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Project 2058 Methodology

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Abbreviations, Reference and Glossary

We have placed abbreviations, references and a glossary on the website, <u>http://www.2058.net.nz</u> under Background Information.

Preface

The significant problems we face cannot be solved at the same level of thinking we were at when we created them.

Albert Einstein, 1879–1955

It is a great privilege to have the time to explore New Zealand's future, but it is not a task without risks. Looking into the future and forecasting is, by its nature, a risky business — however, *Project 2058* is more than forecasting. It is about building capacity and skills with the next generation of New Zealanders so that we can move towards a sustainable future. This requires an understanding of what New Zealanders want for their country and future. It is hard enough to get a small group of people to agree on what they want for New Zealand now, let alone to try and establish a single view on what New Zealanders may want in 50 years' time. Yet this is the underlying challenge facing the Project 2058 research team.

For this reason the research team is made up largely of New Zealanders who will be living in 2058. To guide this group, we have attempted to match youth and energy with experience and resources, by calling on the expertise of leaders in academia, non-governmental organisations and business to advise, peer review and resource this project.

What follows is our methodology. This outlines our approach and the principles we will use to guide our project. Importantly, the methodology will remain a work in progress. Its purpose is to act as a spine, providing sufficient direction and form to move the project forward with enough flexibility and humility to allow for changes along the way. To do this we will need to develop a firm understanding of the landscape, then, integrate this thinking to form our vision of a National Sustainable Development Strategy (NSDS). This is like creating an igloo from blocks of ice. Each block is a report or scenario. The bottom blocks are the landscape reports; they must provide a solid foundation for further work. The more strategic thinking reports and scenarios build on the landscape reports, moving upward and inward. The last block is our vision of a NSDS - the report that completes the igloo. We like this analogy as it reminds us to continually question the purpose of each report and how it fits with our overall strategic aim.

There are still hurdles to be jumped and problems to be solved, but we will endeavour to do our best in the two years we have available. We clearly need a great deal of assistance and advice from a wide range of New Zealanders to ensure the best outcome. Therefore we welcome your input and ideas, whatever form they may take. In the words of Confucius, 'a gem cannot be polished without friction, nor man perfected without trials'.

Wendy McGuinness Chief Executive Sustainable Future

1. The Proposition

New Zealand society is not a society that is in harmony, be it economically, socially or environmentally. This disharmony will increase over time as climate change and other global factors impact our island nation.

This project exists because New Zealand and the world are faced with significant problems that must be resolved quickly in order to avert significant long-term economic, social and environmental damage. Key drivers of these issues are around climate change, population growth, oil and water. We urgently need to find ways of (i) adapting to and mitigating these risks and (ii) increasing our capacity to take advantage of potential opportunities. *Project 2058* is one mechanism that attempts to creatively explore the future and develop integrated long-term solutions. It is an experiment, and as such has all the risks and opportunities associated with developing a new way of thinking.

The fundamental proposition of this paper and *Project 2058* is that 'business as usual' is no longer an acceptable option for New Zealand. Social, cultural, economic and environmental inequities within our current society will deliver future generations more problems than solutions unless we make significant changes in the short term.

We need to create a new way of living, become a society that uses ingenuity to find and implement effective solutions to long-term problems. This needs to be done sooner rather than later.

The purpose of *Project 2058* is to provide a vehicle to explore what New Zealand's future could look and feel like, so that we are better placed to understand what it is that we need to do to deliver a more sustainable future for both current and future generations. Put another way, a sustainable future is one that will not degrade over time. The fundamental thesis of this approach is that it is our responsibility to hand over to the next generation a nation that is not of a lower quality than the one inherited from our forebears.

2. Sustainable Future and *Project 2058*

Sustainable Future is an independent think-tank based in Wellington, New Zealand.¹ This paper provides the background to our two-year research project, titled *Project 2058.*²

There is considerable debate around what sustainability means in practice, hence we consider there is value in providing a brief explanation and stating our position.

Sustainability approaches can be broadly differentiated as 'weak' or 'strong'. The distinction is determined by the extent to which one form of capital can be substituted for another. For example, the extent to which a decrease in one form of capital (e.g. mineral or soil depletion) can be compensated for by an increase in another form of capital (e.g. financial).

In a weak sustainability approach, different types of capital (natural, human, human-made, cultural and social) are readily substitutable. Strong sustainability recognises that there is a level of natural capital that cannot be substituted at all (this is known as critical natural capital).

Sustainable Future's position is more towards the strong sustainability end of the spectrum. While we believe there is considerable potential for technological assistance, we recognise that a substantial level of critical natural capital exists. This reflects our conviction that technology itself is not capable of solving all of our problems. Cultural capital is also integral to delivering a sustainable future. This means that sustainability efforts in New Zealand need to integrate Te Tiriti o Waitangi into all aspects of sustainable development decision-making.

Sustainable Future's position:

Society constitutes a large integrated and interconnected system, where actions within society create an impact across economic, social, environmental and cultural dimensions. We are approaching the challenge of moving towards strong sustainability by using ideas, systems and processes, through an ethical and equitable lens, in order to help solve the problems facing New Zealand now and in the future.

