

CHAPTER 19

*The Future Is Here, It's Just Not
Widely Distributed Yet¹*

We now need to get to work on designing the future. There's a lot to do, but millions of people have turned up to work, excited, committed, and, most important, active and engaged. Every day, many more are joining them.

They're not waiting for permission to get on with it. They're inventing technologies, transforming companies, changing behavior, starting campaigns, and building new organizations—all designed to flourish in and beyond the Great Disruption.

One of the joys of our connected world is that these actions can take off and spread virally, globally, and quickly, being leveraged to build a new way of living and working.

What if the Freecycle Network had seven hundred million rather than seven million members and meant that most of our consumer products doubled their life span, effectively halving the environmental impact of their manufacture while connecting people across communities in conversations about the joy of sharing and not buying so much new stuff?

What if a movement was started to make living for a year with no shopping, like the Compact, become voluntary "planetary service"? It could be the entry ticket to the new economy, just as national "military service" used to be the entry ticket into adulthood and the workforce. After a year of not shopping, the lessons of the ineffectiveness of consumerism would be well ingrained.

What if we started a global movement to buy from local farmers, cre-

ating enough market demand to encourage a move back to family farming? This is the dominant way food gets to market in many developing countries, and it's now making a comeback in the developed world, driven by the desire for fresh food, picked when it's ripe and bought from the people who grew it. Even in the United States, a world leader in industrialized agriculture, the number of farmers' markets grew 300 percent from 1994 to 2009, with 5,275 of them now operating across the country.² So the trend is under way and could easily be boosted.

What if governments decided to launch a mass mobilization of the public to slash global energy consumption? As well as being a great way to motivate a sense of shared achievement, there are mind-boggling savings on offer. The International Energy Agency modeling shows more than \$100 trillion could be saved by 2050 through a focused effort on energy efficiency.³

I had my own experience of this market as CEO of a business called Easy Being Green, which was owned by my consulting business, Ecos Corporation. Easy Being Green installed energy-saving equipment like lightbulbs and water saving devices into houses. We had over two hundred mainly young people employed going into thousands of homes every week, saving energy and spreading the message of climate change. We generated and sold carbon credits, reflecting the energy saved, which meant we could provide and install the equipment to householders for free.

There were many things we learned in the process. One was how incredibly motivated and passionate our people were. We had highly skilled university graduates happily employed changing lightbulbs. It might have appeared to be mundane work, but they knew they were acting every day to slow down climate change and doing so for a business that had a clear and positive social purpose—a purpose that was reflected in the culture every day. Another lesson was just how enormous the opportunities are to take simple, cost-effective actions to scale when good policy rewards business innovation. In a little over a year, this amazing team of people installed more than five million lightbulbs and other equipment that would prevent over four million tons of CO₂ pollution from entering the atmosphere—and had fun doing it!

There are many more possibilities. What if large progressive corporations really got mobilized to demand government take urgent action on

climate change? There are many strong initiatives already, like the U.S. Climate Action Partnership, with companies as diverse as DuPont, Ford, GE, General Motors, Rio Tinto, and Pepsi. Another one is the Corporate Leaders Group on Climate Change, which produced the Copenhagen Communiqué, in which over five hundred companies called for government action to limit warming to two degrees. These are all good initiatives, but what if these companies behaved as if the economy and their future prosperity and survival were at risk? What if they organized a global market coalition of pension funds, companies, and consumers that was so powerful, it overwhelmed the opposition from other corporations resisting change and forced government to act?

In the future economy, providing new, nonfinancial incentives to employees will be key to attracting and retaining the best people. How about a global movement to have employers agree to cut working hours and income by 10 percent for those employees who want to join a program helping them to cut their consumption by 10 percent? In return, they could get an extra five weeks' holiday or have their weekends start at lunchtime on Fridays. This would boost the number of people with jobs and the number of people smiling on Fridays!

All the key characteristics of the new economy give us opportunities like this today. We can't wait until the crisis is full-blown before we act, or we won't have enough time to build these kinds of solutions, prove they are viable, and generate support for them. As we saw with the interest in initiatives like the Compact and the Freecycle Network, the number of people who understand the scale of the problem we face is growing exponentially, and those people are ready to be engaged with practical actions they can take.

