



## High-Level System Change: Protecting Business and Society

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### Abstract

*Over the past 15 years, sustainability has become mainstream in the corporate and financial sectors. But environmental and social conditions are declining rapidly in many regions. Nearly all corporate and financial sector sustainability strategies are focused on company-level activities, such as unilaterally mitigating negative environmental and social impacts. But flawed economic and political systems make it impossible for businesses to mitigate about 80 percent of negative impacts. These impacts often return to harm companies, for example, in the form of market rejection, lawsuits and reputation damage. System change is the most important sustainability issue. Protecting business and society requires substantially shifting the focus of corporate sustainability strategies from company change to system change. A growing number of collaborative system change efforts are being implemented. Most focus on specific issues, sectors or system flaws. They frequently are ineffective because they do not use a whole system approach. All major aspects of human society are connected. Root causes, key leverage points and most effective solutions often lie outside of issue-specific areas. Climate change, economic reform and other complex issues can only be effectively addressed through a whole system approach. This paper summarizes important economic and political system flaws and describes a collaborative, whole system approach for engaging the corporate and financial sectors in system change.*

Human systems have evolved for millennia, and will continue to do so. Changing current economic and political systems (high-level system change) can seem difficult or impossible, as it did to people in the past before their systems collapsed. Modern economic and political systems were developed from a reductionist perspective that ignores much of reality. These well-meaning, but unintentionally destructive systems force all companies to degrade the environment and society. If businesses attempt to voluntarily mitigate all negative impacts, they will put themselves out of business long before reaching full impact mitigation. As companies are forced to harm society, negative impacts increasingly return to harm them, often in the form of reputation damage, lawsuits, market rejection, and ultimately reduced profitability and shareholder returns.

In the political area, political parties divide citizens and prevent them from working together on their massive areas of common interest, such as protecting life support systems and society. Our flawed, unintentionally destructive economic and political systems inevitably

will evolve. The only options are voluntary or involuntary change. Nature and reality force all flawed human systems to change, as occurred with the American and French revolutions, end of slavery in the US, and fall of communism in the Soviet Union.

Flawed systems usually change involuntarily through collapse. Collapse of current systems would bring unprecedented suffering and disruption. Voluntary high-level system change is our best option by far. It also is the most complex challenge facing business and society. Humanity is tremendously creative and talented. If we devote enough time, attention and resources, we can evolve our systems into sustainable forms. This paper summarizes how to achieve this goal and the benefits of doing so.

## **1. Solution**

The implied economics of nature are nearly infinitely more sophisticated than human economic and other systems. Nature enables nearly all plants and animals to reach their fullest potential without inhibiting the ability of future generations to survive and prosper. Nature produces no waste, lives on renewable resources, equitably distributes resources, decentralizes production and equally values current and future generations. As parts of nature, we have the innate ability to match its immense coordination, symmetry, sophistication and true long-term prosperity.

Effectively emulating nature requires expanding our perspective from the individual to the whole system. Nature implicitly operates from a whole system perspective. All aspects are balanced and taken into account. The wise Founders of the US thought from a whole system perspective. Promoting the general welfare is the most important purpose of government stated in the Constitution. It encapsulates all other stated purposes. The Founders understood that the well-being of the whole system should take priority over individual well-being, because individuals ultimately cannot prosper if the larger systems that support them are not stable and preferably thriving.

Uniting and empowering citizens is another essential requirement for high-level system change. Citizens collectively are the most powerful force in society. In his Farewell Address, George Washington warned that vested interests would use political parties to divide and disempower the public. Taking away the people's ability to rule and protect themselves might appear to benefit vested interests. But degrading the environment and society ultimately harms business, investors and other vested interests. United, well-informed citizens will focus the economy, government and society on maximizing the long-term well-being of society.

When citizens are divided and disempowered, as they are in the US and many other countries, large companies and the small group of wealthy citizens who own most business assets are among the most powerful segments of society. As these groups better understand that flawed systems severely threaten business and society, they can use their substantial influence to expedite system change. In summary, emulating nature, thinking from a whole system perspective, uniting citizens, and engaging the corporate and financial sectors are essential components of evolving economic, political and other human systems into sustainable forms.

