An Excerpt From

*Transformative Scenario Planning: Working Together to Change the Future*

by Adam Kahane
Published by Berrett-Koehler Publishers
TRANSFORMATIVE SCENARIO PLANNING
Working Together to Change the Future

ADAM KAHANE
Bestselling author of Solving Tough Problems and Power and Love

FOREWORD BY Kees van der Heijden
Author of Scenarios: The Art of Strategic Conversation
Praise for Adam Kahane’s books

Transformative Scenario Planning

“I highly commend this book. Adam has taken scenario planning to a new level, beyond the confines of business strategy, to deal with wider social and economic issues.”
—Vince Cable, Secretary of State for Business, United Kingdom

“All of our toughest problems, from climate change to inequality, have complexity at their heart. Adam Kahane, with his track record of work for social and environmental justice, has written a powerful and practical guide for those hungry for new ideas about how to achieve change.”
—Phil Bloomer, Director, Campaigns and Policy, Oxfam

“We all face challenges and opportunities that can only be addressed with fresh understandings and innovative forms of collaboration. At Shell we have learned the value of combining scenario thinking with strategic choices. Building on his extensive practical experience, Kahane extends the boundaries of this practice.”
—Jeremy Bentham, Vice President, Global Business Environment, Royal Dutch Shell

“This deeply human book offers tangible means for tackling the intractable problems that confront us at every level of life, from domestic and local to national and beyond. It offers realistic, grounded hope of genuine transformation, and its insights and lessons should be part of the toolbox of everyone in leadership roles.”
—Thabo Makgoba, Anglican Archbishop of Cape Town

Power and Love

“This profound book offers us a wise way to negotiate our toughest group, community, and societal challenges.”
—William Ury, Senior Fellow, Harvard Negotiation Project, and coauthor of Getting to Yes

“This is a rare and valuable book. Kahane has immersed himself in the practical challenges of helping people effect social change, and against this backdrop he unfolds a simple and penetrating insight: that power and love are two axes that delineate our individual and collective journeys. Either we master the balance of power and love
or we will fail in our efforts to realize deep and lasting change.”
—Peter Senge, Senior Lecturer, Massachusetts Institute of Technology,
and author of The Fifth Discipline

“In Power and Love, Adam goes further and deeper into the kind of leadership that it takes to do this. A must-read for every reflective leader.”
—Ravi Vankatesan, former Chairman, Microsoft India

“Kahane is a master practitioner and thinker who knows the highs and lows of solving some of the toughest problems of social discord. Power and Love is both instructive and inspiring.”
—Patrick Dodson, Founding Chairman, Council for Aboriginal Reconciliation

“Power and Love should be read and reread by anyone seriously committed to addressing tough problems.”
—Morris Rosenberg, Deputy Minister of Foreign Affairs, Government of Canada

Solving Tough Problems

“This breakthrough book addresses the central challenge of our time: finding a way to work together to solve the problems we have created.”
—Nelson Mandela

—Edgar H. Schein, Professor of Management Emeritus, Massachusetts Institute of Technology Sloan School of Management, and author of Process Consultation

“Our societies face really hard problems—poverty, injustice, sustainability, corruption—that are insoluble by conventional means. Conflicts of interest and profound uncertainties about the future are producing paralysis and inaction. Adam Kahane has, more than anyone, developed and successfully employed tools that enable us to create futures of shared progress and profit.”
—Peter Schwartz, Senior Vice President for Government Relations and Strategic Planning, Salesforce.com, and author of The Art of the Long View

“This book should be read by everyone who is concerned with the quality of decision making in our democracies.”
—Elena Martinez, former Assistant Secretary General, United Nations
OTHER BOOKS BY ADAM KAHANE

Solving Tough Problems: An Open Way of Talking, Listening, and Creating New Realities

Power and Love: A Theory and Practice of Social Change
Transformative Scenario Planning

Working Together to Change the Future

Adam Kahane

A Reos Partners Publication

Berrett-Koehler Publishers, Inc.
San Francisco
a BK Currents book
To Dorothy
Contents

