Storying Corporate Futures:
The Shell Scenarios

An Interview with Betty Sue Flowers

Introduction

This chapter contains two interviews that I conducted with Betty Sue Flowers about her writing and editing of Shell International's 1992 and 1995 futures-planning scenarios. I first met Betty Sue at a men's conference (a la Robert Bly and the mythopoetic men's movement) in Austin, Texas, where she and I were two of only four women speakers, and the only two present the night we met. It took me a while to spot her in a huge ballroom filled with 800 men and two women--she sat on the back row wearing a businesslike gray dress with black buttons, and as a result (in spite of her shoulder-length blonde hair) was nearly invisible--by choice, I later found out. Standing out is not her style.

After the evening's presentations ended, I could hardly wait to find her, introduce myself, and ask her what she thought of the event and how she had felt as one of only two women in a room full of 800 men. We headed for the hotel bar, where we found a cozy sofa and chatted late into the night, about Robert Bly and the men's movement, about women and men, about her work and mine. She was an English professor who had specialized in Victorian literature, I an anthropologist who had specialized in cultural constructions of childbirth. We found common ground in our mutual fascination with myth. For me, myths are creation stories in which it is possible to read and identify a culture's fundamental assumptions about reality. I want to understand myth because I want to understand culture, and it is in myth that culture is encoded. To Betty Sue a myth is "a story that organizes experience through telling something explicitly about meaning--where we're going, where we came from, or who we are." When I asked her, "How did you get interested in myth in the first place?" she responded,

There are a lot of ways to tell this story, but if you were going to be psychoanalytical about it, I would say that my parents were very different in how they saw the world. I observed my father making one story about the same event and my mother making another, and that it was her story that would cause her grief or discomfort, and that my father's story actually created smooth sailing for him. I realized that the difference lay not in what was happening to them, but in something very different in the way that they were thinking about it. And that taught me to be on the alert for the stories people were telling to interpret their experiences.

Thus, Betty Sue is less intested in the culture encoded in myth, and more interested in the power of the story to influence human thought and action--a focus she was able to convey (in a way that caught on with the culture) in the title she chose for Joseph Campbell's book, *The Power of Myth*.

It was therefore logical for her to be intrigued when Shell approached her about writing stories that would be explicity designed to have this power in the business world. And it was logical for me, once she completed those stories, to be dying of curiosity about her experience of consciously creating living myths designed explicitly to make people think about the kind of future their culture--in this case, the culture of an international oil company, one of the largest in the world--would create. I was teaching at Rice when George Marcus first spoke to me about the theme of LE V, "Corporate Futures," and I knew right away what my contribution was going to be.

I interviewed Betty Sue twice. The first time (September 1993), she met me in her office in the English Department on the University of Texas campus, where we talked for two hours about the process of her writing and editing of the 1992 Shell scenarios. Two years later, I conducted a short follow-up interview with her about the aftermath of those first scenarios and about Shell's plans to bring her back to write a second set. This time, the tables were turned: Betty Sue had just finished interviewing me (about childbirth and cyborgs) for an episode of a television show she was hosting--"Conversations with Betty Sue Flowers." After we finished taping, we sojourned to the boardroom of the television station so I could once more interview her.

As you will see in these interviews, Betty Sue was bound by Shell not to reveal much about the content of the stories. But she told me in the second interview that the man who had hired her at Shell, Joe

Jaworksi, was in the process of writing a book (with Shell's permission) that does give the full text of the 1992 scenarios. That book, which Betty Sue edited, has since appeared under the title Synchronicity (Jaworski 1996).

There is no ending to this story: throughout the fall and spring of 1996-1997 Betty Sue made monthly trips to Geneva to write global scenarios for a group of fifty large multinational corporations concerned about the fate of the planet and its human inhabitants; they want to use these scenarios to help them imagine and then work to create a viable human future in which they can do business without destroying the enviroment in which we all must live. Such scenarios may become a nexus for the merging of myth and reality. In their creation I begin to glimpse the ephemeral possiblity that the human myth of a better world may eventually result in the human reality of achieving it.

...night has fallen,
and the Barbarians have not come.
And some of our men, just in from the border,
say there are no barbarians any longer!
Now, what is going to happen to us without
the Barbarians? They were, those people, after all,
a kind of solution.

--C.P. Cavafy

Cover quote from Shell's Global Scenarios 1992-2020, edited by Betty S. Flowers

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Betty S. Flowers received her Ph.D. in English from the University of London; she is Professor of English at the University of Texas. Author of two volumes of poetry, including Extending the Shade (1990), she collaborated, in the role of editor, with Bill Moyers on World of Ideas (1989), and on the books and public television series Joseph Campbell and The Power of Myth (1988) and Healing and the Mind (1993). Her primary interest is myth. She spends much time in the business world as a consultant, and at the time of our first interview was serving as editor (*midwife*, as she terms it) to books on diverse topics: the poetry

of Christina Rosetti, the dreams of Vietnam vets, the life and times of a Texas artist, new visions for leadership in America (Jaworski 1996).