## 2. Implementation

The book *Global System Change: A Whole System Approach to Achieving Sustainability and Real Prosperity* describes essential economic, political and social system changes. It discusses four levels of system change. The lowest level is unilateral system change. This mainly involves internal organizational changes. Mid-level system change refers to systemic changes at the sectoral, stakeholder or environmental/social issue levels. High-level system change focuses on evolving overarching economic, political and social systems into sustainable forms. Global system change refers to evolving the highest level whole system that humans influence—the whole Earth system and its sub-element, human society.

High-level system change includes international, national and state-level, specific and broad economic, political and social system changes. As noted, high-level system change is essential because flawed economic and political systems compel all companies to degrade the environment and society. Very generally speaking, companies can voluntarily mitigate about 20 percent of their tangible and intangible, short-term and long-term, negative environmental and social impacts in a profit-neutral or profit-enhancing manner. Beyond this point, costs usually go up. If companies continue down this path of voluntary corporate responsibility, they will put themselves out of business.

No one intended that our economic and political systems would degrade and possibly destroy life support systems and society. Unintentional degradation results from myopia—failure to think and act from a whole system perspective. If we do not figure out how to evolve our systems into sustainable forms voluntarily, they will cause rapidly growing problems for business and society, and then collapse, causing even greater disruption and suffering.

There are several high-level system change efforts around the world, often focused on economic reform. These collaborations frequently are reductionistic, and therefore have limited success. They sometimes focus on addressing only one or a few system flaws, such as externalities or measurement of social well-being. In addition, the efforts often do not address all relevant issues and aspects of society, including political, media and public deception.

A whole system perspective is essential for achieving high-level system change. Collaborative groups initially should focus on high-level goals and all relevant aspects of the whole system. This enables groups to see root causes, systemic barriers, key leverage points and most effective solutions. A whole system perspective also enables groups to identify linkages and synergies. This can facilitate development of efficient and effective solutions that address or resolve multiple issues at once.

To illustrate, a high-level system change collaborative might initially focus on maximizing the well-being of current and future generations by applying the rule of law to businesses. The rule of law is a fundamental component of libertarian and other philosophies. Civilized society cannot exist without it. The rule of law says that individuals and businesses should be free to do what they want, provided that they cause no harm. The principle usually is effectively applied to individuals. They are held responsible through murder, assault and many other laws. However, the rule of law is poorly applied to businesses in many countries,

especially the US. Companies are not held responsible for causing extensive environmental and social degradation (i.e. harm).

Failing to hold companies fully responsible for negative impacts is a primary overarching economic and political system flaw. It places businesses in conflict with society. This is the specific mechanism that compels companies to degrade the environment and society, and thereby creates growing problems for business. Flawed systems make it impossible for companies to mitigate about 80 percent of negative environmental and social impacts and remain in business. Protecting business and society requires that systems be evolved in ways that hold companies fully responsible. This eliminates conflicts between business and society. It makes acting in a fully responsible manner the profit-maximizing strategy.

### 3. System Flaws

There are numerous economic and political system flaws that directly or indirectly fail to hold companies fully responsible for negative impacts (i.e. fail to apply the rule of law). Many are summarized below. Several US examples are used to illustrate system flaws, problems and potential solutions that exist around the world.

**Externalities.** Externalities are real, actual costs of producing, using and disposing of products and services that are not included in prices. Instead, citizens pay for these costs through increased taxes, healthcare premiums and other fees and/or reduced quality of life. This price distortion makes destructive products, such as fossil fuels, appear to be cheap, while low impact products, such as renewable energy, often appear to be expensive. To illustrate, the real cost of gasoline is far more than retail price. Extensive pollution, illness, premature death, traffic congestion, military and other costs result from the production and use of gasoline and other fossil fuels. Hiding these real costs in higher taxes and other out-of-pocket costs drives overconsumption.