Of all the drivers to change our approach, perhaps in the end we will change mostly because it is just a more intelligent and more rational approach and we are, in the end, intelligent and rational beings.

As the respected and influential economist E. F. Schumacher argued in his seminal book *Small Is Beautiful*, describing what he called Buddhist economics: "A Buddhist economist would consider this approach excessively irrational: since consumption is merely a means to human well-being, the aim should be to obtain the maximum of well-being with the minimum of consumption. . . . The less toil there is, the more

time and strength is left for artistic creativity. Modern economics, on the other hand, considers consumption to be the sole end and purpose of all economic activity."

Are we ready for such a radical shift? I think so.

When I first raised these issues among my network in 2005, with my letter "Scream Crash Boom," most people (even those closely involved in the issues) thought I was being extreme with my forecasts of ecosystem breakdown. Now just five years later, system collapse has become a normal part of the conversation as an accepted possibility. So things are moving quickly now. We need to move with them and scale up our expectations of what's possible.

What else is already under way that we can support and expand? One of the key drivers of change will be the financial sector and the role of money. For decades, people have supported investment funds that screen the companies they invest in for various environmental and social criteria. The Social Investment Forum reports that in 2007 in the United States, a total of \$2,700 billion was invested using one or more of the three core socially responsible investing strategies—environmental or social screening, shareholder advocacy, and community investing.⁴

These kinds of active investing are now firmly in the mainstream. Where we need to be, though, and will certainly get to, is where there are no special screened funds because all investors consider environmental and social criteria when making decisions, because they realize that these issues are core business questions with significant financial impacts.

Many investors, like David Blood and his team at Generation Investment Management, are already taking this fully integrated approach. They see these issues as normal investment criteria rather than as a special screen—that any good management team would recognize the need to align their strategy and operations with sustainability. As co-founder Al Gore said at their launch:

Transparency, innovation, eco-efficiency, investing in the community, nurturing and motivating employees, managing long-term risks, and embracing long-term opportunities are integral parts of a company's enduring capability to create value. Business leaders

who align their business strategy and technical development with sustainability and social accountability will deliver superior long-term results to shareholders.

It is courageous for people like David Blood to pursue these issues with such vigor. Most people with his kind of background—he was previously CEO of Goldman Sachs Global Asset Management—avoid taking them on too deeply, because doing so can challenge the fundamental beliefs that have defined their careers to that point.

Generation Investment Management is no longer accepting new investors, as they already have around \$6 billion of client commitments. This money is invested, through their Global Equity Strategy, into listed companies where Generation believes the company's management and strategy is ready for the trends we have been discussing. It's interesting to note that these investments did significantly better than the market overall during the recent financial crisis. Generation also has around \$650 million at work in its second strategy, the Climate Solutions Fund, investing in businesses that can help address climate change. When I met with the head of this fund, Colin le Duc, he was excited about some of the ideas they were investing in and said that the market is well and truly ready, with the business models and people ready to address climate. The portfolio includes larger, more established businesses as well as some younger and more innovative companies.

One of these is RecycleBank, a business that sees reducing the ridiculous amount of waste in our consumer economy as a profit opportunity and is using market principles to remove some of the distortions of the current system. In a few short years, RecycleBank has involved over one million people in twenty-six U.S. states and now in the United Kingdom, saving millions of dollars, trees, and gallons of oil by dramatically increasing recycling rates in the areas it serves. The business model is simple but ingenious—RecycleBank encourages recycling by providing reward points to households based on how much they recycle, then allowing them to trade in their points for rewards at local and national businesses. It acts like a frequent recycler loyalty program. By attaching an electronic tag to the bins, the company measures the amount the house is recycling and automatically credits their account on collection.

The result is a massive increase in recycling rates—for example, Montgomery, Ohio, saw a 39 percent increase in recycling rates when the program was launched in late 2008. Local governments pay RecycleBank to install the program thanks to the millions of dollars in landfill charges they can save. The authorities save money and environmental impact, the company creates jobs and profit, recyclers get raw material, and the households feel good and get rewarded for their behavior. The reason I love this example is that it recognizes that technology alone is not a solution—but technology coupled with behavior change, and designed to promote the latter, can deliver real and lasting results. This is also a fine example of the power of markets to deliver.