In practice this means that:

- The environmental and social objectives are the true end goals, and the economic objectives are primarily the means of achieving those goals (Hunhammar *et al.*, 1999: 15). This does not reduce the importance of economic activity; quite the contrary, it emphasises economic activity as a key mechanism for delivering a sustainable future.
- Resources that are not renewable and processes that create pollution require significant care and management for both current and future generations (e.g. water and air quality).

¹ Sustainable Future homepage <u>http://www.sustainablefuture.info</u>

² Project 2058 homepage <u>http://www.2058.net.nz</u>

- New Zealanders who are currently disadvantaged (e.g. those who are sick, poor or disabled) require significant care and support now so that they can build their own capacity for themselves and their children.
- Technology does, and will, perform a vital role in New Zealand's progress towards sustainability, provided it is used in a precautionary manner.

Hunhammar *et al.* (*ibid*: 43) illustrate the distinction between weak and strong sustainability through exploring what this could look like in practice. Our interpretation is that weak sustainability is likely to be prevalent when, for example, society:

- Develops taxes and regulations that are neither equitable nor easy for enforcers to police.
- Adopts technological developments to produce consumer goods that are bigger (i.e. more resource-intensive to produce and use) or cheaper (i.e. 'throw-away' products) rather than more efficient.
- Draws no (or little) distinction between 'green' products and services (e.g. products that are zero-waste, durable, and not made from non-renewable resources) and other products and services.

In contrast, strong sustainability is about a move towards individuals establishing a longer-term horizon to decision-making and to personal and social responsibility. This is likely to manifest when, for example, individuals:

- Increase their involvement in local and regional 'green' issues;
- Change their lifestyles to reduce their environmental footprint (e.g. use bikes and buses instead of cars); and
- Demand and consume 'green', durable local products and services.

In New Zealand, the level of consciousness about the importance of living sustainably is on the increase.

Society is feeling the pressure from increased growth in awareness of environmental and social issues and [people] are taking greater action where they feel they can, to help themselves and others. (Moxie, 2007: 3)

In support of this assertion, a survey undertaken for the Moxie Design Group showed the number of 'solution seekers' — those consumers in New Zealand who are interested in goods that are produced in a sustainable and socially responsible way — has increased by 6% between 2005 and 2007, with this group of consumers now making up 32% of the country's population (Moxie, 2007). Although these figures provide hope, increasingly evidence suggests this change is required on a far greater scale.

We hope that *Project 2058* is one of a number of mechanisms that provide a way for individuals and entities to consider and discuss options for shaping New Zealand's future, so that this country develops capacity in integrated long-term thinking, risk management and opportunity analysis. The optimal result will be that New Zealand becomes a great place in which to live, a sustainable society and a proactive player on the global stage.

3. The Strategic Aim

Project 2058's strategic aim is to:

Promote integrated long-term thinking, leadership and capacity-building so that New Zealand can effectively explore and manage risks and opportunities over the next 50 years.

After completing the two-year research project, we will report our view of what a New Zealand National Sustainable Development Strategy (NSDS) could look like .³ It will by necessity be the view of a small group of New Zealanders; hence our objective is to report our best guess in order to promote further dialogue and debate. We believe a sustainable New Zealand can be a resilient, dynamic and vital New Zealand.

In order to achieve this aim, the *Project 2058* team will:

- Develop a good working relationship with all parties working for and thinking about the 'long-term view';
- Recognise Māori aspirations and apply the principles of Te Tiriti to Project 2058;
- Develop a detailed understanding of the current national planning landscape, and in particular the government's ability to deliver long-term strategic thinking;
- Identify and analyse both New Zealand's future strengths and weaknesses and potential international opportunities and threats, often referred to as a SWOT analysis;
- Develop a set of four scenarios to explore and map our possible futures;
- Develop and describe a desirable sustainable future in detail; and
- Prepare a Project 2058 National Sustainable Development Strategy (NSDS).

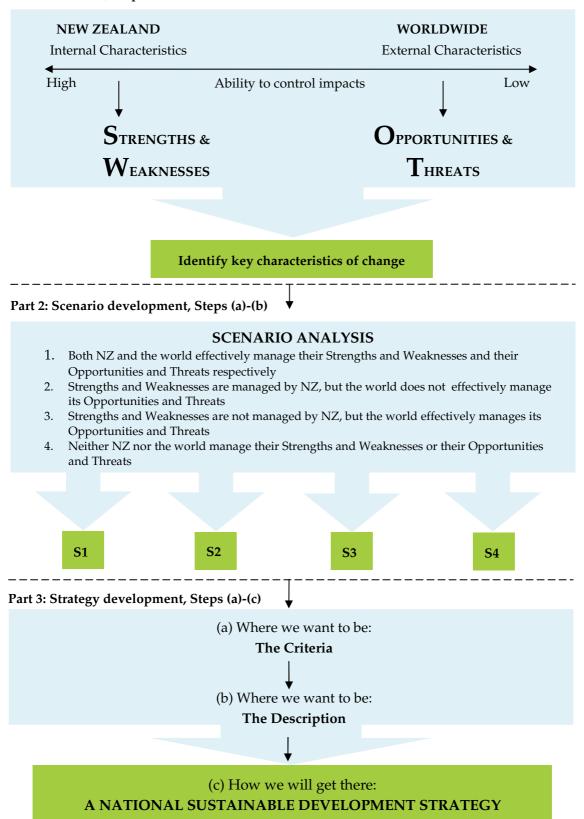
The conceptual framework that we have developed is still being finalised, but our current thinking is discussed in the remainder of this paper. It is based on the premise that it is not possible to develop a sustainable future without a long-term vision and a strategy to direct us in the process.