Externalities essentially are subsidies for harmful products. They greatly increase total costs to society because citizens are paying to clean up problems, rather than prevent them. Externalities force companies to produce destructive products because these often are the most profitable when extensive product-related costs are externalized onto society. Incorporating externalities into prices holds companies responsible for negative impacts. This usually makes selling low impact, responsible products and services the profit-maximizing strategy.

**Limited Liability.** Individuals and small business owners are held fully responsible for harm imposed on society. But owner/shareholders of corporations often are not. Limited liability is a highly deceptive term. Liability and risk do not magically disappear. They are transferred, largely to taxpayers. Therefore, the far more accurate name for limited liability is transferred liability or taxpayer liability. With limited liability, taxpayers frequently are compelled to act as the owners of business on the downside by paying for harm caused by corporations. But they get none of the financial upside. In other words, limited liability is socialism on the downside and capitalism on the upside. A limited liability corporation is not a private entity. It is a grossly unfair quasi-public structure.

Beyond the gross financial injustice of limited liability, the structure severely degrades society. Flawed systems usually compel companies to pursue the profit-maximizing strategy. High-risk activities, such as producing synthetic chemicals and burning fossil fuels, often are the most profitable. But high financial risk usually limits engagement in activities with high profit potential. By transferring financial risk and liability to taxpayers, limited liability frequently compels companies to engage in the most risky and destructive activities. Under sustainable systems, large companies and their owners would be held fully responsible. Taxpayers would not cover the downside of private sector activities, unless they received fair compensation.

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**Time Value of Money.** Modern economic and financial systems are heavily based on the concept of time value of money (TVM). TVM provides a good example of how the failure to think systemically severely degrades society. TVM says that things are worth more in the present than the future. This makes sense from an individual perspective, but not from a whole system perspective. TVM says that beyond about 50 years, people and the environmental resources needed to keep them alive have little or no value. This frequently compels business and political leaders to degrade life support systems and future generations. According to our suicidally flawed economic system, protecting nearly worthless future people and resources would be a foolish economic decision. A whole system perspective reveals the extremely irrational and destructive nature of TVM. We have no right to discount future generations and the environment they need to survive in. They are worth at least as much as we are, if not more. Like the implied economics of nature, sustainable economic systems would not discount future generations and resources.

**Social Well-being Measurement.** A common business saying is, what gets measured gets managed. The US and many other countries use economic and stock market growth as primary measures of success. But economic growth is not the ultimate goal. It is a means to an end. The ultimate goal is maximizing the long-term well-being of society. Economic growth measurements do not account for degradation of natural and other assets that are needed for human survival and prosperity. They also do not value critical non-financial services, such as parenting and volunteering, or account for important intangible factors, such as psychological health and happiness.

Economic growth largely measures growth in business sales. Most business assets are owned by a small group of wealthy investors. Focusing measurement on economic growth and shareholder returns places financial returns to a small group of wealthy citizens ahead of the survival of humanity and all other factors. It fails to hold companies responsible for causing extensive environmental and social degradation because this degradation is not

adequately measured and managed. A whole system perspective shows that we must begin to measure the endpoint, not the means to the end. Reversing environmental and social degradation and maximizing the long-term social well-being requires that we begin to focus the measurement and management of the economy, government and society on maximizing the actual, objective well-being of society.

***Inappropriate Influence of Government.*** Only government can hold companies fully responsible for negative environmental and social impacts, and thereby make acting responsibly the profit-maximizing strategy. But government cannot hold companies responsible when it is unfairly influenced. Inappropriate influence by business and other vested interests occurs in many countries. In the US, three primary means of influence are campaign finance, lobbying and job rotation between business and government.

About 90 percent of federal elections are won by the candidate who spends the most. For over 100 years, campaign finance laws limited the ability of wealthy citizens and corporations to spend large amounts on elections. But recent Supreme Court rulings allow these groups to spend unlimited amounts. This gives them strong ability to influence or control elections and government. Dominating politicians' time with lobbying and rotating employees in and out of regulatory and other government roles also gives vested interests strong influence.