Another of Generation's investments is in Ocado, a new supermarket model based in the United Kingdom. This is a potentially disruptive business that exemplifies what we discussed in chapters 11 and 12 about Schumpeter's creative destruction. Based entirely online without any retail stores, Ocado claims their home delivery shopping service has a lower carbon footprint than walking to the supermarket! How's that? Today's "megamarts," with so much retail display space, open refrigerators, and the like, have huge physical and environmental footprints. They are designed to encourage you to purchase more, not for operational efficiency.

By basing their entire operation out of a centralized, automated warehouse, Ocado has completely eliminated this impact. Given that most people don't walk to the supermarkets anyway because such stores tend to lie on the edge of town surrounded by huge parking lots, a single delivery van can take countless cars off the road. Aside from their green credibility, their state-of-the-art logistical system will do some neat things, too, like allowing you to choose a delivery time down to the hour and then sending you a reminder on your phone a couple of hours before with the driver's name and license plate number.

If this model took off, it could drive a significant and positive market disruption with surprising and diverse social and economic impacts. People would no longer have numerous large shopping bags to carry home, and this could tip the scales for many people to get rid of their car or second car altogether. It would destroy the value of the huge investments made in drive-to shopping centers on the edge of town and change the economics of town centers. Given that there's a lot to be said for shopping

locally for the environmental and community benefits it brings, this model might rekindle the competitiveness of small, specialist shops close to town that people can walk or cycle to for their small daily items. If people bought online, it would enable far more efficiency in packaging, with function rather than marketing as the main criterion. We should welcome Ocado and business models like it as exciting experiments in new ways of running our economy.

If we want the mainstream investment markets to divert trillions of dollars into these issues, as we'll need them to, we need trailblazers like David, Colin, and their colleagues to show how it can be done successfully. The amorality of money has long been a source of criticism. It cuts both ways, however, because the same tendency that sees big money happily flowing into destructive behavior will see it flood into the transition to sustainability if there's a buck to be made!

Most sustainability-focused investors sit at one end of the sustainable finance spectrum. They have making money as their core objective, with a focus on the social and environmental questions as sources of risk and value. Companies like Generation then sit in the middle of the range, still very mainstream and focused on delivering high returns, but with a clear social purpose agenda and focus. They have something to prove, and making money is how they do it, although it's not an end in itself.

At the other end of progressive financial markets are emerging institutions that are experimenting with not just a different investment focus, but different ownership structures and missions. Triodos Bank, started in the Netherlands in 1980, is a fine example, a pioneer of such approaches and one to watch. Their mission is all about social purpose:

Triodos Bank finances companies, institutions and projects that add cultural value and benefit people and the environment, with the support of depositors and investors who want to encourage corporate social responsibility and a sustainable society.

Triodos's values and strategy run deep in this area, and they focus all their commercial activities on businesses and projects that have an overt social objective. Their mission continues, stating they seek to "help cre-

ate a society that promotes people's quality of life and that has human dignity at its core."

I met their CEO, Peter Blom, when I was living in Amsterdam with Greenpeace in 1994. I was amazed then to find such radical thinking in a bank but saw it as a niche peculiar to the Netherlands, long famous for interesting social experiments.

When I had dinner with Peter again recently, I was forced to recalibrate the significance of what they are doing. Their results in 2009 were pretty impressive, with funds entrusted to the group that year up 30 percent to EUR 5 billion, customer numbers up 27 percent in a year, and offices now in the Netherlands, United Kingdom, Spain, Belgium, and Germany. They had also just received the *Financial Times* Global Sustainable Bank of the Year award. Triodos are starting to show the power of what's possible within a business framework when you work with a clear social agenda—what I would call a purpose-centered strategy, as we discussed in chapter 11.

