

THE MATRIX

The tools of the mind become a burden when the environment which made them necessary no longer exists.

– Henri Bergson

LOOKING OUTSIDE-IN

The pace of life has accelerated remorselessly over the past few centuries. Our cultural evolution is an exponential trajectory in which everything is speeding up. It took from the beginning of civilisation to the year 1900 to develop a global economy producing \$US600 billion in output. Today the world economy grows by that rate every couple of years! Supply chain velocity has become the most critical factor for business in maintaining a competitive advantage. Communication has become instantaneous. We are constantly on the move, yet also plugged in to the pulse of world events. Information that would have taken days or even weeks to deliver in the age of sailing ships is now transmitted within the blink of an eye. Working on the principle that 'faster is better' industrial society set out to conquer distance and duration. It has succeeded.

But speed is not free. Enormous flows of energy and materials are needed to keep pace with society's insatiable demand for food and water, goods and services, roads and runways, bridges and tunnels, electronic equipment and lifestyle gadgets. Our material evolution has been so fast and intense that the drive towards simultaneity has even thrown nature into disorder. In the process we are rapidly approaching the edge of chaos – surfing wildly on the shock waves of cultural fusion, climate change and technological wizardry as they collide and converge into an *attractor*¹ that is transforming the world in ways we may not be able to comprehend, least of all control.

Numerous other factors feed this *attractor*. On almost every economic indicator continental Europe continues to decline. The future is perceived as dark and ambiguous and the spirit of enterprise is frustrated at every turn.² Meanwhile China and India seem set to dominate the coming decades just as the US ruled the latter half of the twentieth century.³ Chasms of confusion are opening up between different belief systems, provoking reckless acts of inhumanity and terrorism. Watched by millions who are starving to death, developed nations continue to plunder the environment and accumulate obscene wealth, appearing to value selfishness and greed as if these were the peak of sophistication. Consumers everywhere are demanding more and more of everything, fuelling misery in the developing world and perpetuating the gap between those who benefit from global prosperity and those who cannot.

This vast global dynamic is only just booting up. Yet it is already giving rise to a disconcertingly complex environment in which the axioms (and much of the knowledge) of the past appear increasingly inadequate. We are in the early stages of a revolutionary demographic shift that is upending political, technological and economic priorities at the same time as redefining global markets.

Plagued by indecision and ever-deepening paradox, our lives have become a tickertape parade of newness and excess. Meanwhile almost everything we supposed constant, from economic growth to rational decision making and even more fundamental concepts such as human rights and national sovereignty, have become tentative. In the face of such unrelenting novelty and tension, conventional approaches to leading, managing and organising human activities have become ineffectual. We maintain these obsolete mechanisms only because they are what we know. It is as though we cannot see any acceptable alternatives. But increasingly they do not work.



Figure 1.1 The fabricated driving forces of global transformation are smashing together at warp speed – creating a world of zero geography where change itself is accelerating exponentially.

The evidence is everywhere – if we could just *see* it. Nothing and nobody is immune. Even that most cherished of all concepts, *democracy*, has been subverted as the hegemony exerted by powerful elitist regimes engages in a purpose vastly different to that originally envisaged. Setting aside for a moment the fact that the term itself has become devoid of any meaning in a world where governments of every political persuasion routinely identify themselves as being *democratic*, all current systems of representative *democracy* are designed to pursue unsustainable economic growth and preserve high levels of inequality. *Democratic* leaders routinely apply violence in some form as a means of establishing or of preserving this so-called *democracy*. Furthermore, that is the intention! Modifying Abraham Lincoln's celebrated phrase, we presently have 'government *of* the people, *by* interchangeable sets of career politicians, *for* the pursuit of economic growth and development *through* an engulfing culture of transnational corporate capitalism'.⁴ This is immoral. It is also patently unsustainable, as Michael Albert convincingly avows in his essays on an alternative post-capitalist system based on participative economics – or Parecon:

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In capitalism, owners together with about a fifth of the population who have highly empowered work decide what is produced, by what means, and with what distribution. Nearly four fifths of the population does largely rote labor, suffers inferior incomes, obeys orders, and endures boredom, all imposed from above. As John Lennon put it, "As soon as you're born they make you feel small, by giving you no time instead of it all." Capitalism destroys solidarity, homogenizes variety, obliterates equity, and imposes harsh hierarchy. It is top heavy in power and opportunity. It is bottom heavy in pain and constraint. Indeed, Capitalism imposes on workers a degree of discipline beyond what any dictator ever dreamed of imposing politically. Who ever heard of citizens asking permission to go to the bathroom, a commonplace occurrence for workers in many corporations (Michael Albert, *There is an Alternative*, *Frankfurter Rundschau*, 27 July 2005).