In the spring of 1992, Dr. Flowers was asked by a representative from Shell International to serve as Editor for myths the company was consciously creating, stories Shell wanted to write about the future, to be backed up by the research data collected from around the world by a team of twenty economists who had been working on this scenario project for three years. She spent four months in England over the summer, working intensively to write and refine these scenarios. They were successfully produced, and were treated as top corporate secrets. Shell disseminated them to its managers world-wide in carefully orchestrated seminars. In early 1995 the Shell management asked Betty Sue to return to London, again in the summer, to produce another round of scenarios; my second interview with her was conducted shortly before she left for that second round.

The point of these scenarios is to teach Shell managers to think mythologically and causally, to see every major local or world event as potentially located in a story, and to make on-the-spot business and policy decisions based on what they know about where that story would lead if allowed to play itself out. Thus these scenarios play an integral role in Shell's futures planning.

Two publications[1] in particular detail the process of scenario-building developed by Shell International over the past twenty years--Peter Schwartz's The Art of the Long View (see below) and. "The Gentle Art of Re-Perceiving," written for the Harvard Business Review by Pierre Wack, retired head of the Business Environment Division of the Royal Dutch/Shell Group Planning Division, and Senior Lecturer in Scenario Planning at the Harvard Business School. In cooperation with Edward Newland, Wack developed the Shell system of scenario planning--a process which he sees as one of managerial assumption-smashing:

> *It is extremely difficult for managers to break out of their worldview while operating within it. When they are committed to a certain way of framing an issue, it is difficult for them to see solutions that lie outside this framework. By presenting other ways of seeing the world, decision scenarios allow managers to break out of a one-eyed view. Scenarios give managers something very precious: the ability to re-perceive reality...(Wack 1986:31).*

Wack recounts the process through which he came to understand the necessity for the scenarios, so grounded in the "outer space" of the world outside the corporation--a world of supply and demand, shifting prices, new technologies, competition, business cycles, and so on--to come alive in "inner space," the manager's microcosm where choices are played out and judgment exercised. Three decades ago, in the early days of their work with scenarios, Shell planners initially developed "first generation" scenarios which simply quantified alternative outcomes of obvious uncertainties (for example, the price of oil may be $20 or $40 a barrel in a given year). Managers found such scenarios to be useless for long-term planning and decision-making, as they provided nothing more than a set of plausible alternatives that included no reason to assume that one or another would come about, offering no basis on which managers could exercise their judgment. Such scenarios resembled the straight-line forecasting that Shell and other companies had engaged in for years, and ultimately rejected as inadequate for the complexities of the contemporary world.

Back at the drawing board, the Shell planners, led by Wack, zeroed in on the notion that there are forces at work in the world that seem well-nigh inevitable, unstoppable save by a major miracle or worldwide disaster that would mean the end of life as we know it.They called such forces *predetermined elements*, and sought in their futures planning to identify such elements and carry them through each of the scenarios they developed, sorting them out carefully from *uncertainties.* The art of scenario development, they found, revolves around careful research out in the world to identify the predetermined elements, and only then to weave stories around the interaction of these predetermined elements with the myriad of uncertainties future-seers must face.

For example, in the early 1970s, a period of recession in the oil industry because of low prices resulting from an oil surplus after the development of huge fields in the Middle East, Shell planners began to look at the world from the point of view of the oilmen of the Middle East whose countries, small and sparsely populated, did not have the means to absorb all of the wealth flowing into them from their one valuable resource. That growing surplus of cash would have to be reinvested, but where? No bank holding, or piece of real estate, could appreciate in value as fast as the oil in the ground, especially if less oil were produced in order to keep the price high. Thus the Shell team was able to predict the emergence of OPEC and the rising price of oil as *predetermined elements* for the 1970s, forces that would *drive the*

global system. Repercussions of these predetermined elements would of necessity involve shock waves to the economies of countries dependent on oil imported from the Middle East.

Uncertainties involved various countries' likely attempts at solutions, such as price freezes, or simple inaction, which would result in an energy crisis. So the Shell planners presented to top management, in 1972, a set of scenarios which took these predetermined elements and uncertainties into account. These scenarios varied so sharply from the implicit worldview then prevailing at Shell--*explore and drill, build refineries, order tankers, and expand markets*--that the planners realized they were unlikely to be taken seriously. So they constructed another set of "challenge scenarios" that postulated a continuation of present trends and business as usual.

These challenge scenarios included "miracles" in exploration and production, such as the discovery of major new fields in non-OPEC nations, willingness on the part of oil producers to deplete their resources at the will of the consumer to keep prices low, and no natural disasters or wars that would generate a need for spare production capacity. The sheer improbability of these events forced the Shell management to realize that their business-as-usual mentality was blinding them to the inevitability of the coming changes. As a result, during the 1970s Shell was better positioned to handle the oil embargo and the dramatic rise in oil prices and in the power of the OPEC cartel than many of its competitors.