They have long been pioneers, driving change in their sector that others follow. After the global financial crisis led to a push for greater transparency on how banks used people's money, Triodos provided their customers with an online tool that listed all the bank's investments and loans so depositors could see exactly where and how their money was being used—not in general, but specifically which businesses had borrowed it. They even allow customers to search by postcode so they can see if their deposits are being used to help their local economy.

When you meet Peter Blom, he projects like a modern banker with his sharp suit and solid image as the kind of guy you'd trust your money with. When the conversation turns to business, though, you realize you might be talking to the future of banking. He talked about cultural contribution, enhancing the cohesion of communities, and he explored ideas like how they can help build the organic food industry by bringing the value chain together to discuss blockages to mainstreaming. He explained how they had recently established a culture fund to invest with the intent of expanding arts activity. He spoke about how hard it is for artists to get loans for the tools of their trade, such as musical instruments or art studios. He smiled as he described how the risk department had to consider an eighteenth-century violin as security!

He clearly knows how to make money, even though their objective is solid and steady returns rather than the risky spectacular ones that drove the 2008 financial crisis. He gave a little chuckle as he explained that their returns are so solid and consistent, he has to resist demands by pension funds to buy more of the bank's shares—they have a limit on what percentage any one investor can hold to reduce the risk of undue influence on their mission. Triodos further guarantees their independence and strict adherence to their social purpose focus through a shareholding trust that separates the economic benefits of share ownership from control over the bank.

It is true that many of these examples are still marginal relative to the overall size of the markets they play in. In that context, though, it is important to remember how fast this could change. Google, which was started only in 1998 and listed in 2004, had a market cap of \$180 billion in 2010. While many activists dislike globalization, this is the upside of a connected world and global market—ideas and companies can transform large parts of an economy rapidly. So who's to say that companies like Triodos couldn't dominate the financial sector in ten to fifteen years' time, in a backlash against the reckless behavior of the current incumbents?

There are many more issues we could cover.

Are there ownership and capital structures that would work better than listed stock exchange markets? While there are clearly some upsides to listed public companies, there are many other models and approaches, some of which are well established and mainstream but lack public attention or market credibility. While the one-degree war will reinforce some current business and investment models in the short term, the realization that growth has truly ended will steadily discredit many existing businesses and old models. That's why I think we'll see some of the approaches on the fringes today become mainstream as the new economy kicks in.

Is there potential for the reemergence of cooperatives, an old idea and still a powerful force in the global economy? Fonterra, the New Zealand milk cooperative owned by eleven thousand New Zealand dairy farmers, now accounts for 20 percent of New Zealand's total exports and 7 percent of the country's GDP. The Swedish forestry company Sodra is owned by fifty-two thousand forest owners and is one of the world's most successful

and sustainable forestry and pulp companies, the third largest provider of market pulp for the production of paper and board.

When I met with Sodra CEO Leif Broden, it was clear the company had a culture and strategy based on the interest of its members, who, being forest owners, think in longer time frames than listed company shareholders. Leif is passionate about climate change, proudly explaining that they have recovered so much waste energy from their operations, they now produce more electricity than they use and have become an energy and forestry company. They are investing in windmills on co-op owners' land, giving landowners an additional income source and boosting Sodra's energy production even further. Sodra has long been committed to these issues, having led the industry on totally chlorine-free pulp mills and adopting strict forestry standards using the Forest Stewardship Council's external certification process.

Sodra's environmental leadership gives them a considerable competitive advantage as a trusted partner as they expand around the world. My friend and former Greenpeace colleague Joakim Bergman brought Leif to Australia to meet various environmental NGOs and government representatives when Sodra was exploring investment opportunities in the Australian forestry industry. The environmentalists and government ministers were taken aback to hear the CEO of one of the world's largest pulp companies arguing passionately for action on climate change, the need to eliminate chlorine from pulp manufacture, and the reasons we should protect our forests for future generations. A senior politician commented after meeting with Leif: "That was not the type of conversation we normally have with a CEO!"

Cooperatives like Sodra now employ one hundred million people worldwide, 20 percent more than multinational companies,⁵ a strength in the real world that is certainly not reflected in co-ops' market profile or government support.