We do not allow people accused of crimes to give money to judges and juries or hold private meetings with them. But we routinely tolerate this inappropriate interaction between regulated entities (businesses) and regulators (government). Individuals can and usually would act responsibly in the absence of laws that require responsible behavior. But in competitive markets, companies often cannot do this. Flawed systems frequently force them to act irresponsibly when they are not held fully responsible. Therefore, it is far more important to effectively apply the rule of law to businesses than individuals. This only can occur when inappropriate business influence of government is ended.

***Lack of Congressional Term Limits.*** The main Founders of the US, except Alexander Hamilton, absolutely did not intend to establish aristocracy in government. Rotation in office was common in the early US. But currently, Senators and Representatives often remain in office for decades, sometimes over half a century. This allows businesses and other vested interests to form long-term, inappropriate relationships with Congress. Incumbents have many funding and other advantages over challengers. This is a main reason why turnover in congress is extremely low. The will of the people only can be achieved in government through regular elections and rotation in office. Term limits are essential for democracy. Over 60 years ago, Congress initiated a Constitutional amendment that imposed term limits on the President. Democracy requires that term limits also be imposed on Congress.

***Judicial Review and Lack of Judicial Term Limits.*** James Madison, Thomas Jefferson, James Wilson and many other US Founders intended the Judiciary to be the weakest branch of government, because it is unelected, and therefore farthest from the people, the ultimate authority established in the Constitution. Congress was intended to be the strongest branch of government because it is regularly elected, and therefore closest to the people. The Founders provided substantial details about the structure of the Executive and Legislative branches.

But they left much of the Judiciary undefined. Instead, the Founders empowered Congress to establish and regulate most aspects of the Judicial Branch.

However in 1803, the Supreme Court gave itself the power to interpret the Constitution and void executive and legislative acts that it perceives violate the Constitution, a power known as judicial review. But the Constitution does not give this authority to the Judicial Branch. The self-assigned power of judicial review made the Judiciary the strongest branch of government.

Regarding term limits, the Constitution does not establish specific judicial terms of office, as it does for the Executive and Legislative branches. Instead, it says that judges shall hold their offices during good behavior. Some Founders thought this did not confer lifetime appointments. It only meant that judges were required to maintain good behavior while in office. During the 1800s and early 1900s, Congress tried many times to restrict judicial review and impose judicial term limits. This shows that Congress has the power to take these actions. No constitutional amendments are needed.

Through campaign finance, lobbying and other inappropriate influence, vested interests can compel politicians to appoint strongly biased Supreme Court and other justices. These judges gave the vested interests who paid to appoint them even stronger control of government, for example, by voiding campaign finance laws. They also frequently failed to hold vested interests responsible for negative impacts by voiding or weakening laws that require responsible behavior. Returning control of the US government to the people requires that Congress exercise its strong constitutional authority over the Judiciary by restricting judicial review and imposing judicial term limits.

**Electoral College.** The US Electoral College was a compromise made at the end of the 1787 Constitutional Convention to appease slave and small states. The system makes people unequal by giving small state citizens more power than large state citizens when electing the President. It also compels presidential candidates to give unfair preference to swing states and sometimes allows losers of one of the most important elections in the world to win, as occurred in 2000 and 2016.

In addition, the Electoral College greatly facilitates election fraud by enabling fraudulent activities to be focused on a few swing states and electing the President through thousands of different county election systems, rather than one national system. Over 100 years ago, we ended another Constitutional compromise by replacing election of Senators by state legislatures with popular election. Returning control of government to the people requires that we complete the process by implementing popular election of the President.

**Political Parties.** The main Founders of the US, again except Alexander Hamilton, were greatly alarmed by the establishment of political parties. They did not want the new union divided into debating fractions. George Washington called political parties the worst enemy of elected government. Since the 1980s, wealth has been concentrated at the top of society, while life became more difficult for the vast majority of citizens, regardless of which party was in power. Political parties mislead citizens into thinking that they have two voting

options. But they largely do not. Politicians from both major parties mainly serve wealthy campaign donors.