Our framework breaks the project into three parts, and within each part there are a number of steps.

³ Project 2058's first paper, A National Sustainable Development Strategy: How New Zealand measures up against international commitments, provides a detailed description of what makes a NSDS.

Figure 1: The two year journey

Part 1: Research, Steps (a)-(d)



3.1 The two-year research project

The two-year journey is broken up into three parts, as shown in Figure 1. The blue arrows represent processes (Parts 1–3) and the green boxes represent outputs. We hope to finish the project in early 2009.

Project 2058's first paper, *A National Sustainable Development Strategy: How New Zealand measures up against international commitments*, is the starting point. It looks at what we have done, where we are now and any future plans or activities that are in the pipeline. The NSDS is therefore our start and finish point for the two-year research project.

The following sections of this paper discuss how we plan to progress the research. We are clearly adopting a bottom-up approach, therefore Part 1, researching the current landscape, requires analytical skills rather than creative and lateral thinking. In contrast, Part 2 demands the opposite, while Part 3 requires a mix of both the analyst and the creative thinker.

The project team thinks of *Project 2058* in terms of a loop, as depicted in Figure 2 below. First we assess government progress towards creating a National Sustainable Development Strategy (Part 1, Research stage). From this assessment, we identify drivers of change, produce four scenarios (Part 2), explore desirable futures, and then choose the optimal future from which to develop a National Sustainable Development Strategy (Part 3).

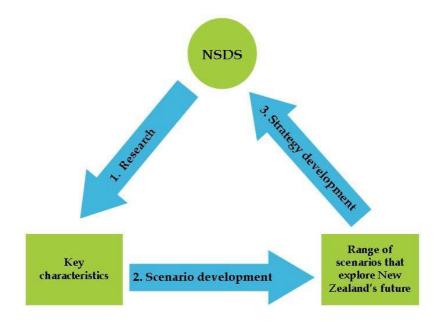


Figure 2: Project 2058 research project

4. Techniques for Exploring the Future

We have selected five techniques to use in exploring the possible future for New Zealand:

- 1. The SWOT analysis, which explores Strengths, Weaknesses, Opportunities and Threats in order to develop strategy. The title is somewhat misleading: as shown in Figure 3, opportunities and threats are analysed in step one, then step two analyses strengths and weaknesses, and finally step 3 uses the above two steps to develop the strategy.
- 2. The latest Australia and New Zealand Risk Management Standard, in order to help identify and analyse risks and opportunities.
- 3. Forecasting predictions of the future based on a 'business as usual' model (see Figure 4).
- 4. Scenario building describing possible futures, as indicated in Figure 4. Our current thinking is to adopt the approach discussed by Shell in their publication *Shell International Scenarios: An explorer's guide* (2003).
- 5. Backcasting techniques (going from a selected future back to the present) in order to identify the steps necessary to reach a plausible, desired future. Such an approach enables thinking to occur about where we want to be, rather than being constrained by where we think we are heading. This approach can be explained by contrasting forecasting with backcasting. Figure 4 shows that 'forecasting' is the method of projecting what the future is likely to be assuming no or limited alteration of current practices this is reflected as the blue circle. In contrast, backcasting is about selecting a desirable future and working backwards to identify what we must do over the next 50 years to get the type of society we want to live in; this is depicted as the green circle in Figure 4. Hence, backcasting is a way of developing capacity to achieve a desired future that is proactive, rather than reactive.

Part 1 will include the use of forecasting and the application of the Australia New Zealand Risk Management Standard to help complete a SWOT analysis. Part 2 will use scenario analysis, and Part 3 will use the backcasting technique.

Figure 3: SWOT analysis

Adapted from Stanford Research Institute in the late 1960s

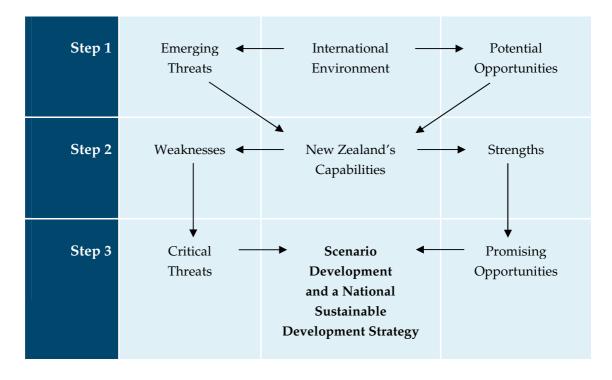
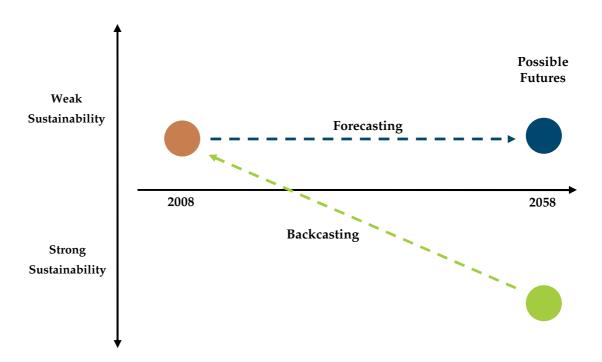