And how will the nature of work and employment change? Clearly, if we have a steady-state economy, people in developed countries are going to be buying less stuff and needing less money. Given population growth, and a lower throughput economy, this implies fewer working hours in return for lower income. This has far-reaching consequences for many issues, from transport in cities to job design, to government tax revenues, and to work-life balance.

One of the central tenets of modern market economics is constantly increasing productivity of the workforce and technology. While it's hard to argue against this in principle—doing things more efficiently must be good—is it actually improving our lives very much? It rarely translates into sustained higher profits (competitors soon catch up) or higher wages. It generally results just in lower prices, which drives more consumption.

What if improvement in productivity instead translated into fewer working hours? What if the harder and smarter we worked, the less we had to work? Surely that would be a better motivating factor for workers to increase productivity than having the company you work for sell more stuff, more cheaply.

A personal social dividend for productivity is a powerful idea and an inherently rational approach. There is also more to life than efficiency and productivity. As argued by economist E. F. Schumacher in *Small Is Beautiful*:

Our ordinary mind always tries to persuade us that we are nothing but acorns and that our greatest happiness will be to become bigger, fatter, shinier acorns; but that is of interest only to pigs. Our faith gives us knowledge of something better: that we can become oak trees.

Another big challenge, and an exciting one, is to make our communities stronger, safer, and more connected and trusting. People all over the world are lamenting the loss of community in our cities and towns, as people's lives get overrun by working longer hours to buy stuff they haven't got time to use. What if, for example, through a combination of lower consumption and increased productivity we all spent 20 percent less time at work? Surely our quality of life would improve if this enabled us to slow down and spend more time having a deeper engagement with leisure, culture, and the community?

The reality is we will all need to work less in a steady-state economy. When labor productivity increases, as it does year on year, we can produce the same amount of stuff with fewer people. So at the moment, if we want to keep everyone in work and prevent spiraling unemployment, we need to produce and consume more—so improving productivity

means more work, more money, more stuff, and less time to use it. But there's another option, which becomes the only option when we can't produce more stuff anymore. We all work less. We can then have the same number of people in employment, but all working fewer hours per week. It is true we will then have to take more holidays and long weekends or go home at two p.m. I think we'll cope.

Perhaps these lower working hours would enable us to reengage in our communities, making them places that live during the day, vibrant places that are designed for human-scale interaction. Maybe we would use the time to volunteer more, exploring the potential for greater community involvement in key institutions like schools.

I had a powerful experience of the latter when I worked with Mike Hawker, then CEO of Australia's largest insurance company, IAG. Mike was deeply concerned about the breadth and depth of challenges facing disadvantaged communities, and he saw the consequential social problems translating into insurance claims. Not one to just sit around, Mike brought together the CEOs from some of Australia's largest companies to work out how they could contribute. I joined the board and after much discussion, we concluded that education was the most powerful intervention the companies could make, and the Australian Business and Community Network was formed. We made a condition of joining that CEOs involved would personally commit to regularly mentoring the principals of some of Australia's most disadvantaged schools. A few years later, Mike's initiative had resulted in twenty-five companies engaged, with over two thousand of their staff joining the CEOs in various programs at 150 schools. The school principals are amazed to find these major corporate CEOs, normally distant figures they see on the TV news, now sitting in their schools sharing their experience. The passion and commitment of the CEOs are palpable—they take real delight in being able to contribute to the community that has nurtured their careers and success. They also learn a great deal from the school principals about managing in tough situations!

So I have no doubt that extra time can be put to good use. We can also use the extra time to save money and benefit the environment, like getting involved in bartering goods and freecycling, using the process to meet others in our communities and forming relationships that we need for the safer and more connected community we all wish for.

Many studies have shown that more leisure time enhances quality of life, including increased health, fitness, and life satisfaction.⁶ The same studies suggest it can also lead to a lower environmental impact of our lives.

Strong communities develop because of well-defined behaviors—behaviors that we understand create “social capital”—connections and relationships that can then be drawn on when needed. Social capital is basically the idea that social networks and connections have value—which could be as simple as borrowing the drill from the neighbor or the fact that having good friends is known to increase our well-being. Just as we might invest in our human capital by giving ourselves or our children a good education, we can also invest in social capital. By deliberately encouraging this, individuals, governments, and city designers can all help build communities that are better connected and therefore more resilient. This means if we’re heading into tough times, they will be better, stronger, and safer places to live.