Foreword by Kees van der Heijden ix
Preface xiii

1: AN INVENTION BORN OF NECESSITY 1

2: A NEW WAY TO WORK WITH THE FUTURE 15

3: FIRST step: Convene a Team From Across the Whole System 27

4: SECOND step: Observe What Is Happening 37

5: THIRD step: Construct Stories About What Could Happen 51

6: FOURTH step: Discover What Can and Must Be Done 61

7: FIFTH step: Act to Transform the System 69

8: NEW STORIES CAN GENERATE NEW REALITIES 79

9: THE INNER GAME OF SOCIAL TRANSFORMATION 91
Whenever life becomes more hectic and uncertain, scenario planning becomes more popular. This empirical fact is not surprising. Scenario planning is in the first place a diagnostic tool for conditions in which uncertainty rules. Experience shows that the tool delivers; in most scenario planning exercises, people experience “aha” moments about the problematic situation they are facing. Even so, the scenario client is often left with a feeling of dissatisfaction, as it seems difficult to directly attribute action in the world to the scenario work done. It seems that important new insights gained often do not compete very successfully when the scenario planner returns to the daily work situation, where the old logics reestablish themselves around him or her. In situations of anxiety around issues in the environment, people want to see something more directly emerging from their attempts to cope with the problematic situation.

Adam Kahane thinks that scenario planning should be able to do better. He has explored the limitations of current practice and how these can be overcome in a world experiencing an increasing number of big and growing problem situations to which as yet we lack a suitable response. His conclusions are powerful in
their simplicity and plausibility. He observes that while finding and sharing a rational diagnosis of the situation is a key element of any successful coping behavior, it is generally not enough for change to happen. He identifies two additional important components that scenario work needs to incorporate for it to become a more significant contributor toward real coping in a turbulent world: (1) the big issues of our days need to become a more central part of people’s personal identity and value systems; and (2) counteracting the increasing turbulence requires more focus on mobilizing autonomous system forces.

Adam Kahane’s reasoning continues a long tradition in social system theory. In the 1960s, Emery and Trist introduced the concept of the “turbulent environment” where massive change undermines our confidence in our ability to cope. Prigogine explained the experienced increase in turbulence as a consequence of denser connectivity in the environment as more increasingly mobile people live closer together and affect each other. More connections means more closed loops and therefore more positive feedback loops driving self-reinforcing change. The recent credit crisis is just one example.

At the Saïd Business School at the University of Oxford, we have been pursuing this line of thinking. This work has been published in the context of an ongoing series of conferences, called the Oxford Futures Forum. Our work indicates that survival in a turbulent environment requires a new response based on mobilizing the same systemic forces that generate the turbulent change in the first place. In trying to cope, we must fight like with like. That means that successful coping involves building feedback loops in the environment that can counteract the destructive autonomous loops that cause the turbulence we experience. Adam Kahane refers to this as the seeds planted by the scenario work multiplying and spreading. His observations over many years of reflective practice confirm what the theory suggests here.
In summary: In a turbulent world, successful coping requires activity in three focus areas: (1) systemic diagnosis of the situation and its context, (2) network development to enable self-reinforcing coping behavior, and (3) personal identification with the project. Scenario planning has proved itself as a successful diagnostic tool. Adam Kahane shows how consciously dealing with the developing turbulent environment now additionally requires focus on the development of self-triggering networks and personal values.

This book puts these issues on the agenda and provides us with ideas generated in the world of practice, requiring our individual and organizational attention. The world has two options. We can wait, hoping and trusting that we, or the next generation, will find some way out when the situation becomes untenable. Or we can try to anticipate and change direction by proactively improving our coping skills. If we choose the latter, Adam Kahane provides an important perspective.
Each of us must choose, in each situation, how we will approach the future. Sometimes we choose to accept what is happening around us and try to adapt ourselves to it. Other times we choose to challenge what is happening and try to change it. This is the choice that Reinhold Niebuhr pointed to in his much-loved maxim: “Lord grant me the serenity to accept the things I cannot change, the courage to change the things I can, and the wisdom to know the difference.”

If we choose to try to change the future, then we must choose how. More often than not, we choose to push. We have an idea of the way we think things ought to be, and we marshal our resources—arguments, authority, supporters, money, weapons—to try to make it so. But often when we push, others push back, and we end up frustrated, exhausted, and stuck. Over and over we encounter such stuck situations, in all kinds of social systems: families, teams, communities, organizations, nations.