Figure 4: Forecasting, developing scenarios and backcasting Adapted from Hunhammar *et al.,* 1999: 14 (developed from Steen & Akerman, 1994)



5. Part 1: Research

We are answering three questions, namely: where have we come from; what and where are we now; and where are we going? This process will implicitly explore what the future of New Zealand will look like if we do not change our current practices (the 'business as usual' model). Our purpose is to identify and understand the drivers for the future, rather than develop a detailed 'business as usual' forecast. For example, one major driver is climate change. We will take a collaborative approach; where possible, we will work with other researchers and draw on the work of earlier future thinkers. Note that we are currently using a range of terms, such as characteristics, themes, currents and drivers, to describe the underlying patterns and flows that exist in society over time.

Our approach is to divide Part 1 into four steps:

- a. A review of government's capacity to deliver long-term integrated strategic thinking;
- b. An assessment of opportunities and threats to New Zealand by reviewing the world situation;
- c. An assessment of New Zealand's current and future strengths and weaknesses, and
- d. A list of key characteristics likely to shape New Zealand's future.

5.1 Part 1 (a) Review of government's capacity to deliver longterm integrated strategic thinking

The research aim is to:

Review the effectiveness of the New Zealand government's initiatives towards strategy development and long-term integrated planning. The resulting research papers, known as the 'Government landscape papers', will analyse the current landscape and make recommendations on how current practices and institutional frameworks could be improved.

To complete our research aim, our approach is to explore the following:

- Central government strategies;
- Long-term council community plans (LTCCPs) for regional and local authorities;
- The long-term role of independent entities that report to Parliament (e.g. Office of the Auditor General) ;
- The long-term role of Crown Research Institutes, State-owned Enterprises and Crown Entities, and
- Research funding.

We refer to these papers as the New Zealand government landscape papers. We envisage completing the above reports by the end of 2007.

It is intended that the results of this research will be useful on three fronts, namely:

- To provide independent feedback to government. Members of Parliament and public servants may reconsider how they could improve institutional strategic thinking capability and provide more transparency, in particular improving linkages between public policy instruments and the budget;
- To contribute to the work of others interested in understanding the history and current landscape. For example, Non-Governmental Organisations (NGOs) and business organisations.
- To provide the Project 2058 team with up-to-date institutional knowledge so that they can develop Part 2, scenario development and Part 3, the creation of our vision of a NSDS.

5.2 Part 1 (b) Identify opportunities and threats to New Zealand by reviewing the world situation

The research aim is to:

Identify the opportunities and threats to New Zealand, both now and in the future, from an international perspective. This constitutes the first stage of the SWOT analysis. The resulting research papers, known as the 'World papers', will explore how New Zealand has been or may be impacted or influenced by the international community. The conclusions will help identify the key characteristics most likely to impact on New Zealand's future from a global perspective. These papers are expected to be completed in early 2008.

The process for meeting the above aim is still being developed, however our current thinking is to separate our research into three stages:

5.2.1 Stage 1: What makes New Zealand different?

Clarify what makes New Zealand different (e.g. in terms of geography, history, culture, economy, institutions, etc.) in order to define its place in the world. The clarity created here will keep us focused on the implications for New Zealand as we explore stage 2.

5.2.2 Stage 2: What is the international landscape?

We have begun our research investigating the role of international drivers. At this stage our approach is to first identify and review significant countries.

A significant country for this purpose is a country that is likely to have a large impact on New Zealand in the future. For example, a country where New Zealand has:

- (i) Established obligations. For example, is in close proximity (e.g. a neighbour) or shares a long-standing strategic alliance;
- (ii) A potential opportunity/threat from an emerging economic powerhouse, or
- (iii) A potential opportunity/threat from a country likely to undergo serious environmental disaster/s or political unrest.

Our analysis to date has resulted in the following sequential list, although we note the interconnections between these categories. The current list is as follows:

1. Countries with which New Zealand has established obligations

This could include:

- Neighbours: e.g. Australia, Pacific Islands and Antarctica.
- Long-term strategic partnerships: e.g. the European Union (particularly the UK), Japan and the United States of America.

2. Countries likely to emerge as economic powerhouses

This could include:

- BRIC countries (a term coined by Goldman Sachs Investment Bank in 2002), referring to the potential impact Brazil, Russia, India and China will have on the future global economy.
- The Next 11 (N-11), identified by Goldman Sachs in 2005 according to the following criteria: (i) macroeconomic stability, (ii) political maturity, (iii) openness of trade and investment policies, and (iv) quality of education. These countries are seen as having promising outlooks. The N-11 are: Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, the Philippines, South Korea, Turkey and Vietnam.

3. Countries likely to undergo environmental disasters and political unrest

This is likely to be difficult to qualify; however, Jared Diamond's book Collapse: *How Societies Choose to Fail or Survive* (2005) does identify the following countries. His book includes two maps that compare the political trouble spots in the world with the environmental trouble spots, and finds them similar. These countries include: Haiti, Afghanistan, Iraq, Somalia, Rwanda, Burundi, Madagascar, Mongolia, Bangladesh, Nepal, Pakistan, Indonesia, the Philippines and the Solomon Islands. We are also aware both Australia and the Pacific Islands are likely to be affected by a rise in sea levels and an increase in droughts and desertification.