Actions as diverse as street parties, volunteering, Men’s Sheds,⁷ free-cycling, community vegetable plots, exchange of goods, collective purchases of house upgrades like solar hot water, and car sharing can all reduce environmental impact, save money, build economies, create friendships, and make our lives happier and more satisfying. This can be done in existing communities to build greater strength, or it can provide a set of principles for housing developments deliberately designed to encourage stronger, safer, higher-trust communities. Around the world, town planners, architects, and focused groups like the Cohousing Association⁸ are experimenting and promoting this approach. By 2008, there were already 113 cohousing communities built and occupied in the United States.

There are millions of people in community organizations driving these changes in behavior.

I think one of the more interesting organizations is the 1 Million Women campaign, led by suburban mother Natalie Isaacs. Listening to Natalie speak passionately about what got her involved reminds us just how important each and every individual is and what a profound difference we can each make.

Natalie, a mother of four from Sydney’s northern beaches, got frustrated at the lack of action on climate by the men in politics in Australia and realized her best response was to do something concrete and practical.

So, with the support of my wife, Michelle, she founded the 1 Million Women campaign with a simple idea. Natalie realized that women were often in influential positions both at home and in the workplace to make things happen. They made 70 percent of consumer decisions in the household. Not one to think small, she thought: “What if we could get one million women across Australia to each commit to reduce emissions by a least one ton by taking simple, easy steps?” She then created a Web site at www.1millionwomen.com.au to make this task easy, with accessible actions anyone can take, many of which save money and all of which make them feel good.

Within a short time, women all over Australia, from CEOs to suburban mums, became engaged in the idea of women leading action on climate. It took 1 Million Women just a year to have one of the highest membership numbers of environmental organizations in Australia. Every day more women sign up, committing to take direct practical action to start the transformation of our economy.

Women can make a disproportionate difference in this area and are behind many of the interesting new entrepreneurial ventures springing up around the world. They are clearly good at running businesses as well, with recent data⁹ showing that women-owned business in the United States grew twice as fast as other types of business between 1997 and 2008. So clearly Natalie is not alone in knowing how to make things happen!

There are many more examples of people showing how creative alliances and thinking can make change happen.

In Australia, a group of men have started the Men’s Shed movement. They realized that many men become isolated in their community, especially when not working, and as a result they don’t talk about health and emotional issues. Recognizing that “men don’t talk face to face but shoulder to shoulder,” they thought they’d get them doing things together. So the Men’s Shed movement was born to create places for men of all ages to come together and do practical things while making new friends and building community. The movement has taken off, with Men’s Sheds being started all around the country and now spreading internationally.

Another creative model is led by Dr. Andrew Venter of the Wildlands Conservation Trust, which now has twenty-five hundred “treepreneurs” in twenty-three communities across South Africa. These

"treepreneurs," including children, are given seedlings of indigenous trees and are asked to nurture them until they get to a certain height. Wildlands then buys back the small trees for credits, which the treepreneurs take to "tree stores" and exchange for bicycles, clothing, blankets, and food. So while for them money doesn't grow on trees, food, clothing, and bicycles do! Wildlands Trust then plants these trees in urban greening and forest restoration programs, generating further local employment and carbon credits for businesses to buy.

Another great example of market principles being applied on the ground is E+Co, a nonprofit taking a business approach to bringing clean energy to villages to reduce poverty. As they say: "E+Co finds great entrepreneurs. We help them establish clean energy businesses. Then we invest. It's that simple." It clearly works, with projects now operating in Cambodia, China, Costa Rica, El Salvador, Ghana, Guatemala, Honduras, India, Mali, Morocco, Nepal, Nicaragua, Philippines, Senegal, South Africa, Tanzania, Thailand, The Gambia, Uganda, Vietnam, and Zambia.