This book is for people who have chosen to try to change the future and have realized that they cannot do so unilaterally. They may be trying to change the future of their city or their country or the world; they may be focusing on health or education or the economy or the environment; they may be acting from a position in business or government or civil society. This book is for these people, who are looking for a way to work together—
not only with friends and colleagues but also with strangers and opponents—and so to be able to get unstuck and move forward and create change.

I first got a glimpse of such a new way of working with the future twenty years ago, during the transition away from apartheid in South Africa. I was unexpectedly plunged into working with a team of leaders from all parts of South African society—black and white, left and right, opposition and establishment—who were trying to construct a better future for their country. I saw, in what they were doing and how they were doing it, a brief and clear image of this new way—like a nighttime landscape momentarily illuminated by a flash of lightning. I knew that I had seen something important, but I didn’t quite know what it was or where it had come from or how it worked. I have spent the past twenty years working on understanding what I saw. This book reports what I have learned.

Over these past two decades, my colleagues and I have worked with hundreds of teams of people who are working together to change the future. These teams have tackled some of the most important and difficult challenges of our time: health care, economic development, child nutrition, judicial reform, social inclusion, food security, and climate change, across the Americas, Europe, the Middle East, Africa, Asia, and Australia. They have included politicians, peasants, activists, artists, academics, businesspeople, trade unionists, civil servants, and leaders of community, youth, indigenous, and religious organizations. Some of these teams have been local and others global; some have worked together for days and others for years; some have succeeded in changing their situation and others have failed.

Through these experiences, I have learned that it is possible for people who are in a situation they want to change—people who need each other in order to get unstuck and move forward but who don’t understand or agree with or trust one another—to work together cooperatively and creatively to effect that change. And I have learned the what and why and how of this approach.
My colleagues and I call this new way of working *transformational scenario planning*. Its purpose is to enable those of us who are trying to change the future collaboratively to transform, rather than adapt to, the situation we are part of. It involves a transformation of the situation—like a caterpillar into a butterfly—rather than only an incremental or temporary change. We bring this about through transforming our own thoughts and actions and our relationships with others. Transformational scenario planning centers on constructing *scenarios* of possible futures for our situation, but it takes the well-established adaptive scenario planning methodology and turns it on its head—so that we construct scenarios not only to understand the future but also to influence it. And it involves *planning*, not in the sense of writing down and following a plan, but in the sense of engaging in a disciplined process of thinking ahead together and then altering our actions accordingly.

Transformational scenario planning offers us a new way to work together to change the future. This new way is simple, but it is not easy or straightforward or guaranteed. It requires learning how to make a specific series of steps, but also, perhaps more important, making a profound and subtle shift in how we approach one another and the situations of which we are part. Above all, it requires practicing: learning by doing. This book outlines this new way and invites you into the doing.
On a lovely Friday afternoon in September 1991, I arrived at the Mont Fleur conference center in the mountains of the wine country outside of Cape Town. I was excited to be there and curious about what was going to happen. I didn’t yet realize what a significant weekend it would turn out to be.

The Scenario Planning Methodology Meets the South African Transformation

The year before, in February 1990, South African president F. W. de Klerk had unexpectedly announced that he would release Nelson Mandela from 27 years in prison, legalize Mandela’s African National Congress (ANC) and the other opposition parties, and begin talks on a political transition. Back in 1948, a white minority government had imposed the apartheid system of racial segregation and oppression on the black majority, and the 1970s and 1980s had seen waves of bloody confrontation between the government and its opponents. The apartheid system, labeled by the United Nations a “crime against humanity,” was the object of worldwide condemnation, protests, and sanctions.
Now de Klerk’s announcement had launched an unprecedented and unpredictable process of national transformation. Every month saw breakthroughs and breakdowns: declarations and demands from politicians, community activists, church leaders, and businesspeople; mass demonstrations by popular movements and attempts by the police and military to reassert control; and all manner of negotiating meetings, large and small, formal and informal, open and secret.

South Africans were excited, worried, and confused. Although they knew that things could not remain as they had been, they disagreed vehemently and sometimes violently over what the future should look like. Nobody knew whether or how this transformation could happen peacefully.