In the early 1980s, one of the scenarios written by the Shell planners foresaw the likelihood of a rapid and dramatic *decrease* in the price of oil as the result of the discoveries of new fields outside of the OPEC sphere of influence, in combination with the energy conservation measures increasingly taken by consumers who did not want, after the debacle of the 1970s, to remain overly dependent on imported oil, and who were increasingly aware of the finite nature of "non-renewable" resources such as oil. Positioning itself accordingly, Shell rose from fourteenth to second place among the oil multinationals during the mid-1980s as prices fell and other companies, heavily overinvested, lost billions.

On Shell's scenario team at the time was Peter Schwartz, brought in because of his years of futures planning at the Stanford Research Institute in California. <u>The Art of the Long View</u>, published in 1992, recounts the work of Schwartz and his team at SRI on scenario building, Schwartz's subsequent tenure at Shell, and his eventual

creation of the Global Business Network--a web of individuals and organizations engaged in ongoing information-sharing and scenario-based futures planning. This book in particular shows the ever-widening role of scenario-building in the business world, making clear the importance to even small businesses of understanding the forces at work in the global economy.

For example, in the mid-1970s Schwartz was hired by Smith and Hawken, an English company that produces hand-made garden tools, to create scenarios that would help them decide whether or not to undergo the initial capital investment of exporting their tools to the United States. The scenarios had to answer the large question: "Is there a market in the U.S. for hand-crafted, high-priced garden tools that last a lifetime?" along with the myriad small questions that accompany the large one (should the tools be sold in stores, or by mail-order, or both?) Schwartz and his team at GBN created three alternative scenarios about the future of the U. S. economy. The first, the "Official Future" scenario, envisioned a world of high economic growth and increasing wealth, in which maturing baby boomers made a lot of money and spent a good bit of it on houses. In this world, consumption and materialism were driving forces. The "Depression Scenario" saw a world marked by a worsening of the severe economic troubles of the 1970s, with low growth, declining prosperity, rising oil prices, and environmental crises. Life would be about surviving in hard times. The third "Social Transformation" scenario imagined a fundamental social change--a shift in values to ecological consciousness, involving holistic medicine and natural foods, pursuing inner growth rather than material possessions.

It was clear immediately that the baby boom was a major predetermined element in all three scenarios--a large number of people were coming of age, marrying, and setting up households. Many would garden, as would the parents of the baby boomers, who were approaching retirement. In the "Official Future" scenario, people would garden for recreation and show. They would want expensive tools, because they could afford the best. In the "Depression" scenario, people would garden for food they might not otherwise be able to afford. They would need sturdy tools that did not require frequent replacement. In the "Social Transformation" scenario, people would garden as a source of organic food, of contemplation, healing, contact with nature. They would appreciate the value of fine hand-crafted wooden tools.

And so Schwartz and his associates were able to assure Smith and Hawken that the U. S. market would be an excellent one for them to enter, no matter which future unfolded. They were also able to show that in the "Official Future" scenario, retail space and overhead would be extremely high and in the depression scenario, the deterioration of cities could make retailing very problematic. But in all three scenarios, it was clear that mail order would do well: it would save time for busy people in the prosperous world, save precious capital in a depression, and work to reach the *Whole Earth Catalogue* community in the social transformation scenario.

Reality as it happened in the 1980s turned out to be a combination of all three scenarios--the yuppies rose to social and financial prominence even as homelessness went large-scale and social problems, especially in the inner cities, increased. The environmental and holistic health movements grew. And Smith and Hawken's mail-order business, in combination with one small retail outlet in Northern California, prospered accordingly.

This scenario process represents a fascinating and visionary merging of business and myth, which holds the simultaneous possibilities of foreseeing several possible futures while acting to consciously create one particular future, to choose the story in which one will ultimately live. In late August of 1993 I asked Dr. Betty S. Flowers, who had just returned from a short trip to London doing follow-up work for Shell, for permission to interview her about her role in writing and editing the 1992 Shell scenarios. After receiving Shell's permission to describe the process of creating them, she readily agreed.

September 10, 1993
Interviewer: Robbie Davis-Floyd
Interviewee: Betty S. Flowers
Subject: The Shell International Futures Scenarios

Davis-Floyd: Betty Sue, I know that you have spent a good bit of your life studying myths and mythology. To begin, can you tell me how you define a myth?

Flowers: I think a myth is a story that organizes experience through telling something explicitly about meaning--where we're going, where we came from, or who we are. That's why I say things like "the economic myth," even though economics by definition doesn't have a

linear timeline--it's a story without much juicy narrative at all, except for "progress" and "growth."

Davis-Floyd: What is the economic myth?

