

Learning from experience: The Mont Fleur Scenarios exercise

By Adam Kahane

Scenario thinking is an increasingly important part of Reos Partners's work to support and build capacity for innovative collective action in complex social systems. Scenarios are a deceptively simple tool: a set of carefully-constructed stories about how the world around us might unfold. They are internally-consistent hypotheses about the future that are simultaneously relevant, challenging, plausible and clear.

Scenarios have been used for years as a tool to help organisations anticipate and adapt to their unpredictable and uncontrollable contexts. The scenario tool was used first by militaries, then by companies, and more recently by governments and NGOs. But the future is unpredictable in part because, although people cannot control it, they can influence it. Reos Partners has pioneered the use of scenarios not only as an adaptive tool but also as an activist one; not only to study the future but also to shape it.

Reos's work with such adaptive-activist scenarios originated in 1991 in an unexpected coincidence of developments. I was working at Royal Dutch Shell in London as head of the company's global social-political-economic-environmental scenario team. Our department's job was to search the world for signals of change and to structure these signals into a set of stories that the company's executives could use to make their strategies more robust and adaptive.

Meanwhile in South Africa, Nelson Mandela had been released from prison and the negotiations to end apartheid had begun. A diverse team of South African leaders—from the opposition and the establishment, left and right, black and white; businesspeople, politicians, academics, trade unionists, and community workers—wanted to use the Shell scenario methodology to work together on how to effect a successful transition to democracy, and they invited me to facilitate their workshops. This was the project that became known as the Mont Fleur Scenario Exercise.

The Mont Fleur team's scenarios, published in 1992, asked the question: How will the South African transition go, and will the country succeed in "taking off"? Each of the four stories gave a different answer and had a different message. South Africa was in the middle of the contentious and risky transition negotiations. Nobody knew how or even whether they would succeed, or if the country would remain stuck, embattled, and isolated. As a set, the scenarios provided a provocative road map for this transition. There were three dark prophecies of futures to avoid: *Ostrich*, in which the minority white government sticks its head in the sand to try to avoid a negotiated settlement with the black majority; *Lame Duck*, in which there is a prolonged transition with an constitutionally-weakened government which, because it purports to respond to all, satisfies none; and *Icarus*, in which a constitutionally-unconstrained black government comes to power on a wave of popular support and noble intentions, and embarks on a huge and unsustainable public spending program, which crashes the economy. Then there was one bright vision of a future to work towards: *Flight of the Flamingoes*, in which the transition is successful

because all the key building blocks are put in place, with everyone in the society rising slowly and together.

Icarus got the most attention. Here the leading economists of the left were warning of the dangers of irresponsible left-wing economic policies. The two top economists in Mandela's African National Congress, Trevor Manuel and Tito Mboweni, presented the scenarios to the ANC's leadership team, including Mandela, Oliver Tambo (President of the ANC), and Joe Slovo (Chairperson of the South African Communist Party). At the time, this leadership was focused primarily on achieving a political, constitutional, governmental, and military transition. Their general view was that the country was rich and that an ANC government could simply redistribute money from rich whites to poor blacks. Their economic thinking, formed during the Cold War and the South African guerilla war, was tightly held. *Icarus*, presented at this meeting by their own top economists, was therefore a direct attack on the party's orthodoxy. When some participants demurred, it was Slovo, citing his personal experience with failed socialist programs in the Soviet Union and elsewhere, who argued that *Icarus* needed to be taken seriously.

The economic message of Mont Fleur profoundly affected ANC thinking. Derek Keys, the Minister of Finance in F.W. de Klerk's white minority government, had attended the Mont Fleur team's fourth workshop. One evening he offered to share some material from a briefing on the economy he had just given to the de Klerk cabinet. Manuel and others said they were interested, and a long conversation ensued. Reporter Patti Waldmeir later wrote:

Keys gave ANC economics head Trevor Manuel a briefing on the economy, and Manuel repeated it to Mandela. "And I got frightened," Mandela recalls. "Before Trevor finished, I said to him, 'Now what does this mean as far as negotiations are concerned? Because it appears to me that if we allow the situation to continue...the economy is going to be so destroyed that when a democratic government comes to power, it will not be able to solve it.'" Mandela made a decision—the deadlock [in the then-stalled negotiations on a post-apartheid political order] must be broken.

So Mont Fleur helped to shift the economic thinking and acting of the ANC and to avert an economic disaster. One of the most important surprises and successes of the post-1994 ANC government was its strict and consistent fiscal discipline, as articulated in the 1996 Growth, Employment, and Reconstruction (GEAR) policy. In his history of this transition, Allister Sparks refers to this fundamental change in economic policy, incubated at Mont Fleur, as "The Great U-Turn." In 2000, seven years after the project ended, Trevor Manuel, who by then had succeeded Keys as the country's first black Minister of Finance, said:

It's not a straight line [from Mont Fleur to GEAR]. It meanders through, but there's a fair amount in all that going back to Mont Fleur...I could close my eyes now and give you those scenarios just like this. I've internalized them and if you have internalized something then you probably carry it for life.

Political science professor Vincent Maphai, one of the convenors of Mont Fleur and an intimate observer of the ANC cabinet, said, "Trevor Manuel and Tito Mboweni are aimed at one thing:

preventing the *Icarus* scenario.” In 1999, Mboweni, at the official banquet for his inauguration as the country’s first black Governor of the Reserve Bank, reassured his audience of local and international bankers by saying: “We are not *Icarus*; there is no need to fear that we will fly too close to the sun.”

Eighteen years after the release of the Mont Fleur scenarios, in January 2010, Clem Sunter, South Africa’s foremost corporate scenario practitioner, observed how well South Africa had navigated not only its transition to democracy but also the global recession. He wrote: “So take a bow, all you who were involved in the Mont Fleur initiative. You may have changed our history at a critical juncture in the fortunes of the world.”

What has Reos Partners learned from Mont Fleur? We learned that scenario work can be a powerful means for a diverse group of stakeholder leaders to think together about their possible futures and how they can contribute to creating a better future. We learned that scenario processes are effective because they have an unusual combination of characteristics: they are informal and non-committal, logical and challenging, inclusive and holistic, collective and constructive, and choice-eliciting and generative.

Over the years since Mont Fleur, we have continued to develop and employ the adaptive-activist scenario approach with many multi-stakeholder leadership teams on many complex social challenges. These have included initiatives in Argentina, on judicial reform; in Canada, on public service restructuring; in Colombia, on the long-running violent conflicts; in Guatemala, on the implementation of the peace accords; in Israel, on both internal and external schisms; and in the United States, on regional development.

From these experiences, we have learned that scenario processes can produce four types of results:

1. Systemic insights and understandings about what is happening and might happen, and what this implies.
2. Stronger relationships and alliances among leaders from across organisations and sectors.
3. Clearer intentions and commitments as to what these leaders need to do.
4. As a result of these insights, relationships, and intentions, innovative initiatives and actions to co-create a better future.

We now see scenario thinking as an important aspect of our broader change lab approach to social innovation. In particular, scenario stories are a solid tool for co-sensing: for developing a shared language amongst innovators as to how the system they are part of might unfold and their part in this unfolding. With this framing, we are now incorporating scenario thinking into on ongoing work in Australia, on government service delivery; in Canada, on local economic resilience; in South Africa, on immigration policy; in Sudan, on peace negotiations; and in the United Kingdom, on sustainable finance. These multi-stakeholder teams are all building their social innovations on foundations of shared understandings of the futures they are co-creating.