The final speaker at the World Social Forum's closing ceremony in Brazil on 5 February 2002 was the Nobel Prize-winning Portuguese poet, Jose Saramago. His concluding words were these:

Everything in this world is discussed, from literature to ecology, from expanding galaxies to the greenhouse effect, from waste treatment to traffic congestion. Yet the democratic system goes undiscussed, as if it were a given, definitively acquired and untouchable by nature until the end of time. Well, unless I am mistaken, among so many other necessary or indispensable discussions, there is an urgent need to foster worldwide debate on democracy and the causes of its decline, on the part citizens play in political and social life, on the relations between States and international economic and financial power, on what affirms and what negates democracy, on the right to happiness and a worthwhile existence, on the misery and the hopes of humanity or, to cut down the rhetoric, the hopes of the simple human beings that make up Mankind, one by one and all together. There is no worse deception than self-deceit. And that is how we are living.

A more *convivial*⁵ model of society is feasible, but it will only be achieved if we can bring into being an entirely new paradigm of participative citizenship, where Lincoln's phrase would describe the democratic system as being *of* the people, *by* thinking, acting and learning together, *for* the co-creation of just and sustainable societies.⁶

Alas, our addiction to the beliefs and habits of a bygone era, matched only by our seduction for the new, is insidious. Blind faith in numbers and the opinions of experts, the appeal of arcane knowledge, the valuing of profits over people, the suffocating dogma of dependency (particularly upon the state and its elected representatives)

the bizarre conviction that we can predict the future (or even other people's behaviour for that matter), and the bravado-like façade of infallibility used to rationalise our negligence in degrading the biosphere, for example, all still go largely unchallenged today. How can this be so?

The true nature and purpose of the human condition is unfathomable. Inexplicable and immensely complex, it remains beyond our current comprehension. We may occasionally experience moments of enlightenment – brief insights, a fleeting sense of *déjà vu*, perhaps, or memories from a deeper consciousness. Some may sense the sheer exhilaration of being constantly *out of control*.⁷ Others encounter mostly despair as we drift into a scary future few would have intentionally chosen. Most of us, though, are just world-weary. Our public lives have become a sham, warped by fashion, trivia and the coruscating banality of screen celebrities, politicians, sporting heroes and omnipresent brands. Estranged from a world of our own invention, albeit one that escaped our grasp decades ago, we are now captive to its unrelenting prodigality. As hope and optimism recede, to be replaced by an overwhelming sense of helplessness and futility (especially among the young and the disadvantaged), changing things for the better is no longer an option. It has all become too difficult! Yet change we must, for the tedious conventions and artifice of this regimen ensnare us within a corruptive worldview that is utterly inadequate for resolving the tumultuous upheavals we experience in our daily lives.

The world we inhabit, the corporate world of industrial economism,⁸ is at once both fact and fiction. It *is* the Matrix. In reality there is no such thing as a free market. Capitalism, too, is mostly a fiction.⁹ What the Matrix *has* created is a darker side of capitalism – an elitist corporate system and bureaucracy posturing as a free market where producer power extends its influence over consumer demand and where corrupt CEOs, cheating Wall Street analysts and number-impaired accountants pursue their vested self-interests at the expense of society at large.¹⁰

All encompassing and horribly oppressive, the Matrix nevertheless has its narcissistic charm. It is as easy to become complicit in the deception as to remain oblivious to its existence, unaware that we are so beguiled. Held within its thrall, we continue to conjure madcap schemes; clinging to pitifully deficient ideas in the belief that conditions will remain sufficiently stable for long enough to bring success – whatever we imagine that to be. It is impossible to persist with these

practices and worldview for very much longer without risking mayhem and ultimate collapse of the social order. The real world dances to a different rhythm now. An unstable, chaotic rhythm that alters in a flash. And completely without warning!