Professors Pieter le Roux and Vincent Maphai, from the ANC-aligned University of the Western Cape, thought that it could be useful to bring together a diverse group of emerging national leaders to discuss alternative models for the transformation. They had the idea that the scenario planning methodology that had been pioneered by the multinational oil company Royal Dutch Shell, which involved systematically constructing a set of multiple stories of possible futures, could be an effective way to do this. At the time, I was working in Shell’s scenario planning department at the company’s head office in London. Le Roux asked me to lead the meetings of his group, and I agreed enthusiastically. This is how I came to arrive at Mont Fleur on that lovely Friday afternoon.

My job at Shell was as the head of the team that produced scenarios about possible futures for the global political, economic, social, and environmental context of the company. Shell executives used our scenarios, together with ones about what could happen in energy markets, to understand what was going on in their unpredictable business environment and so to develop more robust corporate strategies and plans. The company had used this *adaptive scenario planning* methodology since 1972, when a brilliant French planning manager named Pierre Wack
constructed a set of stories that included the possibility of an unprecedented interruption in global oil supplies. When such a crisis did in fact occur in 1973, the company’s swift recognition of and response to this industry-transforming event helped it to rise from being the weakest of the “Seven Sisters” of the international oil industry to being one of the strongest. The Shell scenario department continued to develop this methodology, and over the years that followed, it helped the company to anticipate and adapt to the second oil crisis in 1979, the collapse of oil markets in 1986, the fall of the Soviet Union, the rise of Islamic radicalism, and the increasing pressure on companies to take account of environmental and social issues.¹

I joined Shell in 1988 because I wanted to learn about this sophisticated approach to working with the future. My job was to try to understand what was going on in the world, and to do this I was to go anywhere and talk to anyone I needed to. I learned the Shell scenario methodology from two masters: Ged Davis, an English mining engineer, and Kees van der Heijden, a Dutch economist who had codified the approach that Wack invented. In 1990, van der Heijden was succeeded by Joseph Jaworski, a Texan lawyer who had founded the American Leadership Forum, a community leadership development program that was operating in six US cities. Jaworski thought that Shell should use its scenarios not only to study and adapt to the future but also to exercise its leadership to help shape the future. This challenged the fundamental premise that our scenarios needed to be neutral and objective, and it led to lots of arguments in our department. I was torn between these two positions.

Wack had retired from Shell in 1980 and started to work as a consultant to Clem Sunter, the head of scenario planning for Anglo American, the largest mining company in South Africa. Sunter’s team produced two scenarios of possible futures for the country as an input to the company’s strategizing: a “High Road” of negotiation leading to a political settlement and a “Low Road” of confrontation leading to a civil war and a waste-
land. In 1986, Anglo American made these scenarios public, and Sunter presented them to hundreds of audiences around the country, including de Klerk and his cabinet, and Mandela, at that time still in prison. These scenarios played an important role in opening up the thinking of the white population to the need for the country to change.

Then in 1990, de Klerk, influenced in part by Sunter’s work, made his unexpected announcement. In February 1991 (before le Roux contacted me), I went to South Africa for the first time for some Shell meetings. On that trip I heard a joke that crystallized the seemingly insurmountable challenges that South Africans faced, as well as the impossible promise of all their efforts to address these challenges together. “Faced with our country’s overwhelming problems,” the joke went, “we have only two options: a practical option and a miraculous option. The practical option would be for all of us to get down on our knees and pray for a band of angels to come down from heaven and solve our problems for us. The miraculous option would be for us to talk and work together and to find a way forward together.” South Africans needed ways to implement this miraculous option.

The Mont Fleur Scenario Exercise

Necessity is the mother of invention, and so it was the extraordinary needs of South Africa in 1991 that gave birth to the first transformative scenario planning project. Le Roux and Maphai’s initial idea was to produce a set of scenarios that would offer an opposition answer to the establishment scenarios that Wack and Sunter had prepared at Anglo American and to a subsequent scenario project that Wack had worked on with Old Mutual, the country’s largest financial services group. The initial name of the Mont Fleur project was “An Alternative Scenario Planning Exercise of the Left.”

