDP is a flawed way to measure wealth, for example, because major ecological disasters or wars contribute to its growth. Indicators that actually deserve this name must include the assets of natural and cultural diversity and those related to social capital, such as ethics, solidarity and trust. There are many proposals about what criteria should be used in this reevaluation and one example is the already well-known GNH - Gross National Happiness, Bhutan's alternative to GDP.

(b) Values beyond the financial dimension

Measuring the intangible is also moving from a purely quantitative view to an outlook that includes the qualitative. The focus on outcomes should be broadened to include impact assessment: to check what has changed, what benefits have been generated in the other dimensions, besides the financial. Because they lack tools to measure results beyond the financial/quantitative, companies consider their areas related to intangibles (such as R&D, communication, sustainability and human resources) as costs instead of results. Thus, they are the first ones to be cut – which is like cutting out a piece of the brain to save energy... Imagine we have to evaluate a community program based in arts practices. The number of participants that became professionals is not the main result. How much is the self-esteem of a community worth? How much are the lives saved worth? How much is it worth to believe that there is a future?

In 2008, the economist and futurist Hazel Henderson collected data that help to better visualize what is meant by "resources" in the four dimensions of sustainability. In the social dimension, she studied how to measure the "Love" Economy (what is the "worth" of task forces or neighbors who care for our children while we work?) and reached US\$ 17 trillion/year in the world. In the environmental dimension, she completed a study for the UN, the Green Economy Report (how much are the "services" provided by the Earth worth?), and reached US\$ 34 trillion/year worldwide. These two numbers, added, already exceed the economic dimension: they are larger than global GDP in the same

period. And that is considering we do not have mechanisms yet to measure the "value" of the symbolic-cultural dimension which, considering our common cultural heritage, is probably the bigger one..

c) Value changes state, in a cycle similar to the water cycle.

Likewise the water cycle, practice shows that there is a cycle for creating value and that the equation for sustainable development is not only financial. Each dimension has its own capital: human capital, cultural capital, social capital, environmental capital, technological capital. Value goes through different "states": the investment in financial capital (a fellowship), can generate human capital (expertise), which in turn generates technological capital (an innovation), which generates environmental capital (better use of resources) that ultimately becomes a financial capital, closing a cycle where various forms of wealth were created. Examples such as music in Pará or audiovisual in Nigeria⁶ show this conversion of "currency": the key to success of these models is distribution, because those who sell products are street vendors. In this process no money-currency is received from the copyright, but reputation-currency is received, which makes the authors known and desired, expanding the market, which in turn generates constant innovation-currency, and all this creates a broad and dynamic process that finally generates money-currency.

(d) New ways to measure and evaluate

Evaluating and measuring creative and cultural activities requires parameters that have not yet been developed. For example: the economics of dance is small, perhaps the meager sum of dancers, choreographers, and performances. But the economy of dancing is very large because it includes festivals (like Carnival) celebrations (like parties and weddings), the nightlife and all the fitness activities plus their equipment, space, contents, props and so on. Moreover, "things" have linear dynamics so their measurement tools and methods cannot be used to map and measure intangible assets with their exponential dynamics .We should adopt methods more similar to the calculation and study of climate - where interactions and dynamics are studied. We can't understand the weather buy measuring clouds but by studying their behavior.

⁶ Nollywood: Nigeria's movies production was the biggest in the world, second economy of the country and this because distribution was done in alternative ways by street vendors that made access easy and cheap.

(e) Time and collaborative production.

Interestingly, much of what we as humanity have done so far focused on the conquest of space. And indeed, we did conquer space - but we lost time. And that is unsustainable. And if time is really the only non-renewable resource, how not to lose it or even how to gain more of it? The new possibilities enabled by the network society, collaborative production and flow of the existing resources allow us to multiply time, knowledge, resources, quality of life. The concept of "cognitive surplus" by Clay Shirky shows the enormous resource represented by the combination of time + technology + collaboration. If Wikipedia was created with one hundred million hours of online collaboration and we have a cognitive surplus of a trillion hours/year (!) spent by the world passively watching TV, this would represent the possibility of creating ten thousand Wikipedias per year!!! Imagine how many things we can solve by "thinking" together?

And what if this collective perception and acting had even more meanings? I love the Gaia theory, which proposes that the Earth is a being who breaths (vegetation); has a pulse (tides), etc. And the last thing that emerges in living beings is the nervous system. What if we, humanity, are the nervous system of Gaia, advancing through the network society? After all, our history is that of the expansion of ways to produce, connect and disseminate knowledge and insights - like a nervous system.

Finally, the decision to build a sustainable future from an economy based on intangibles and netweaven collaborative society demands a paradigm shift. It reminds me of a tale about one of our most common (although incoherent...) behaviors. A guy is on all fours in front of his house looking for something. A friend comes in and asks "What happened?". The guy said he lost his house key! The friend quickly gets on all fours as well to help. They search and search and nothing... Until his friend, tired of searching in vain, asks "But are you sure you lost the key around here?" The answer: "No, it wasn't here." The friend, puzzled, asks, "So why are we looking for it here?". Pointing to the light, the guy replies, "Because here there is light, it is easier.... "

I love this tale because it illustrates something that happens often while working with creative economy, sustainability and networks, issues related to the future. We tend to

deny possibilities and stay in familiar ground, where there is light and we recognize everything, even though we are aware that the key is not there...

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Publications: Desirable New World (2012); chapter on Creative Economy - a Comprehensive Outlook (2012); a chapter in Sustaining Life (2011); coordinator and co-author of Creative Economy and Local Development (2010); preface for Creative Monetary Evaluation (2009) Introduction to the Compendium of Sustainability Indicators of Nations (2008), one of the organizers of the four volumes of Creative Economy, published by IN-MOD / Sao Paulo Fashion Week (2007-2010) and has written articles in publications on culture, sustainability and development in the Ibero-American context.

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