Flowers: It's the myth we're in now. In the West I think we've been shaped in the past by a heroic myth, a religious myth, and a democratic myth; and I think now, we're in the economic myth. That myth doesn't have the kind of old fashioned "once upon a time" story we're used to; it doesn't have in Campbellian terms a hero's journey--there's no journey part to it. It has a dynamic and it has implicit values on measurements--number, quantity, growth. It's got an inherent bias towards a series of evolutions that are additive--like we get better and better, we grow more and more. It doesn't tell a very coherent story. But it has a thrust and a power to it. I could be more specific if you ask me what the economic myth says about X or Y or Z.

Davis-Floyd: Well, what would the economic myth say about the directions that American business is taking, for example?

Flowers: It would say exactly what American business is doing because they're in touch with it most, which is *to downsize in order to economize*. The economic myth is very short term, so it would not talk about investing for long-term growth, but about meeting the next quarter's numbers. It's very present-oriented, which is why it doesn't have a very good narrative story about the past or the future. It's a measuring device for *now*.

Davis-Floyd: Is that myth articulated differently in Japan?

Flowers: No, what Japan has is another myth that's very powerful underlying it--a myth you could call Confucianism--at least the East Asians Center at Harvard tends to talk about it as "Confucianism." It's a myth of community based on a kind of onion of enlarging circles, starting with individual duty and then the family and then the community and then the company and then the world. This community myth is not incompatible with the economic myth. You can have two myths, but the economic myth tends to take precedence.

So in this culture, say, we have a light dose of Christian myths still going on, but when it comes down to the bottom line, it's the economic myth that's the myth of value. And I think that's true in Japan too. When people say that the whole century was one long world war between three ideologies--fascism, communism, and

democracy--and that now democracy has won, and the century of war is over, I disagree. I don't think democracy has won, I think it's *economics*--that's the ideology that has won. So you can have a very repressive regime, such as in Singapore or China, and still have an economic, free- market-capitalism myth that is the myth of value.

Davis-Floyd: How do you feel about, what is your personal judgment about the economic myth, about its usefulness?

Flowers: Well, there are a lot of limitations. The obvious one is that it doesn't make any distinctions among goods that are good for us and goods that aren't, or long-term good versus short-term gain. It has nothing to say about quality. It has nothing to say about values that might not be economic. We know how to compete to get the best services in hospitals, but not how to get every child immunized. What it does is have us set up a society which seems quite skewed when we look at other values that we might have, like human life.

Those are some of the down sides, but there are some up sides, which I think are very hopeful and empowering. One is that it's a *universal* myth, it's the first time we've had the potential for a truly global myth, that has within it enormous capacity for all kinds of things, like the end of war. Now I'm really being visionary--you know, there is a possibility there, that we will become so intertwined with each other's business that we're never really fighting against anyone. It's interesting that the wars now are "ethnic"--many of them are now fought in the old qualitative terms of the religious myth. Another thing is--and I think this is very much tied with the environmental movement--that the economic myth encourages a systems approach to things, encourages us to look at how one part of the system affects the whole, to look ecologically at our world. The economic myth has no value placed on saving nature, I don't mean that, but it does look from the perspective of a total system and how it all interacts. So that, to me, is very hopeful.

Davis-Floyd: How do you see the economic myth reshaping itself in the immediate future? Do you see any reshaping of it going on?

Flowers: Yes, because it's so complex. The heart of its implicit belief system is the notion that numbers have a life of their own, and money has a life of its own, and that it's best left alone. But we see now such complications and entanglements with the different monetary systems around the world that there's another way--or theme--that's being superimposed onto that kind of "invisible hand" mentality. This theme

is more like a systems approach or more like chaos theory, where you can't predict any individual thing, much as we try, but you can see patterns. You can't *predict* these patterns, you can only observe them, because structures are so complex. And you can assume that if you influence one side of the pattern, you're influencing it all. *So you can't make decisions in a less than global context*. Companies are just now beginning to realize that they can't make decisions for themselves or even for their country. They can only make decisions in a *global* context.

Davis-Floyd: Is that why Shell hired you?

Flowers: You could say that that's why Shell does its scenarios. Why they hired me in particular is another, perhaps longer story which has to do with the head of that project seeing the need for this global contextualization and wanting a writer who had a kind of poetic vision, and who perhaps wouldn't be totally seduced by the economists on the team *[laughs]*.

Davis-Floyd: *[Laughing]* What do you mean by "seduced by the economists"?

Flowers: Well, lots of people on the team were economists, even though they were from all over the world. There were a couple of historians, and a mathematician, but most of them were economists-- and they wanted to talk about things in terms of GNP and arguments about PPP vs. GNP. They wanted to tell a story that didn't have any kind of implicit moral. Even if the moral appeared to emerge naturally they wanted to squelch it.

Davis-Floyd: Tell me the story of all of that from the beginning--of how it was first conceived of and how you were brought in and what happened.