So new ways of knowing and designing society and its interactions are essential; new institutions, frameworks, tools and techniques are urgently required. Moreover, these must be allowed to evolve so that they remain pertinent to our needs. If ever there was a time to discard the models and orthodoxies prescribed by the high priests of industrial economism it is surely now. No longer sufficient in today's world, these relics (or, more accurately, the way they are practised) must be consigned to history. One such relic is the system of social discourse we call *representative government*. Another, the pseudo-scientific edifice of *management*. Yet another, the system of free enterprise labelled *capitalism*. All three are intended to help us achieve the outcomes we need as a society – but none have kept pace with our true predicament. Moreover they have produced despair and fear where hope and inspiration are essential.

Take the discipline of management for example. Hatched in the factories of the industrial revolution and incubated by the military over two world wars, it has grown fat and awkward. Jam-packed with flawed theories, irrelevant practices and other quackery, it is now little more than a worn-out charlatan promising miracles it cannot possibly deliver. Rather than remaining vital and compelling, the entire legitimacy of management and its orthodoxies are questionable in today's context. The same is true of leadership. Like the Emperor's new clothes in the well-known children's fable adapted by Hans Christian Andersen from an old Spanish tale, contemporary management and leadership practices are supposedly fashioned from the finest of industrial fabrics, shamelessly endorsed by self-interested aficionados and constantly paraded before us on the catwalks of the consultocracy. It takes child-like innocence to not be deceived by such an elaborate hoax. Why, even the perpetrators of the sting have been duped by their own ingenuity. They have melted the fine line between the feigned and the real.

Occasionally we may catch a glimpse of their impoverished nature, perhaps through the damage they wreak on ordinary people, their institutions and the planet. At other times we may ponder the absurdity of the contrived artifice, theatricality and treadmills that keep us enrolled in relentlessly meaningless activities calculated, it seems, merely to ensure a growing legion of business gurus and management

consultants has an endless supply of guinea pigs on which to test their latest crackpot ideas and top executives can reap grossly inflated rewards for being mediocre. Naturally, we try to banish such heretical thoughts from our minds, while those with a vested interest in maintaining the scam are quick to extol its virtues, inculcating in our consciousness, every minute of every day, the paucity of viable alternatives. It is almost impossible not to be duped. The Matrix engulfs everything. The code required to disable it is impenetrable. But crack it we must. For while it prevails we remain permanently trapped within its deceptions and empty promises.

Is it possible, then, to break free from our arrested state? It has to be. There is a multitude of people around the world who are not taken in by appearances. They recognise reality for what it is, are deeply frustrated by the current situation, and feel the need to contribute to the development of a new paradigm of democracy and citizenship – and thus to a new paradigm of leadership. This frustration is already giving rise to the emergence of more passionate, smarter global leaders. Leaders who recognise the power of collective wisdom over individual genius. Leaders who are informed by sources other than the mainstream media. Leaders who think and act systemically. Make no mistake, these people are tomorrow's heroes and they are practising an entirely different kind of leadership. *Five literacies* leadership.

LOOKING INSIDE-OUT

Instead of just adding to a field that is saturated with predictable tenets based on time-honoured assumptions, *The Five Literacies of Global Leaders* sets out to explore and challenge the meaning of leadership in a world that is increasingly uncertain, intimately connected, fiercely competitive – and harrowingly unfair! Leadership today is profoundly different from what it was yesterday. And it certainly will be different again tomorrow. Nothing can be taken for granted in today's world except that the context is changing all the time and the world of industrial economism, the wellspring from which past leadership theories and stories sprung, is crumbling fast. In the final analysis, *five literacies* leadership is the essence of a more enlightened, *convivial* form of leadership that will take us to higher levels of consciousness and capability. This book explores what *five literacies* leadership is, why it is so important, and what is so inherently different about its practise from more familiar models of leadership.