When le Roux asked my advice about how to put together a team to construct these scenarios, I suggested that he include
some “awkward sods”: people who could prod the team to look at the South African situation from challenging alternative perspectives. What le Roux and his coorganizers at the university did then was not to compose the team the way we did at Shell—of staff from their own organization—but instead to include current and potential leaders from across the whole of the emerging South African social-political-economic system. The organizers’ key inventive insight was that such a diverse and prominent team would be able to understand the whole of the complex South African situation and also would be credible in presenting their conclusions to the whole of the country. So the organizers recruited 22 insightful and influential people: politicians, businesspeople, trade unionists, academics, and community activists; black and white; from the left and right; from the opposition and the establishment. It was an extraordinary group. Some of the participants had sacrificed a lot—in prison or exile or underground—in long-running battles over the future of the country; many of them didn’t know or agree with or trust many of the others; all of them were strong minded and strong willed. I arrived at Mont Fleur looking forward to meeting them but doubtful about whether they would be able to work together or agree on much.

I was astounded by what I found. The team was happy and energized to be together. The Afrikaans word apartheid means “separation,” and most of them had never had the opportunity to be together in such a stimulating and relaxed gathering. They talked together fluidly and creatively, around the big square of tables in the conference room, in small working groups scattered throughout the building, on walks on the mountain, on benches in the flowered garden, and over good meals with local wine. They asked questions of each other and explained themselves and argued and made jokes. They agreed on many things. I was delighted.

The scenario method asks people to talk not about what they predict will happen or what they believe should happen but only about what they think could happen. At Mont Fleur, this subtle
Transformative Scenario Planning

shift in orientation opened up dramatically new conversations. The team initially came up with 30 stories of possible futures for South Africa. They enjoyed thinking up stories (some of which they concluded were plausible) that were antithetical to their organizations’ official narratives, and also stories (some of which they concluded were implausible) that were in line with these narratives. Trevor Manuel, the head of the ANC’s Department of Economic Policy, suggested a story of Chilean-type “Growth through Repression,” a play on words of the ANC’s slogan of “Growth through Redistribution.” Mosebyane Malatsi, head of economics of the radical Pan-Africanist Congress (PAC)—one of their slogans was “One Settler [white person], One Bullet”—told a wishful story about the Chinese People’s Liberation Army coming to the rescue of the opposition’s armed forces and helping them to defeat the South African government; but as soon as he told it, he realized that it could not happen, so he sat down, and this scenario was never mentioned again.

Howard Gabriels, an employee of the Friedrich Ebert Stiftung (the German social democratic foundation that was the primary funder of the project) and a former official of the socialist National Union of Mineworkers, later reflected on the openness of this first round of storytelling:

The first frightening thing was to look into the future without blinkers on. At the time there was a euphoria about the future of the country, yet a lot of those stories were like “Tomorrow morning you will open the newspaper and read that Nelson Mandela was assassinated” and what happens after that. Thinking about the future in that way was extremely frightening. All of a sudden you are no longer in your comfort zone. You are looking into the future and you begin to argue the capitalist case and the free market case and the social democracy case. Suddenly the capitalist starts arguing the communist case. And all those given paradigms begin to fall away.
Johann Liebenberg was a white Afrikaner executive of the Chamber of Mines. Mining was the country’s most important industry, its operations intertwined with the apartheid system of economic and social control. So in this opposition-dominated team, Liebenberg represented the arch-establishment. He had been Gabriels’s adversary in acrimonious and violent mining industry negotiations and strikes. Gabriels later recalled with amazement:

In 1987, we took 340,000 workers out on strike, 15 workers were killed, and more than 300 workers got terribly injured, and when I say injured, I do not only mean little scratches. He was the enemy, and here I was, sitting with this guy in the room when those bruises are still raw. I think that Mont Fleur allowed him to see the world from my point of view and allowed me to see the world from his.

In one small group discussion, Liebenberg was recording on a flip chart while Malatsi of the PAC was speaking. Liebenberg was calmly summarizing what Malatsi was saying: “Let me see if I’ve got this right: ‘The illegitimate, racist regime in Pretoria . . .’” Liebenberg was able to hear and articulate the provocative perspective of his sworn enemy.