Flowers: Well, about 20 years ago, Shell started doing scenarios instead of straight-line forecasting. Most companies did straight-line forecasting based on the past. You extrapolate into the future, you know, those graphs?--we did them in high school. And then you would base your planning around that. And you would take it with a slight grain of salt because you knew the future was never what the past was. There were always "contingencies." Well, Shell's planning department started thinking about this, especially given that in the oil business you have to make *enormous* investments *twenty years* in advance--you have to build refineries that are not on line for years. So

you're really just taking enormous risks with blocks of capital, all the time.

And they said, well, it's actually not only false to have straight-line forecasting, but it's dangerous because you can be lulled into thinking you *do* know the future, that you have *the* story for the future, and that the future is the past, put into the future. So what they decided to do instead was to build self-conscious stories, that is, they would *call* them "stories," and to build two of them, equally persuasive, based on the same statistical beginning point and statistically told, that is, told in economic language, for thirty years into the future. They would spend three years putting this together with a team of twenty or so from all over the world, and then they'd spend the next year disseminating them in workshops around the world, so that what you got was a common culture based on not *a* story about the future but *two* stories about the future.

Davis-Floyd: Why two, instead of three, or one?

Flowers: Well, at times they have had three, I think one year they even had four. The last round of scenarios before the one I worked on had three stories. But it turns out that when you have three stories, people end up choosing "the right one," and they will choose the one in the middle. It's just human nature to want to say okay, here are three stories, which is the best? If you have two stories, you don't have a middle to choose from.

Davis-Floyd: So do people usually choose one or the other?

Flowers: Oh, they can't help it. The idea is to make them hover, but human nature being such, people tend to pick one over the other just because we don't like ambiguity. We feel like we need to settle on something. One of the stories we told this time was very difficult for the team at first to buy into. They said it was too good to be true, it couldn't really happen this way. But then when we started fiddling with the "real" story, the other story, it turned out so disastrously, so depressing that they began to look at the other story with new eyes, saying, "Well, not only might it turn out that way, it had *better* turn out that way."

So for the first time we had a kind of good story/bad story, which they try not to have, but when you take the stories down the line, one ends up with some short-term sacrifices--well, we quit using the term "sacrifice," because the so-called "good story" requires people to take

a long-term view of their self-interests and to make decisions based on horizontal linkages that empower poor countries. The other story was more business-as-usual, but with people pulling back and barricading themselves against change and diversity, and the painfulness of change. The so-called "good story" is extremely painful, very turbulent, but the bad story just kept getting worse...

Davis-Floyd: Are these stories still corporate secrets, or are you able to tell me--?

Flowers: They're sort of gradually being leaked out but I can't tell you more than that, nor would you be that interested because, you know, you go into the price of coal in China in 2015 and see what that has to do with cars there and stuff like that. It gets really interesting for certain sectors of the company in terms of detail, working with the little details. People like to take the story, their part of it--like if they're in the chemical division, you take the chemical story and then spin fantasies on that. Well, if it happened this way, what would this happen? and what would happen over here? So part of it is an excuse to sit down and spin the smaller stories that link on to the larger ones.

Davis-Floyd: But it's safe to say overall that the good story has environmental consciousness in it, a sense of the ecosystem and of the interconnectedness of things, and the bad story is more oriented to short-term profit-making, exploiting the environment?

Flowers: Yes.

Davis-Floyd: Exactly why did Shell want you? What was your role in constructing the stories?

Flowers: I wrote them. Which means I would do a draft of several pages every day and have the team tear them apart--they would argue over it--over the story, not so much the writing, but the story. Then I would go back and try to reflect the argument in the next version of the story. These are highly nuanced stories so *every* word mattered in the summary book. I did two books--the longer book, which was about 200 pages and is full of tables and figures, and then the summary book, about 65 pages. Then I did a video, and then I did a *really* short book to hand out when they were doing presentations at the UN, and places like that, which was only, maybe, 10-15 pages.

Davis-Floyd: You talk about the team that helped you. Would you describe the team?

Flowers: They were mostly from Shell. There were some outsiders drawn in just for that three-year period, including the head of the scenario process. There was a Canadian physicist, an Argentine economist, an American economist, a Belgian sociologist, an Oxford-trained mathematician, someone who spent the last some-odd years in Venezuela who was a historian, a Scottish economist, someone from Singapore, someone from Africa, someone from Japan, someone from Germany, someone from Australia. They shifted in and out. There were about twenty in all, counting some support people.

Davis-Floyd: So how did this process start--you got a letter or a phone call from Shell?

Flowers: Yes, from Joe Jaworski, the head of the scenario process. And he said, I want you to come over to London and write the scenarios. He said, there has to be an editor. And I want you to do a video, and design it.

Davis-Floyd: Did you know this man already?