Examples of *five literacies* leadership already abound, for this is not some pie-in-the-sky theory but the initial stages of a new philosophy of leadership. Just look around you. All over the world and in all walks of life, *five literacies* leaders are inventing better ways to meet the needs of a global society. They come from all walks of life and are not necessarily well educated or in positions of authority. They habitually acquire wisdom through generative learning and, though they recognise their value, tend to be unpretentious people. They concede a greater responsibility to society than has previously been the case. Through the application of ecologically intelligent design they envisage the creation of ample crops and goods from benign production processes that access renewable energy sources and emit no waste or pollutants. They collaborate to defeat disease, poverty, injustice and the mindless destruction of the biosphere. They know that their success is utterly dependent upon the networks of relationships they can foster through their example and the inspirational resonance they can engender within the community. And they have shifted their focus from next quarter's profits, the votes they may win at the next election, or their own self-serving ends, to the rights of future generations. Why? Because they are not deluded. They see reality as it is and have come to understand that these things are the right things to be doing.

Is it feasible for others of us to perceive the entire praxis of industrial economism for the hazardous illusion it creates? Certainly. One need only choose to do so. Can we, then, break free from the stranglehold of a system that should be consigned to the industrial age? We can and we must. The technoculture we wear like a second skin was, after all, invented by us, and what we have made we can also expunge. Besides, it has already done more damage than we can humanly bear.

Possible ways forward, however, are littered with traps for the unwary. For a start, awareness brings with it other, more heroic, obligations. Deficiencies within the current paradigm will only become intolerable when we stop pretending the system works and are prepared to try something different. This will entail our embarking upon an internal journey of discovery, challenging our deepest assumptions, embracing alternative ways of knowing about the world, tackling past demons and facing fears of the future head on. We will also need to share our rites of passage with others if we are to arouse them from their comatose state, such is the alluring power of the Matrix.

Above all we have to be prepared to throw stuff away. Not the material waste that clogs up our landfills – but the cognitive waste

in our heads that stifles possibility, ingenuity and progress. You know what I mean. They are familiar things like blindly competitive behaviour, results-based thinking, artificial boundaries, excessive bureaucracy, preposterous measures derived from exclusively linear or economic analysis, a belief that speed is good, contempt for nature, discriminatory hierarchies, the need to attribute blame when things go wrong, insufferable egos playing with other people's lives, tolerance of tedious and pointless work, meticulous planning that hardly ever produces significantly different results, redundant procedures and the like. Even attitudes designed to censure artistry and imagination while defending incompetence, must perish, at least in their present form. Indeed, most of what we currently believe to be typical, indispensable or inevitable (including the perks that come by virtue of class or status) should be banished. That will take both courage and resolve.

So, what is the most appropriate and viable societal episteme for our brave new global age? What will it look and feel like? Will it have an Asian face, for example? How will it be different from the model of industrial economism fabricated over the past 300 years in the West and to which we so tenaciously cling? It will certainly not be designed by elites whose sole objective is profits before people. Nor will it have much of the external gloss and trappings we have come to expect. It will inspire and liberate, more than it oppresses. Because there will be no sophisticated aura to maintain, no pretence to delude, nor technicalities to keep secret, it will not be as costly. Indeed, it will almost certainly lack the suffocating artifice to which we have become accustomed. It will perhaps feel more *instinctive* because its genesis is in natural systems. In fact, it may be so beguilingly simple that many will initially reject it purely on these grounds.¹¹

Perhaps this all sounds too far-fetched – a trifle melodramatic or excessively idealistic. So, before rushing ahead to destroy the Matrix we should consider the alternatives. There is a critical decision to be made. And it is a moral one. We can cling on to the prevailing attitudes and practices of the industrial age: by swallowing the blue pill of amnesia we can continue in our deluded stupor, ignorant of any deeper sense of the human soul and of human destiny – but resigned to a future spinning increasingly out of our control. The ideology of certainty will cloud our decisions once more. The righteousness of the developed world will ensure that the rich get even richer while the globalisation of poverty continues unabated. Empirical rationalisation will validate every failure and any sense of enlightenment will be

deleted from the collective unconscious as we continue to apply the flawed conventions of a bygone age . . .

Or we can choose to swallow the red pill of enlightenment. The craving to see the world for what it really is, and how it could be, will outweigh any desire to return to the egotistic irrelevance of past knowledge. We will navigate a new terrain – a terrain fraught with apparently unresolvable dilemmas, complex ambiguities and dynamic uncertainties. A terrain brought almost to ruin by our reluctance to pose existential questions coupled with an inclination to ignore the signs of collapse all around us. While it is destined that we should choose this journey, (there is really no alternative) the way itself is still unclear and unpredictable. If the destination was a mystery, any path would do. But we know where we need to go. And for extraordinary leaders there can be no thought of turning back.