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Political parties are not mentioned in the US Constitution. But they often sit above politicians and control their voting. Politicians are supposed to obey and serve those who elect them, not political parties. The Republican and Democratic parties largely are controlled by vested interests. This inappropriate influence severely inhibits the ability of government to hold vested interests responsible for negative impacts. Returning control of government to the people requires greatly weakening the party system, in large part by ending vested interests' control of political parties.

**Lack of Democracy.** Democracy probably is the only sustainable form of government. It is based on the natural rights of equality and self-government. Democratic government is the vehicle through which citizens use their common wealth and power to protect their long-term common interests. The US Founders strongly supported democracy in principle (i.e. citizens equally control government). But they were concerned about democracy in practice, mainly because non-expert citizens are highly vulnerable to vested interest deceptions. Most people do not have the time needed to study complex environmental, social and economic issues, and then make well-informed decisions that maximize the long-term well-being of society. As a result, the Founders established the US as a constitutional republic.

The people were intended to equally control government by electing expert politicians who make well-informed decisions that broadly benefit society. But inappropriate influence of government has severely suppressed democracy in the US and many other countries. Government serves those who control it. It is not surprising to see phenomenal wealth and income growth among the small group that controls government. Maximizing the long-term well-being of society requires reestablishing democracy and abiding by our Constitution. True democratic government will protect society by effectively holding vested interests responsible for negative impacts.

**Private Sector Money Creation.** A nation's money supply can be created by the public or private sector. In a democracy, the money supply belongs to the people. When the private sector creates money through fractional reserve lending, citizens and government often pay interest to use their own money. In the US, this potentially costs taxpayers over \$500 billion per year (nearly half of federal individual income taxes). If citizens created the money supply through government, income taxes, consumer interest rates, and the national debt and deficit would be much lower.

With private sector money creation, the money supply is used in ways that maximize the wealth of bank owners and other investors. If citizens controlled the money supply through democratic government, it would be used in ways that maximize the long-term well-being

of society, for example, by investing in infrastructure, public higher education, and other beneficial purposes. Private sector money creation substantially harms citizens by unfairly concentrating vast amounts of public wealth at the top of society.

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**Corporate Welfare.** Broadly defined, corporate welfare includes all unfair transfers of wealth from citizen/taxpayers to large companies and the small group of wealthy investors who own most of their assets. In the US, at least several trillion dollars are transferred to these groups every year through many forms of corporate welfare. Large forms include externalities, limited liability, fractional reserve lending, and tax loopholes and injustices. Inappropriate influence of government creates extensive corporate welfare in the broader economy. Suppression of unions and other labor protections causes unfairly low wages and benefits. This facilitates concentration of wealth. Business controlled government often allows mergers and other anti-competitive actions that unfairly increase prices and further concentrate wealth. Corporate welfare greatly harms citizens and society. Democratic government would ensure that the public wealth is used to equally and fairly benefit all citizens.

**Media Deception.** Effective democracy requires that citizens receive accurate, useful information about the environment, economy and other major aspects of society. In today’s online world, media should be a primary vehicle for delivering this information. But the requirement to maximize shareholder returns routinely compels for-profit media to provide biased and/or inaccurate information. Allowing this type of media deception makes it difficult for citizens, through democratic government, to hold companies responsible for negative environmental and social impacts.

Business controlled media misleads the public in many ways. For example, when independent studies show corporate products and processes to be unsafe, companies often fund studies which say that products are safe, and then broadly publicize the studies through media. This misleads the public and reduces pressure to stop harming society. Biased media also often protects shareholder returns by manipulating citizens into blindly opposing regulations and government. Libertarian and other small government or anti-government philosophies frequently mislead citizens into opposing regulations that protect life support systems and society. This would be like turning citizens against murder, robbery and assault laws. Vested interests frequently argue that regulations restrict business freedom. But there is no freedom or right to cause harm in a civilized society. Therefore, regulations that prohibit causing harm do not restrict freedom or rights. Instead, they are an essential component of a sustainable, prosperous society.