Flowers: I knew him, although not well--we'd only met twice. I had worked with him on a book he is writing, called <u>Predictable Miracles: The Inner Dimensions of Leadership</u>.[2] It's about a successful lawyer in Houston who was doing fine until his father, Leon Jaworski, confided in him about Watergate--he was the Watergate prosecutor. And Joe had this incredible sense of anguish about the leadership in this country. And he gave up his very high-powered job as a lawyer--in fact, he helped to build up a firm--he was in the top one percent of litigators in the country. And he gave all that up, sold everything he had. And he ended up going on this amazing journey, this quest for how could you train leaders? He sold everything he had, and thought through it, and founded a Leadership Forum for the training of leaders in a different way. Which has had powerful effects in a few selected cities where it exists, but which mostly is a kind of paradigm of what one individual can do who is inspired by a vision and is willing to put a successful career at risk in order to join a larger game that he can't possibly win in the end. And it's from that position, as head of the American Leadership Forum, that Joe was chosen to head the Shell scenario planning process, for three years. But the way I had worked on the project before I suppose made him think that I shared a vision about the possibilities for the future that made him trust me as a writer. Because it was such a contentious process, he had to imagine that someone could imagine or see his vision.

Davis-Floyd: What was his vision?

Flowers: He very much saw a different--you could say a third--level to these scenarios which, in fact, the *team* began to see, almost like a far-off glimmery thing, by the end. Which was, that when you tell stories about the future, even if you're not claiming to forecast, there's some sense...that actually the future is the story you *choose*. Now that, that is very un-economic in its basis. It's not the "invisible hand" working out invisibly, like a machine. It's human beings coming in and saying "I choose Scenario A, not Scenario B." It's a different emphasis--it puts the human being more in the center, in very nuanced ways, instead of these huge impersonal forces. It's very subtle. But it makes a big difference. Because to tell an economic story in economic language, in which human choice is important, is *very* difficult.

Davis-Floyd: What was Joe's title at Shell?

Flowers: He was the Director of Scenarios.

Davis-Floyd: So they actually had a position "Director of Scenarios"?

Flowers: Yes!

Davis-Floyd: I mean, that's quite incredible. I don't think most companies have one on staff!

Flowers: No! Shell is the only one I know of who does it to such an extent. Now while we were there, and this is kind of interesting--you know, when we began doing sanctions against South Africa all over the world, Shell was one of the companies that decided to stay. They got lots of flack for that. But they decided they would stay and actively try to work in the country for change. They put up big billboards against apartheid, pretty strong stuff. One of the things they did was to do scenarios for South Africa. One of the fun things to do was helping to try to sort out how the workshops to disseminate these scenarios would run. We got to the table amazing people--the Minister of Finance, and far right wing separatists, and ANC people, and Inkatta people. What was interesting about the scenarios for South Africa was that the guy who spearheaded them, Adam Kahane, was so inspired by the process and by what it did--the fact that these scenarios generated so many conversations in South Africa that helped people work together better, because the scenarios are so non-threatening (it's just a story, after all)--he quit his job at Shell, after the scenarios, and moved to South Africa to do the scenarios full time.

Davis-Floyd: When Shell invited people to the table to discuss the South African scenarios, what did they tell them-- did they literally say, "We're inviting you to come help us make up stories" ?

Flowers: Um-hm, about the future. And they made up four stories, and they had very unthreatening names of birds. One was "Icarus" which is a rapid ride and then crash. Another was "Ostrich"---stick your head in the sand, not paying attention, hoping it will all go away. The good one was called "Flight of the Flamingoes." Everyone takes off together but slowly. The fourth was the "Lame Duck"--this would mean a long and wishy-washy transition. Then if you look at any particular event, and you say, "Well, what scenario is this event likely to lead to?" people can say "Well, I think that would lead to an Ostrich scenario, that belongs to the Ostrich scenario."

The Ostrich Scenario

The Ostrich depicts a government that does not want to face realities. An ostrich supposedly hides its head in the sand when danger threatens. The ostrich does not want to see, and cannot fly away, but has to lift its head in the end.

As a result of the steps taken by the De Klerk government and the outcome of the white referendum, the international community becomes more tolerant toward South Africa, and the National Party in particular. In light of this, the Government hardens its negotiating position. The liberation movements come to be perceived as too radical and lose support internationally, but maintain their bottom line nevertheless. A standoff results and constitutional negotiations break down. The government decides to form a new "moderate alliance" government which is unacceptable to the liberation movements. This results in mass resistance which the State suppresses by force.

Although large scale sanctions are not reimposed, the economy remains in the doldrums because of massive resistance to the new constitution. This resistance leads to escalating repression and violence, and the business climate worsens. This in turn leads to economic stagnation and decline, accompanied by a flight of capital and skills.

The government also fails to deliver on the social front. Resistance and unrest render effective social spending impossible and large outlays are required merely to maintain the status quo. Because the society's

major inequalities are not addressed, the vicious cycle continues. Eventually the various parties are forced back to the negotiating table, but under worse social, political, and economic conditions than before.

The Lame Duck Scenario

The Lame Duck envisages a formal, protracted transition lasting for most of the coming decade, like a bird with a broken wing that cannot get off the ground, and thus has an extremely uncertain future.