NOTES

1. In physics, *attractors* are patterns representing all of the possible states of a system. Like gravity they pull us into their orbit. They are also an aligning force – helping bring coherence to chaos. Thus *family* is an attractor, as is *culture*.
2. The Organization for Economic Cooperation and Development (OECD) released its report, 'Going for Growth', in February 2006 that details economic prospects in the industrial world. The conclusion is clear: Europe is in deep trouble. In spite of all the talk about the rise of Asia and the challenge to America, it may well turn out that the most consequential trend of the next decade will be the economic decline of Europe. The European Union has a combined Gross Domestic Product (GDP) that is approximately the same as that of the United States. But the EU has 170 million more people. Its per capita GDP is 25% lower than that of the United States, and, most important, that gap has been widening for 15 years. If present trends continue, the chief economist at the OECD argues, in 20 years the average US citizen will be twice as rich as the average Frenchman or German.
3. As the world roils between terror and trade, Asia is by far its most promising and most explosive region. India's integration into the broader East Asian economy is a fundamental dynamic reshaping global trade and geopolitics. The Indian economy is growing slightly more slowly than China, but will probably continue to grow fast for longer, given that the population of more than a billion people is substantially younger than China's. Half of it is under 25. China is also faced with a challenging domestic agenda of reforms – such as the establishment of an independent legal

system, for example, which may slow the economy significantly in the medium term. At the moment, though, China is booming and has become the world's fastest-growing economy. Its growth will slow eventually, but there are still hundreds of millions of Chinese yet to integrate into modern economic life, so the potential for sustained high growth is there for at least the next decade.

4. Madron, R. and Jopling, J. *Gaian Democracies*, Green Books, London, 1998.
5. A *convivial* society would be self-organising and collaborative in ways that are 'appreciative' of all stakeholders' needs. In a convivial model of democracy, for example, economic growth and development would be based on *sufficiency* (rather than *efficiency*) and would be driven by *appreciative* principles embedded within technological innovation. These principles would exhibit a concern for the improvement of the human condition while emphasising interdependent collaboration and harmony; social justice and equity; intimacy; community; and an enhanced ecological balance.
6. Exactly as advocated by Roy Madron and John Jopling in their call for democracy as an open source and sustainable model of community learning at www.wwdemocracy.org. Michael Albert's work on participative economies (Parecon for short) also delves deeply into a possible new post-capitalist paradigm at www.zmag.org/parecon/indexnew.htm.
7. Kelly, Kevin, *Out of Control: The Biology of Machines*, Addison-Wesley, Chicago, 1994.
8. *Industrial economism* is the term first used by Hazel Henderson in her book *Paradigms in Progress* to explain flaws in the old industrial paradigm. Many different names have been given to the emerging paradigm. Recently deceased futurist Robert Theobald often referred to the twenty-first century as 'the healing century' while Hazel Henderson calls it the 'solar age' or the 'age of new enlightenment'. I prefer the 'age of appreciative ecologies' which refers to the need to move beyond simplistic economic models. Only by embracing ideas and models from living systems can we hope to appreciate the dynamic complexity of our world, while accepting its essential unmanageability.
9. Even if it were not, the great economist John Maynard Keynes noted that capitalism is not just, beautiful, virtuous or intelligent. Not only that it doesn't even deliver the goods!
10. J. K. Galbraith suggested that one of the greatest frauds in capitalism concerns ownership. Owner authority is a sham. In reality shareholders are fully subordinate to corporate management. The second fraud is that which measures progress exclusively by the volume of production of material goods and services – or Gross Domestic Product (GDP). GDP measures the production of consumer goods in the economy – not artistic endeavour or education or literature or the arts – or even happiness. In this context social

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success means more automobiles, more TV sets, more computers, more microwave ovens and more weapons. Yet the best of human civilisation is the artistic, literary, religious and scientific accomplishments that emerged from societies where they were the true measures of success.

11. Wheatley, M. J., *A Simpler Way*, Berrett-Koehler, 1996.