Over fifteen years, E+Co's investments and advice have supported 1,200 entrepreneurs to bring clean energy to 5.6 million people. In the process they have displaced 22 million liters of kerosene and 670,000 barrels of oil and saved 4 million tons of CO₂ from going into the atmosphere. The really interesting thing is they've done all this with an 8 percent return on funds used.

Individual passion and commitment can make an enormous difference in the world and power great change. Fifteen years ago I met Jack Heath, who had been deeply affected by youth suicide in his family and decided to do something positive in response. A former diplomat and senior adviser to Prime Minister Paul Keating, Jack invited me to join him on the board of his new Australian organization, the Inspire Foundation. Inspire established a youth-driven, Internet-based support service for young people called ReachOut (www.reachout.com). Jack realized that the Internet provided an accessible, anonymous, twenty-four hour and affordable way for young people to seek help and Inspire broke new ground using technology to deliver cost-effective social services, winning numerous awards for doing so in the late 1990s. What Jack also proved was that with the right support, young people can connect and

help each other through tough times and the service is now spreading across the world.

This is being supported by Rupert Murdoch, who described Jack as "an extraordinary man." The late Helen Handbury, a major early supporter of Inspire in Australia, was Rupert Murdoch's sister and he is now continuing her work, using his influence to help Inspire spread the support of ReachOut to young people around the world, starting in the United States and Ireland.

There is no doubt that as we enter times of great change, examples like Inspire, 1 Million Women, Freecycle, and many others show the power of the Internet to bring communities of people together virtually to build resilience and connections while driving change in how we behave. What they also show is that individuals, like Natalie Isaacs, Peter Blom, Deron Beal, Mike Hawker, and Jack Heath, can have a great impact when they act on their beliefs and use their passion to make things happen.

It's important to remember how *anyone* can make a difference when they decide to. While these people are in my view heroes they are also just ordinary people who decided to act and as a result are doing extraordinary things. As Jack Heath's wife, Catherine Milne, said of Jack in a national television profile: "He is not a saint but rather a flawed man trying to be good." We are all flawed, we are all ordinary, and we can all make a significant difference *if* we choose to act.

Of course, there has never been a shortage of ideas and talking about how to make the economy more sustainable, communities stronger, and our lives more satisfying. What these examples show is that people have stopped talking and started acting. After thirty-five years of observing great initiatives and projects around the world like the ones just described, I'm convinced we are ready to take such ideas to scale, for three reasons.

The first, as covered throughout this book, will be the physical imperative to change. This cannot be underestimated as a motivator. When our backs are up against the wall, progress will be rapid and barriers that have seemed immovable for a long time will rapidly fall.

The second reason is the power of networks and global connectedness to drive change, incredibly quickly, through communities and around the

world. These trends apply to how we change our attitudes toward issues such as consumerism as well as to how we take new technologies and ideas to scale and get them rapidly adopted.

This area was well covered in the book *Connected: The Surprising Power of Our Social Networks and How They Shape Our Lives*.¹⁰ This fascinating and highly regarded research by Harvard professor Nicholas Christakis and the University of California's James Fowler showed the scale of our potential and also the power of individuals changing as a leverage point for group change.

Mathematical analysis of a network of twelve thousand people showed, for example, that you are 15 percent more likely to be happy if someone you are directly connected to (a friend) is happy. It goes further. At two degrees of separation, you're 10 percent more likely to be happy. At three degrees, 6 percent. This might not sound like much, but consider what it means—the fact that a friend of a friend of a friend (someone you've probably never met) is happy makes you 6 percent more likely to be happy. Compared with this, having a salary \$10,000 higher makes you only 2 percent more likely to be happy.

What is the relevance of the power of these social networks in our case? Quite simply, it shows how behavioral and attitude change can lead to a cascade of change once people in prominent positions in the social network are converted. When something becomes normal or socially expected, it can spread rapidly. With our social networks now global, it's easy to see how fast an idea like "shop less, live more" could spread.

The third reason the period we are entering will see rapid acceleration in these shifts is that, collectively, the myriad examples like Generation Investment Management, Triodos, Sodra, Ocado, 1 Million Women, and Men's Sheds are actually no longer marginal. While not mainstream in the public consciousness, they are collectively approaching critical mass, and some are already there. Even though government and media focus obsessively on what they see as the mainstream economy—large global corporations—these are just one part of what makes the society and the economy work.