In this scenario, various forces and considerations drive the major parties towards a negotiated settlement. The present government, for example, recognizes the necessity or inevitability of extending full political rights to the disenfranchised, but fears irresponsible government. This fear is shared by some of the major international actors. On the other hand, the liberation movements fear a return to repressive minority rule if they do not make significant compromises. Such considerations lead to a transitional arrangement with a variety of sunset clauses, slowly phasing out elements of the present system, as well as minority vetoes and other checks and balances aimed at preventing "irresponsible" government.

Such a long transition of enforced coalition is likely to incapacitate government because of the probability of lowest common-denominator decision-making, resulting in indecisive policies. It purports to respond to all, but satisfies none. In consequence, the social and economic crisis is inadequately addressed. Even if the transitional government succeeds in bring goal-directed and effective, it will still be incapacitated because of the logic of a long transition. Uncertainty will grow regarding the nature of the government to emerge after the transition.

Regardless of how moderate the declarations of the majority parties in the coalition may be, fears of radical economic policies after the long period of transition will remain. Investors will hold back, and there will be insufficient growth and development. Ironically, the unintended consequence of a long transition is to create uncertainty rather than to enhance confidence in the future.

The Icarus Scenario

The third scenario is one of macro-economic populism--of a popularly elected government which tries to achieve too much too quickly, like the youthful Icarus flying too close to the sun. It has noble origins and good intentions, but pays insufficient attention to economic forces.

The government embarks on a massive spending spree to meet all of the backlogs inherited from the past. It implements food subsidies, price and exchange controls, and institutes other "quick fix" policies. The initial results are spectacular growth, increased living standards, improved social conditions, little or no increase in inflation, and increased political support. But after a year or two the program runs into budgetary, monetary, and balance of payment constraints. The budget deficit well exceeds ten percent. Depreciations, inflation, economic uncertainty, and collapse follow. The country experiences an economic crisis of hitherto unknown proportions which results in social collapse and political chaos.

Perhaps the most sobering aspect of this scenario of boom and bust is that the very people who were supposed to benefit from the program end up being worse off than before. Either the government does a 180-degree about turn (while appealing to the International Monetary Fund and the World Bank for assistance), or it is removed from office. The likely result is an abandonment of the noble intentions that originally prevailed, and a return to authoritarianism--as has been the case in many Latin American countries. Right-wing armies often stage coups under such conditions, claiming a need to restore law and order.

The Flight of the Flamigoes

Flamingoes characteristically take off slowly, fly high, and fly together. In this scenario, a decisive political settlement, followed by good government, creates conditions in which an initially slow but sustainable economic and social take-off becomes possible. The key to the government's success is its ability to combine strategies that lead to significant improvements in social delivery with policies that create confidence in the economy. Access to world markets and relative regional stability facilitate the flamingoes, but South Africa does not receive massive overseas investments or aid on the scale of a Marshall Plan.

The government adopts sound social and economic policies and observes macro-economic constraints. It succeeds in curbing

corruption in government and raises efficiency levels. It makes well-targeted social investments which lead to a decrease in violence and give people confidence that many of their social needs will be met in the longer term. Once business is convinced that policies will remain consistent in the years ahead, investment grows and employment increases. Initially this growth is slow, because confidence does not return overnight, but over the years higher rates of growth are attained, and an average rate of growth of close to five percent is realized over the period.

The overall income of the upper income groups grows between one and three percent a year, and that of the poorer classes by an average of six to nine percent a year, mainly because of the increase in formal sector employment. From the outset processes are developed which facilitate broad participation, creating the conditions under which it becomes possible to find a sound balance between social reconstruction and sustained economic growth. In spite of conflict between different groups and classes, there is substantial agreement on broad objectives.

Some team members believed that Flight of the Flamingoes could prove to be so appealing that South Africans might choose not to deviate from it, so a set of "Necessary Conditions for Takeoff" were developed. In the political realm, these included: a culture of justice, a break from authoritarianism, a bill of rights, proportional representation, and effective citizen participation. In the economic realm, they included: a market-oriented (not free-market) economy, monetary and fiscal discipline, increasing foreign exchange earnings by growth in exports and in tourism. Necessary social conditions included: more effective delivery systems for increasingly effective service provision, economic growth and, given the history of apartheid, some degree of redistribution, the curbing of violence, better education and training, improved nutrition and public health. The empowerment of women was seen as a prerequisite for dealing with social problems such as rapid population growth, educational reconstruction, and the spread of AIDS.

In addition, the scenario team stressed five general points to the South African public about "Flight of the Flamingoes": (1) The scenario is not a blueprint. While team members generally agreed on the broad conditions required for success, they differed substantially on the details. (2) It would be utopian to expect all of the necessary conditions to be fully met. Rather, the team believed that the outcome would depend on the degree of progress toward meeting the

conditions. (3) The future is not predetermined. It can be shaped by the decisions and actions of the major players. (4) Various groups, such as the right wing, alienated youth, a corrupt bureaucracy, trade unions, and disinvesting businessmen, each have the power to prevent the flock from becoming airborne. (5) Once airborne, even flamingoes don't always have a smooth flight.