Probably the most important and harmful media deception in the US and many other countries is perpetuating the civil war between conservatives and liberals. Radical media

often provides a nearly non-stop, hate-filled invective against the other side. This builds anger, hatred and division in society. It strongly protects shareholder returns by manipulating citizens into blaming problems on the other side, instead of focusing on the main causes of environmental and social degradation, such as corporate welfare and business control of government.

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From 1949 to 1987 in the US, the Fairness Doctrine required major media outlets to provide both sides of controversial issues. By eliminating this requirement, business controlled government allowed media to mislead the public. To illustrate how deceptive media misleads citizens, nearly all climate scientists who are not paid by energy and other companies say that humans are substantially contributing to global warming. But many conservative citizens do not believe this. This is a perfect example of the Founders’ primary concern about democracy—the ease with which non-expert citizens can be misled.

Misleading the public about major problems and systemic solutions enables companies to avoid being held responsible for negative impacts, and thereby maximize shareholder returns. To protect society and establish democracy, major media must be required to tell the truth. Free speech is not an unrestricted right. Citizens’ right to self-government takes priority over vested interests’ ability to provide biased, destructive information. Democracy cannot exist unless citizens have accurate information.

**Advertising.** The focus on economic growth and shareholder returns often compels companies to seek regularly increasing sales. Advertising is a primary tool for achieving this. Advertising sometimes enhances society by informing citizens about useful products and services. However, it also frequently causes extensive negative impacts. To increase sales, ads often convey emotional, non-verbal messages which strongly imply that people’s value in society is based on appearance, wealth and/or possessions. This frequently sends people on fruitless quests to achieve life satisfaction through consumption. It distracts citizens from actions that actually provide satisfying lives.

Advertising drives materialism and the extensive environmental and social degradation that goes along with it. Advertisers largely are not held responsible for this degradation. Sustainable, democratic government would require honest media and advertising. Ads would honestly discuss product characteristics, value and other relevant factors. But emotionally manipulative ads that make people feel inadequate and compel them to buy products that they do not need would be restricted.

**Economies of Scale, Free Trade and Competitive Advantage.** These concepts often are promoted in ways that emphasize benefits and discount or ignore negative impacts. This can enable companies to avoid being held responsible, and thereby maximize shareholder returns.

Taking advantage of scale by centralizing production can provide certain benefits. But it also often concentrates wealth, degrades communities and causes other problems. Free trade can help investors and provide cheap products. But it also frequently harms labor, manufacturing, the middle-class and life support systems. Shifting production to regions with certain advantages can provide some efficiencies, but also cause many environmental, social and economic problems. Maximizing the well-being of society requires that these concepts be implemented through a whole system approach that accounts for all benefits, costs and negative impacts.

All of the above system flaws are connected. Addressing them individually would be reductionistic and ineffective. This approach could be thought of as making incremental adjustments to existing systems. History shows that this probably will not work. The solution to feudalism, slavery and other unfair, unsustainable systems was not to incrementally improve them. It was to replace them with sustainable, fair systems.

A whole system approach is necessary to effectively address system flaws. For example, incorporating externalities into fossil fuel prices (i.e. implementing accurate pricing that includes all real, relevant costs) would substantially lower total costs to society because citizen/taxpayers would be paying to prevent problems rather than clean them up. However, it also could disrupt the economy and harm low-income citizens if it is done in isolation. Effectively using the market system by implementing reality-based pricing must be done through a whole system approach that includes many coordinated systemic changes, such as ending inappropriate public wealth redistribution to the top of society (corporate welfare) and implementing true democracy.

#### 4. Collaboration

Collaboration is essential for achieving high-level system change because the issue is so complex and far-reaching. No segment of society is powerful enough to change overarching systems. Several important aspects of high-level system change collaboration are summarized below.

**National Focus.** Nature implicitly operates under a largely decentralized economic system. As we emulate the immensely more sophisticated and sustainable systems of nature, many aspects of human society will become more decentralized. However, centralization probably will increase in certain areas when it is logical and effective to do so. For example, greater centralization probably would occur in areas such as protection of life support systems, enforcement of a global bill of rights, global security and peacekeeping, and exploration of outer space.