One afternoon, Liebenberg went for a walk with Tito Mboweni, Manuel’s deputy at the ANC. Liebenberg later reported warmly:

You went for a long walk after the day’s work with Tito Mboweni on a mountain path and you just talked. Tito was the last sort of person I would have talked to a year before that: very articulate, very bright. We did not meet blacks like that normally; I don’t know where they were all buried. The only other blacks of that caliber that I had met were the trade unionists sitting opposite me in adversarial roles. This was new for me, especially how open-minded they were. These were not
people who simply said: “Look, this is how it is going to be when we take over one day.” They were prepared to say: “Hey, how would it be? Let’s discuss it.”

I had never seen or even heard of such a good-hearted and constructive encounter about such momentous matters among such long-time adversaries. I wouldn’t have thought it was possible, but here I was, seeing it with my own eyes.

In the following six months, the team and I returned to Mont Fleur for two more weekend workshops. They eventually agreed on four stories about what could happen in the country—stories they thought could stimulate useful debate about what needed to be done. “Ostrich” was a story of the white minority government that stuck its head in the sand and refused to negotiate with its opponents. “Lame Duck” was a story of a negotiated settlement that constrained the new democratic government and left it unable to deal with the country’s challenges. “Icarus” was a story of an unconstrained democratic government that ignored fiscal limits and crashed the economy. “Flight of the Flamingos” was a story of a society that put the building blocks in place to develop gradually and together.

One of the team members created a simple diagram to show how the scenarios were related to one another. The three forks in the road were three decisions that South African political leaders (who would be influenced by people such as the members of the Mont Fleur team) would have to make over the months ahead. The first three scenarios were prophetic warnings about what could happen in South Africa if the wrong decisions were made. The fourth scenario was a vision of a better future for the country if all three of these errors were avoided. When they started their work together, this politically heterogeneous team had not intended to agree on a shared vision, and now they were surprised to have done so. But both the content of the “Flight of the Flamingos” scenario and the fact that this team had agreed on it served as a hopeful message to a country that was uncertain and divided about its future.
The team wrote a 16-page summary of their work that was published as an insert in the country’s most important weekly newspaper. Lindy Wilson, a respected filmmaker, prepared a 30-minute video about this work (she is the one who suggested using bird names), which included drawings by Jonathan Shapiro, the country’s best-known editorial cartoonist. The team then used these materials to present their findings to more than 100 political, business, and nongovernmental organizations around the country.

**The Impact of Mont Fleur**

The Mont Fleur project made a surprisingly significant impact on me. I fell in love with this collaborative and creative approach to working with the future, which I had never imagined was possible; with this exciting and inspiring moment in South African history, which amazed the whole world; and with Dorothy Boesak, the coordinator of the project. By the time the project ended in 1993, I had resigned from Shell to pursue this new way of working, moved from London to Cape
Town, and married Dorothy. My future was now intertwined with South Africa’s.

The project also made a surprisingly significant impact on South Africa. In the years after I immigrated to South Africa, I worked on projects with many of the country’s leaders and paid close attention to what was happening there. The contribution of Mont Fleur to what unfolded in South Africa, although not dramatic or decisive, seemed straightforward and important. The team’s experience of their intensive intellectual and social encounter with their diverse teammates shifted their thinking about what was necessary and possible in the country and, relatedly, their empathy for and trust in one another. This consequently shifted the actions they took, and these actions shifted what happened in the country.

Of these four scenarios, the one that had the biggest impact was “Icarus.” The title of the story referred to the Greek mythical figure who was so exhilarated by his ability to fly using feathers stuck together with wax that he flew too close to the sun, which melted the wax and plunged him into the sea. In his book on Mont Fleur and the two prior South African corporate-sponsored scenario exercises, economist Nick Segal summarized the warning of “Icarus” about the dangers of macroeconomic populism as follows:

A popularly elected government goes on a social spending spree accompanied by price and exchange controls and other measures in order to ensure success. For a while this yields positive results, but before long budgetary and balance of payment constraints start biting, and inflation, currency depreciation and other adverse factors emerge. The ensuing crisis eventually results in a return to authoritarianism, with the intended beneficiaries of the programme landing up worse off than before.⁸

This scenario directly challenged the economic orthodoxy of the ANC, which in the early 1990s was under strong pressure
from its constituents to be ready, once in government, to borrow and spend money in order to redress apartheid inequities. When members of the scenario team, supported by Mboweni and Manuel, presented their work to the party’s National Executive Committee, which included both Nelson Mandela (president of the ANC) and Joe Slovo (chairperson of the South African Communist Party), it was Slovo, citing the failure of socialist programs in the Soviet Union and elsewhere, who argued that “Icarus” needed to be taken seriously.