5.2.3 Stage 3: Explore the linkages between New Zealand and the international landscape?

Explore current and proposed linkages between New Zealand and the identified countries, including New Zealand's relationship in terms of:

• obligations (e.g. peace troops, flooding and food relief, medical aid);

- commodities (e.g. exports such as milk; imports such as cars), and
- services (e.g. internal services such as tourism and external services such as outsourcing).

5.3 Part 1 (c) Assess New Zealand's current and future strengths and weaknesses

The research aim is to:

Complete the second part of a SWOT analysis, identifying the strengths and weaknesses of New Zealand, both now and in the future. The resulting research papers, known as the 'New Zealand papers', will explore how New Zealanders live, have lived and will live in the future. The conclusions drawn from the papers will help to identify the key characteristics that will impact on New Zealand's future. These papers are expected to be completed in early 2008.

We are still unsure how best to prepare the research papers, and there is a possibility that Part 1 (b) and (c) may be combined. However, our current thinking is that we will produce a number of papers that analyse New Zealand's future, building on reports produced by Statistics New Zealand. Our approach to date is to develop reports on a range of topics:

- New Zealand by numbers;
- New Zealand by history (a timeline of New Zealand history is now on www.2058.net.nz);
- New Zealand by culture;
- New Zealand by social equity, and
- New Zealand by earlier future thinkers. This will include a review of the landscape of past strategic thinking on New Zealand, including a review of papers from the Commissioner for the Future and the New Zealand Planning Council.

In order to get a feel for the scope of change that can occur in 50 years — for instance, from now until 2058 — these papers will be approached by breaking each topic into 50-year blocks. This will be an important technique for investigating the level of change that can occur in this timeframe and it allows us to examine, under the microscope, key characteristics or streams of change. Therefore these papers will be broken into the following blocks: 1958–present, 1908–1958, 1858–1908, 1808–1858 and pre-1808.

5.4 Part 1 (d) Key characteristics

The *Project 2058* team expect to have considerable debate about what is or is not a key characteristic or driver.

Many characteristics are so integrated that it will be challenging to identify the primary characteristics, as distinct from secondary characteristics. Secondary characteristics can be significant, but are the result of a primary characteristic, like sea levels rising due to climate

change. Obvious primary drivers include climate change, water, population growth and oil, but there are also more fundamental drivers that are unique to New Zealand. Our challenge will be to identify primary characteristics, and the resulting positive and negative impacts. Characteristics may also be assessed in terms of certainties/uncertainties, conflicts/dilemmas, risks/opportunities and limits/capacities.

Our current thinking is to produce a table for each characteristic, along the lines of the following:

Table 1: Key characteristics

Primary	Secondary	International	International	New Zealand	New Zealand
characteristics	effects	opportunities	threats	strengths	weaknesses
Climate change	-	-	-	-	-

6. Part 2: Scenario development

We are answering one question, namely: where could we be going? *Project 2058* assumes that the 'business as usual' option is no longer feasible for New Zealand. Forecasting and predicting a future based on the present will only deliver a future where we have done very little to take advantage of our strengths and manage our weaknesses for future generations. Therefore, the purpose of this part of the project is to explore alternative futures that are not business as usual. Scenario building is a critical technique to explore where we could be going as a country.

Each future scenario will be described in terms of how we might live, eat, work and spend our spare time in 2058. Part 2 will require workshops and meetings, using a whole-systems approach to develop creative and collective thinking about the consequences of significant events and the potential reactions and motivations of New Zealanders. The process is not aimed at developing a single answer, but is designed to accommodate multiple values and opinions.

A successful scenario must:

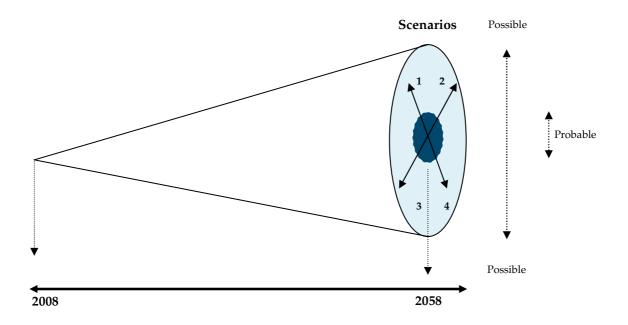
Have integrity. By this we mean the story must be written in such a way as to be believable. The description must be both logical and meaningful to the reader.

We are planning to invite groups and individuals from a diversity of backgrounds who are very creative and skilled at future thinking to help create the scenarios. Importantly, the scenarios are not intended to be a blueprint for planning or a description of the most probable future. They will be selected to show a range of alternative futures, some of which may end up being desirable while others might be completely undesirable. The value is in the resulting tensions and the reaction and resulting actions of stakeholders to scenarios. An analogy is pulling from four opposing corners a cotton sheet to assess the tension (e.g. the folds in the sheet) rather than assessing one corner in isolation.