In our current unsustainable, heavily centralized society, the most important and impactful economic and political systems usually are established and managed at the national level. The system flaws discussed above often would be most effectively addressed at this level. As a result, most initial high-level system change efforts probably should be nationally focused.

Global system change (evolving the whole, interconnected system of human society into sustainable form) is the ultimate challenge for humanity. However, most power is wielded at

the national level. Once nationally focused high-level system change efforts progress, more international collaborative efforts can be established. As countries and regions refocus on doing what is best for all current and future citizens, instead of vested interests, humanity can increasingly focus on the ultimate goal—global system change.

**Goals.** Effective high-level system change should be informed and guided by the end state or desired outcome. Beneficial, non-disruptive evolution from current to sustainable systems will involve incremental adjustments to current systems, such as addressing the specific system flaws noted above. However, incremental improvements should occur in the context of a practical, whole system strategy, rather than be the focus or goal of high-level system change efforts.

A main purpose of high-level system change collaboration should be to develop plans and processes for achieving higher level goals. For example, system change experts within the collaboration might suggest a sequence of incremental, often simultaneous changes that achieve the high-level goal of applying the rule of law to businesses.

**Conveners.** Convening collaborative high-level system change efforts is one of the most important actions needed to engage the corporate and financial sectors in system change. Many companies are improving sustainability performance by collaborating at the sector level (mid-level system change). But there are limited opportunities to collaborate on evolving economic and political systems into sustainable forms. Establishing this type of collaboration is essential for achieving successful high-level system change.

Identifying the right convener for such a complex and far-reaching endeavor is critical. A prestigious academic institution with extensive business, sustainability and systems theory programs potentially could be an ideal convener. As a few highly credible corporations, business leaders, NGOs and other partners engage in the collaboration, many others will join.

**Communication.** Clear, compelling communication will be essential for successfully convening and managing high-level system change collaborations. Emphasizing specific system flaws could inhibit collaboration formation. System changes that potentially reduce profitability, such as addressing externalities or limited liability, could prevent businesses and their allies from joining. Emphasizing complex, often difficult changes, such as improving government, reducing media deception and uniting citizens, also could inhibit collaboration.

It would be more effective to emphasize how myopic economic and political systems unintentionally place business in conflict with society. This often forces companies to harm life support systems, employees, customers and all other aspects of society. Flawed systems cause large and growing problems for business and society. These systems inevitably will collapse if we do not change them first.

Widespread and rapidly growing environmental and social degradation strongly indicates that modern systems will change soon. This awareness can create a sense of urgency. It will help businesses and other important collaboration participants to realize that they are much better off taking a seat at the system change table and managing the process in a non-disruptive manner, rather than suffering the consequences of inaction.

Questioning systems that focus on maximizing economic growth and shareholder returns (instead of the actual well-being of society) could threaten companies, business leaders, politicians and other important collaboration participants. Making a strong business case for system change and providing practical, non-disruptive ways to achieve it are essential for engaging business and other parties in high-level system change collaborations.

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Facilitating high-level system change collaboration by emphasizing how flawed systems place business in conflict with society does not mean that complex issues will be ignored. Using a whole system approach probably is the only way to successfully achieve voluntary high-level system change. This means that all relevant issues and aspects of society must be addressed, including political reform, honest media, and uniting and empowering citizens to protect their common interests. However, these might be longer-term goals. To facilitate collaboration formation and provide benefits to participants, the initial focus might be on achieving quick wins.

High-level system change is the most important sustainability issue by far. Achieving sustainability and real prosperity is not possible without it. To illustrate, the UN Sustainable Development Goals (SDGs) discuss important environmental and social components of a sustainable society. But achieving the SDGs will be impossible without high-level system change. With few companies engaged in this work, an important quick win would be reputation enhancement. As it becomes widely known that high-level system change is the most important sustainability issue, those taking the lead on it will be seen as the true sustainability leaders and pioneers.