When le Roux and Malatsi presented “Icarus” to the National Executive Committee of the Pan-Africanist Congress—which up to that point had refused to abandon its armed struggle and participate in the upcoming elections—Malatsi was forthright about the danger he saw in his own party’s positions: “This is a scenario of the calamity that will befall South Africa if our opponents, the ANC, come to power. And if they don’t do it, we will push them into it.” With this sharply self-critical statement, he was arguing that his party’s declared economic policy would harm the country and also its own popularity.

One of the committee members then asked Malatsi why the team had not included a scenario of a successful revolution. He replied: “I have tried my best, comrades, but given the realities in the world today, I cannot see how we can tell a convincing story of how a successful revolution could take place within the next ten years. If any of you can tell such a story so that it carries conviction, I will try to have the team incorporate it.” Later, le Roux recalled that none of the members of the committee could do so, “and I think this failure to be able to explain how they could bring about the revolution to which they were committed in a reasonable time period was crucial to the subsequent shifts in their position. It is not only the scenarios one accepts but also those that one rejects that have an impact.”

This conversation about the scenarios was followed by a full-day strategic debate in the committee. Later the PAC gave up their arms, joined the electoral contest, and changed their economic policy. Malatsi said: “If you look at the policies of the PAC
prior to our policy conference in September 1993, there was no room for changes. If you look at our policy after that, we had to revise the land policy; we had to revise quite a number of things. They were directly or indirectly influenced by Mont Fleur.”

These and many other debates—some arising directly out of Mont Fleur, some not—altered the political consensus in the opposition and in the country. (President de Klerk defended his policies by saying “I am not an ostrich.”) When the ANC government came to power in 1994, one of the most significant surprises about the policies it implemented was its consistently strict fiscal discipline. Veteran journalist Allister Sparks referred to this fundamental change in ANC economic policy as “The Great U-Turn.” In 1999, when Mboweni became the country’s first black Reserve Bank governor (a position he held for ten years), he reassured 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.” In 2000, Manuel, by then the country’s first black minister of finance (a position he held for 13 years), said: “It’s not a straight line from Mont Fleur to our current policy. 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.”

The economic discipline of the new government enabled the annual real rate of growth of the South African economy to jump from 1 percent over 1984–1994 to 3 percent over 1994–2004. In 2010, Clem Sunter observed how well South Africa had navigated not only its transition to democracy but also the later global recession: “So take a bow, all you who were involved in the Mont Fleur initiative. You may have changed our history at a critical juncture.”

The Mont Fleur team’s messages about the country’s future were simple and compelling. Not everyone agreed with these messages: some commentators thought that the team’s analysis was superficial, and many on the left thought that the conclusion
about fiscal conservatism was incorrect. Nevertheless, the team succeeded in placing a crucial hypothesis and proposal about post-apartheid economic strategy on the national agenda. This proposal won the day, in part because it seemed to make sense in the context of the prevailing global economic consensus and in part because Manuel and Mbweni exercised so much influence on the economic decision making of the new government for so long. So the team’s work made a difference to what happened in the country.

Mont Fleur not only contributed to but also exemplified the process through which South Africans brought about their national transformation. The essence of the Mont Fleur process—a group of leaders from across a system talking through what was happening, could happen, and needed to happen in their system, and then acting on what they learned—was employed in the hundreds of negotiating forums (most of them not using the scenario methodology as such) on every transitional issue from educational reform to urban planning to the new constitution. This was the way of working that produced the joke I had heard about the practical option and the miraculous option. South Africans succeeded in finding a way forward together. They succeeded in implementing “the miraculous option.”

Neither the Mont Fleur project in particular nor the South African transition in general was perfect or complete. Many issues and actors were left out, many ideas and actions were bitterly contested, and many new dynamics and difficulties arose later on. Transforming a complex social system like South Africa is never easy or foolproof or permanent. But Mont Fleur contributed to creating peaceful forward movement in a society that was violently stuck. Rob Davies, a member of the team and later minister of trade and industry, said: “The Mont Fleur process outlined the way forward of those for us who were committed to finding a way forward.”
This material has been excerpted from

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