Many more people work in small to medium enterprises than in large companies, more people work in co-ops than in large companies, non-profit community organizations make up a substantial sector of the economy and are growing rapidly, more money was invested in renew-

able power generation in 2008 and 2009 than in fossil-fuel generation,¹¹ there is more growth in organic food than in industrialized food, and so on. The future is here, and it's more widely distributed than most of us think.

The main message here is not the many exciting ideas but the extraordinary capacity of human ingenuity to find solutions once we're motivated, along with the power of our social networks and Web-connected world to take these solutions to scale at an amazing pace.

Such a rich field of possibility. This is going to be an exciting period in human history.

And so we approach the end of our story. But before we do, and remind ourselves what's next, let's recap.

The end of economic growth and the realization that climate change is a threat to the future stability of the global economy and society will trigger two parallel responses. The old economy response, defined by actions like those outlined in the one-degree war plan, will appear to take off first and will get the most public and political attention. I believe this will be in full swing by the end of this decade, but it will certainly not be far away. For the immediate future, this will be our most important task. We have to roll out new technologies on a massive scale to prevent the climate from tipping over the edge. We will mobilize mind-boggling amounts of money, people, and focus to this task, and we need to do so as fast as we possibly can. This will be seen as a massive economic transformation. It is true it will be massive, but it will not be a true transformation.

That transformation will start at the same time but build more slowly. This will be the genuine transformation of the economy and society to a steady-state, sustainable economy, built on the pursuit of quality of life, a more equitable sharing of the world's wealth, and learning to operate in harmony with the ecosystem's capacity to support us.

While this transformation won't initially dominate public and political attention like the one-degree war phase, it will be both more profound and more sustained. It will be characterized by a broad social movement that will start building this new economy in a practical sense, while also developing its intellectual framework and political momentum.

This movement will have understood the lesson of climate change—there are limits we can't cross—and will seek to embed this idea deep in

our cultural understanding. In this way we will come to understand, slowly at first but building over time, that the physical economy cannot grow and will need to be reinvented and redesigned at all levels.

This approach will not be an underground or marginal part of society. This is why I am so excited about the place we have arrived at in our story. People around the world are waking up every day to where we are and where we have to go.

Some come at it from the point of view of science, seeing the numbers and the physical limits. Others approach it from the economics, recognizing that the economic and financial consequences of moving beyond the limits will inevitably flow back into the economy and have an enormous impact on the value and competitiveness of companies and countries. Some people approach all this from a values perspective, observing at both a personal level and a societal level, that despite extraordinary increases in material wealth over recent decades, lives in the West are not improving in quality. They see trends like California building one new college over the past twenty years while it built twenty-one new prisons, and they know something is profoundly wrong when this occurs in the richest country in the world.

Others come at the issue as academics, studying the data of human development and progress and comparing this against measures of economic wealth. They conclude, now with a strong evidence base, that our current model isn't delivering. They have the data that shows while the average wealth of society is increasing, average quality of life is not improving.

From all these different angles, millions are coming to the same conclusion, and their numbers are growing rapidly. They know we have to change—what we expect, how we behave, and what we aspire to. There can be no technology fix for flawed human values; we have to change the values.

The good news gets better and better. The values and beliefs we need to leave behind are actually ones we don't really like, like aggressive pursuit of self-interest, and the ones we need to emphasize and grow are ones we already have and feel good about—values like having strong communities and leading meaningful lives, like seeing ourselves as part of the ecosystem and living in a world where we look after one another.

With these values in hand, we then have to drive change through our

society and economy. We have to build an economy around a simple idea—having happier lives. Not distracted or entertained, but happier in the deeper sense of satisfaction. Of a life being well lived.

This means our criteria for success, at the personal, corporate, and government levels, need to shift away from the idea, now proven wrong, that economic growth and personal wealth are the right central focus because everything flows from that. That game is over. It will die with economic growth. A new game has begun, and we get to write the rules.

So there is only one question left to cover. Where do you fit in?