**Non-judgment.** Non-judgment is essential for successful high-level system change collaboration. No company, business leader, investment manager or politician intends to degrade life support systems and society. Flawed systems place business leaders and their allies between a rock and a hard place. If they do not place shareholder returns before all else, they might lose their jobs or their companies might go out of business. Flawed economic and political systems force good, well-meaning companies and leaders to frequently take actions that harm the environment and society. These people and organizations are not the enemy. Criticizing them for doing what flawed systems demand often is irrational and counterproductive.

Successful high-level system change will focus on addressing the true enemies of humanity—our myopic thinking and the flawed systems that result from it. The approach should treat all people with respect and assume that they mean well. Effective dialogue should give each person a chance to share their views and objectively consider other ideas. Some people might have harmful intentions. But they often will act responsibly under sustainable systems because this will be the most profitable and beneficial behavior.

***Seek Common Ground.*** Another critical aspect of high-level system change collaboration is seeking common ground and working across the political spectrum. Differences between Republicans and Democrats, for example, largely are illusions perpetuated by vested interests. We agree on many of the most important issues in society. Nearly everyone would agree that we should protect life support systems (because failing to do so is suicidal), ensure true democracy (i.e. abide by our Constitution), use the public wealth to equally and fairly benefit all citizens, protect future generations, and apply the rule of law to businesses at least as well as we apply it to individuals. As noted, George Washington warned that vested interests would use political parties to divide and disempower citizens. We must find ways to move beyond these largely false, vested interest manufactured divisions and work together on our massive common interests. Drawing in participants from across the political spectrum should be a primary goal of high-level system change collaboration.

***Accurate Information.*** Providing accurate, unbiased information about environmental, social and economic problems and solutions is essential for successful high-level system change. As noted, vested interest controlled media regularly provides citizens with inaccurate, biased information. This appears to help vested interests in the short-term. But it degrades society by preventing people from acting on their common interests. Citizens cannot exercise their strong collective power if they are falsely divided and given inaccurate information. To engage the public in driving necessary systemic changes, a main goal of high-level system change collaboration should be to publish honest, accurate information about problems and solutions.

***Engage the Corporate and Financial Sectors.*** High-level system change collaboration also should help the corporate and financial sectors to integrate mid-level and high-level system change into corporate strategies and investment decisions. The conclusion of the whole system book noted above also is published as a separate book—*Global System Change: We the People Achieving True Democracy, Sustainable Economy and Total Corporate Responsibility*.

This summary book provides extensive information about successful high-level system change collaboration. It also describes a practical and profitable approach for engaging the corporate and financial sectors in system change, called Total Corporate Responsibility. In addition, the book extensively discusses uniting citizens and providing them with accurate, empowering information.

High-level system change is extremely complex. No person or organization fully understands how to achieve it. Collaboration is essential. The most important action early on is to form the collaboration and begin working. We do not need to know all necessary actions beforehand. These will become clear as humanity devotes the time, attention and resources that this issue deserves and requires.

## **5. Benefits**

Corporate sustainability leaders often gain many benefits, including enhanced reputation, market share and profitability. The same will occur for corporate system change pioneers.

History will look back on current business, political, academic and other system change leaders as the true heroes of this generation, in the same way that the US Founders are seen as the heroes of their generation.

There were extensive differences among the Founders, such as those between slave and free states and small and large states. But these wise leaders put the well-being of their country ahead of personal and vested interests. They reached compromises that produced one of the greatest nations in human history. This wisdom is needed once again. We must set aside partisan interests and work together on evolving economic and political systems into sustainable forms. The wisdom of nature surrounds and pervades us. As parts of nature, we innately contain this wisdom. Our prosperity and possibly survival require that we manifest the wisdom of nature in human society.

Ongoing environmental and social degradation will make sustainability the primary business issue of the 21<sup>st</sup> century. Business has driven many positive transformations in society. Through practical, logical collaborative efforts, companies can play a major role in driving system change. Collaborative high-level system change represents the best, and perhaps the only way for business and society to achieve sustainability and real prosperity.

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