The project team think of scenarios in terms of the year 2058 as being wide-ranging, as depicted in Figure 5 following.

Figure 5: From 2008 to 2058

Adapted from Ilbury and Sunter, 2001: 53



Through time, a range of different streams or key characteristics of change mean that there are myriad future scenarios, depending on the interaction between these forces (Figure 5). By 2058 there is a large range of *possible* futures (the more improbable a potential future, the closer to the edge of the ellipse) and a smaller range of *probable* or *plausible* futures (the dark central area). It is the aim of this project to explore the breadth of this future landscape — both plausible and possible future scenarios — in order to develop a solid understanding of what New Zealand could look like. This involves exploring the interaction between the key characteristics of change identified in the SWOT analysis of Part 1.

Our approach is to divide Part 2 into two steps:

- a. Agree a method for determining the nature of the scenarios, and
- b. Develop and create the scenarios.

6.1 Part 2 (a) Agree a method for determining the nature of the scenarios

Our frame for identifying useful scenarios is continually discussed and debated by the *Project 2058* team. We recognise that there are a number of ways to develop scenarios.

Dr John Peet has prepared a brief six-page paper that outlines *Four Visions of the Future in 2058*. It is available on the 2058 website.⁴ The aim is to stimulate thought and discussion, prior to more detailed work to develop a strategy for sustainable development.

In addition, we have developed a matrix approach based on four scenarios where New Zealand either manages itself well or does not, against whether the world manages itself well or not. This is strongly linked to the SWOT analysis in Table 2 below.

	The world does manage its opportunities and threats		The world does not manage its opportunities and threats	
New Zealand does manage strengths and weaknesses	New Zealand World	\checkmark	New Zealand World	X
New Zealand does not manage strengths and weaknesses	New Zealand World	X	New Zealand World	X X

Table 2: Four scenarios

⁴ Peet (2007) Four Visions of the Future in 2058. http://www.2058.net.nz/SITE_Default/SITE_2058_site/Library-Scenarios.asp

6.2 Part 2 (b) Develop and create the scenarios

Our intention is to deliver a detailed report of each scenario (approximately five pages) and produce four five-minute films for the website. We hope this will increase dialogue about scenarios as a tool for developing strategic options and building capacity for a range of options. The scenarios are a critical part of *Project 2058*, in order for us to achieve Part 3.

To achieve this objective, we are considering creating three teams in 2008: an advisory group, a scenario team/s, and a film team.

6.2.1 Role of advisors

Advisors will have participated in similar projects and will therefore be in an excellent position to advise the project team. The purpose of the advisors is to ensure that the project team optimises the opportunity provided by 2058, by providing advice and assurance to the project team on:

- the design of the scenario model;
- who to engage with and when;
- the underlying environmental, social, cultural and economic ethics, and
- the scenarios (the stories are presented and assessed in terms of integrity and relevance).

6.2.2 Role of the scenario team

The purpose of this group is to generate the scenarios. They will explore stories about the future. Some participants will be experts in specific areas while others will be generalists who are naturally explorative and logical by nature. They do not necessarily need experience in future thinking but must naturally be inquisitive and curious about the world we live in.

6.2.3 Role of the film team

The purpose of the film team is to portray the story contained in each of the four scenarios in such a way as to make it plausible and relevant but different and vivid enough to take us outside our comfort zone.

7. Part 3: Strategy development

We are answering two questions, namely: where do we want to be; and how will we get there? The *Project 2058* team will design one feasible and desirable option, using the scenarios developed in Part 2. Backcasting, as indicated in Figure 4, will be used to cast backwards from the desired future to today, in order to allow us to develop a National Sustainable Development Strategy (NSDS).

Part 3 will try to answer how New Zealand might achieve a sustainable future. The output will be a NSDS for New Zealand. Sustainable Future has neither a national mandate nor the necessary resources to complete a comprehensive bottom-up 'national' strategy. Readers must bear in mind that the resulting NSDS will be the view of the project team, based on both our primary and our secondary research.

Our objective is to use the results of our research in Parts 1 and 2 to prepare a NSDS in order to start the dialogue on both the process and the content of what a truly 'National' Sustainable Development Strategy could look like.

Again, our approach is to divide Part 3 into three steps:

- a. Where do we want to be: The criteria;
- b. Where do we want to be: The description, and
- c. How will we get there: A NSDS.

7.1 Part 3 (a) Where do we want to be: The criteria

To consider what a 'sustainable' New Zealand could look like in 50 years' time, the project team will need to take a view of what 'a sustainable New Zealand society' means in terms of its physical nature, values, ethics and rights. To do this we will be guided by the following principles and ethics outlined below.

7.1.1 New Zealand Government

In the 2003 *Sustainable Development Programme of Action*, the New Zealand government announced:

The government recognises that its decisions should ensure the wellbeing of current and future generations. It will take account of the social, economic, environmental, and cultural consequences of its decisions by:

- 1. Considering the long term implications of decisions
- 2. Seeking innovative solutions that are mutually reinforcing, rather than accepting that gain in one area will necessarily be achieved at the expense of another
- 3. Using the best information available to support decision making

- 4. Addressing risks and uncertainty when making choices and taking a precautionary approach when making decisions that may cause serious or irreversible damage
- 5. Working in partnership with local government and other sectors and encouraging transparent and participatory processes
- 6. Considering the implications of decisions from a global as well as a New Zealand perspective
- 7. Decoupling economic growth from pressures on the environment
- 8. Respecting environmental limits, protecting ecosystems and promoting the integrated management of land, water and living resources
- 9. Working in partnership with appropriate Māori authorities to empower Māori in development decisions that affect them
- 10. Respecting human rights, the rule of law and cultural diversity. (NZ Govt, NZPOA, 2003: 10)

7.1.2 Te Tiriti o Waitangi and Māori aspirations

This framework will incorporate the following principles and issues (adapted from PCE (2002) and the Auckland Mana Whenua response to the Auckland Sustainability Framework (2007)):

- Recognition and respect of the worldviews of Mana Whenua, including Mana Whenua relationships with ancestral taonga, their cultural practices and traditions and future development;
- Effecting Te Tiriti o Waitangi;
- Contribution to Māori needs and aspirations;
- Effects of sustainability challenges, strategy and policy on Mana Whenua;
- Active participation of Mana Whenua;
- Accountability, and 'walking the talk';
- Practical requirements;
- Clarity and consistency, and
- Other ways of doing better.

It is vital for *Project 2058*, because of the mandate of Te Tiriti, to acknowledge these principles and to actively involve the Māori community in developing a strategy for a sustainable future in our country. *Project 2058* keenly awaits the publication of the Auckland Mana Whenua group's sustainability framework (anticipated for early September 2007). We believe that their intentions to follow universal commonalities in the pursuit of sustainability, while acknowledging diversity of worldview and opinion, provide an excellent example for how the *Project 2058* team could run the project. Other publications key to developing criteria for a sustainable New Zealand include the PCE's (2002) recommendations for using a Treaty-based environmental audit framework, and a framework for understanding Māori values in resource management laid out by Hirini Matunga (1994).

7.1.3 Brundtland definition

The World Commission on Environment and Development (WCED):

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. (WCED, 1987)

7.1.4 Organisation for Economic Co-operation and Development

The OECD states the elements of a national sustainable development strategy are:

- 1. Integration of economic, social and environmental objectives, and balance across sectors, territories and generations
- 2. Broad participation and effective partnerships
- 3. Country ownership and commitment
- 4. Developing capability and enabling environment [and a]
- 5. Focus on outcomes and means of implementation (OECD/DAC, 2002b: 36)

7.1.5 The Natural Step

The Natural Step⁵ developed four high-level sustainability principles. These principles were not designed to define how a sustainable society should look, but to provide a framework for discussing conditions that, if violated, would not lead to a sustainable society. The principles are arguably limited to ecological principles, but are internationally recognised. They are:

In a sustainable society, nature is not subject to systematically increasing...

- 1. concentrations of substances extracted from the Earth's crust;
- 2. concentrations of substances produced by society; or
- 3. degradation by physical means and, in that society And, that in society...
- 4. ...people are not subject to conditions that systematically undermine their capacity to meet their needs. (Robert et al 2004: xxv)

7.1.6 The Auditor General of Victoria

The Auditor General of Victoria, J. W. Cameron (2004), states in an occasional paper titled *Measuring and Reporting on Sustainability: Beyond the Triple Bottom Line* that although sustainability is difficult territory, it has been a powerful stimulant for public sector performance. He accepts there is no universal definition, but promotes six commonly accepted principles of sustainability.

- 1. Sustainability comprises at least three pillars (being environmental, economic and social)
- 2. The pillars are inter-related
- 3. Sustainability strives for equity within generations (intragenerational equity)
- 4. Sustainability strives for equity between generations (intergenerational equity)
- 5. Sustainability uses the precautionary principle
- 6. Sustainability conserves biological diversity (Cameron, 2004: 6)

⁵ The Natural Step is a non-profit organisation founded in Sweden in 1989 by the Swedish scientist Karl-Henrik Robert.

7.1.7 Economist Herman Daly

The economist Herman Daly lays out two basic rules of the environmentally sustainable use of resources (Daly, 1991). These are:

1. Input rules:

-Renewable resources (e.g. fish stocks) must be used at a rate no faster than the rate at which they regenerate.

-Non-renewable resources (e.g. fossil fuels) must be used at a rate no faster than the rate at which renewable substitutes replace them.

2. Output rule:

-Pollution and waste must be emitted at a rate no faster than the rate at which natural systems absorb them, recycle them or render them harmless. (Daly, 1991)

7.2 Part 3 (b) Where do we want to be: The description

The project team, with considerable assistance from others, will design and describe one desirable and plausible sustainable future. It will be realistic and effective, based on our understanding of what would be achievable and acceptable as a result of our research. A plausible future is the team's optimal option, and this forms the basis of Part 3 (c), which is to build a strategy to link the desired future back to today.

The underlying challenge will be to design a desired plausible solution that, for example, reduces carbon emissions, is equitable to current and future generations, delivers more durable products with minimal waste, minimises non-renewable resource use, and provides economic rewards to provide funds for New Zealanders for recreation, to travel and/or purchase imported goods and services.

Importantly, an optimal desired future for New Zealand is the on-going dialogue that will continue after the project is completed, with interactions in and between groups such as Parliament, academics, policymakers, NGOs, religious groups and corporate organisations.

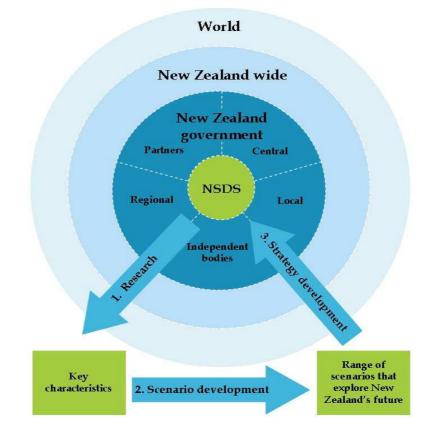
7.3 Part 3 (c) How will we get there: A NSDS

The backcasting process travels from a time in the future (2058) back to today. By doing this it helps to define the steps needed to reach the desired future. The project team will view this process through multiple lenses: the world, New Zealand and lastly, the machinery of government. The project team view this process in terms of Figure 6. 'Government' is located in the centre because of its prominent leadership role at a central, regional and local level. These mechanisms of government, such as plans, policies and programmes, are a means for allowing a NSDS to work at all levels of government, industry and society. When the strategy is written up it will become Sustainable Future's view of what a New Zealand National Sustainable Development Strategy (NSDS) could look like.

The resulting strategy will identify what we need to do to get to the optimal 2058. It will help to define the key decisions that will need to be made and the potential timeframes in which we have to make them. It is hoped that this process will identify key events where government and others can build capacity in order to ensure the necessary expertise and information is gathered in advance of decisions, in the hope of making New Zealand:

- Be a proactive rather than a reactive participant on the world stage;
- Identify and implement cost-effective and timely initiatives to save costs and improve opportunities;
- Identify high-leverage areas that can become platforms for future action;
- Focus on ideas and strategic thinking, rather than things and short-term thinking, and
- Provide and deliver quality information that can be independently verified and benchmarked over time and between sectors to promote progress both nationally and internationally.

Figure 6: The project team's journey under the microscopecroscope



FAQ about Project 2058

Why the year 2058?

We selected 2058 as our 'timeframe' because we need at least one year to complete the necessary analysis and at least one year to engage with leading thinkers. We then added 50 years, to ensure we had a timeframe that was not too short for people to be attached to, or too long for it to be unimaginable, hence: 2007 (analysis) + 2008 (ideas) + 50 years (timeframe) = 2058.

We chose 50 years as a way of drawing a line in the sand, however we would also like to work with and support groups and individuals who think in even longer time periods. For example, many think in terms of generations rather than years, resulting in timeframes of 100's of years.

Who is funding the project?

The majority of the project is being financed by a private charitable trust.

What is Sustainable Future?

An independent think-tank and information portal: http://www.sustainablefuture.info.

What processes will the team be using?

We are considering applying the approach established by Shell International, but are also keen to learn from the experience gained by past 'future thinkers' in New Zealand, for example, the Commission for the Future (1977-1981), New Zealand Planning Council (1977-1991) and international experts.

What are scenarios?

Shell states:

Scenarios are based on intuition, but crafted on analytical structures... They do not provide a consensus view of the future, nor are they predictions; they may describe a context and how it may change, but they do not describe the implications of the scenarios for potential users nor dictate how they should respond... Scenarios are intended to form a basis for strategic conservation... Scenarios can help clarify or even resolve the conflicts (clashing of opposed values or opinions) and dilemmas (impossible choices) confronting their users. (Shell, 2003: 8)

What could these scenarios look like to achieve a better New Zealand in 2058?

Developing scenarios is like telling a story about the future. The difference from fiction is that it uses the identification of trends and logic to build the story in order to help people think about how those themes, conflicts and ideas link together and may play out. Developing scenarios is a tool for identifying strategic options and building capacity to make better decisions in the future. Consequently, the objective is not to build consensus around the perfect scenario, but a way of developing logical stories with the aim of contributing to the dialogue around a national vision and strategy for New Zealand. We will develop four scenarios in order to explore the future. In particular, we want stories that explore future tensions and conflicts in order to develop an idea of ways these could play out in 2058. One way to describe what this is in practice is to think of the landscape in 2058 as a cloth. When four different people pull on that cloth, they create tension through the cloth, so an indicator of the success of the project is that the tensions, opportunities and conflicts are more apparent.

We need to build capacity now in order to effect change in the future. Scenario planning will explore significant trends (e.g. reduced use of non-renewable energy consumption), tensions (e.g. ownership of water and seabed), goals (e.g. social equity), dilemmas (governance and cost-effective regulation), conflicts (e.g. conservation/biodiversity v business development) and values (e.g. visual pollution). The stories will result from developing dialogue around how potential futures could pan out.

How will the scenarios be presented?

We are hoping to produce both written and visual representations in the form of coherent and vivid stories of New Zealand's future via discussion papers and a short film for the website.

How will the scenarios/publications be accessed/available?

On the *Project 2058* website: <u>http://www.2058.net.nz.</u>

How can I help?

We will need participation and support in all stages of the project. If you are able to contribute by providing specific skills and/or funds, please contact us.

How can I be kept informed of Project 2058 as it develops?

Join our mailing list by emailing: enquiries@2058.net.nz

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