Excerpted from "The Mont Fleur Scenarios," The Weekly Mail/The Guardian Weekly, South Africa, 1992.3

It's eye-opening. It allows you to have a very complex story which you can then talk about at a meta-level. See, for example, whenever we talk about health care reform in the U.S., we always get just totally embroiled in all kinds of arcane discussions--we don't even know if we're using the same terminology. If we're talking about "managed care," what does that mean to you, what does that mean to me? We have no way to talk about it except to reinvent the wheel every time we talk, or to have a very low-level discussion, very general.

What stories allow you to do is have a whole, completely fleshed-out story with a level of imagery, like "Flight of the Flamingoes," that encapsulates something about the story that allows you to refer to a much more adumbrated whole, so that you can talk at this level, comparing stories, without getting mired down in the details. But the details are there--which is what Shell calls "rich stories." So they have to be rich, *much* detail, many things all fitting together. We ran the numbers, I don't know how many times, to get it to work out, because you have to tweak this number and then run it through the computer and something else wouldn't work out if you didn't have right numbers--these scenarios are very *very* completely worked out.

Davis-Floyd: You went over there to be the Editor, to bring all this information together. What kind of facilities did they provide you with?

Flowers: A regular office. I was in there alone for 10-12 hours every day. I mean, it was a real press. The last editor had had to get a private office so no one could come lobby him. I mean, he had to get a *secret* office. It was a very pressurized situation.

Davis-Floyd: Why did people lobby the last editor?

Flowers: Oh, I got lobbied--all over. Because the way you tell the story influences the way people think about the future. So if you say

coal will not do so well because it pollutes, the coal people all over the world will get upset. So every sentence I wrote was faxed around the world to these different interested parties, you know.

Davis-Floyd: And did you get grief, if you said something like that, like "coal will not do so well"?

Flowers: Yes. Now, when I say "I," it's the team writing these stories, and figuring out what they would be. When I put them together, I had to make them congruent, and sometimes shape them more than others, but when it came to specific things like coal, or chemicals, where every sentence was run by the people in the field, then one of the technical guys would kind of spearhead what the story would say, and then I would write it.

Davis-Floyd: And what it said was based on the numbers, on all these projections that they were making?

Flowers: Well, you start with the story, and then you feed in a number and see how it turns out. If it doesn't turn out the way you have been claiming, you have to change the story slightly. So it's always a dialogue with the numbers.

Davis-Floyd: Because what I don't understand is, if you're not doing straight-line projections from numbers, then how can they be so influential in the story?

Flowers: Because they're compelling. Numbers are compelling, psychologically compelling.

Davis-Floyd: But, what, how--

Flowers: Oh you have to start with real numbers now, because it's 1992, not 2020. So you can't just make up a story like, Suppose that gasoline were so much a gallon--no. You start *here*. And then you have certain things happen that change the price, if you're talking about gasoline. I mean, we had political stories and religious--you have this happen there, and this has this effect. And you have this happen there, and then this happens.

Davis-Floyd: Like for example, you say maybe there's a war in the Middle East, or Bosnia erupts into a larger regional conflict--something like that?

Flowers: Yeah, although we tried to keep that to a minimum. We tried not to "cheat" by having a big event that would change it in the direction we wanted it to change. We tried to be as subtle as possible. So if you made a small decision here, you could see the large consequences down the line. So we didn't, we had maybe one big political thing. We flirted with a war over water around Turkey. And we had a few little blowups here and there, but we didn't have a major thing, because that's kind of cheating. I mean, there's a whole sort of culture of telling scenarios, which is to be as conservative as possible, in order to see consequences of actions that in fact you're taking now.

Davis-Floyd: So what kind of big political thing did you pick--a war, a revolution?

Flowers: Um-no, not a war or revolution. It had to do with a cabal among suppliers, energy suppliers, in a certain political context to do with the royal family of Saudi Arabia, which we then had to cut out because of its political implications, because of the oil fields. So we toned that down and made it another kind of story that didn't involve political upheaval, but just an oil thing.

Davis-Floyd: Did part of your storytelling involve projecting what would happen in Eastern Europe?

Flowers: In one story, Eastern Europe becomes Balkanized. In another story, it sort of, you could say its on the road to being a kind of part of the EC, through a long, complex series of things I can't really go into. But, yeah. So in one, it's drawn more into the border areas of the European community, and in another, it's like you can see in Yugoslavia.

Davis-Floyd: Did your stories project that the EC would work, would become a viable economic unit?

Flowers: Totally different, totally different stories--two very different stories about that.

Davis-Floyd: One story that it does work, the other that it falls apart?

Flowers: No, it works in two different ways, that have different economic and social consequences.

Davis-Floyd: Did your scenarios predict, for example, that Japan and Asia would take on greater and greater roles, or that there would be

some sort of a balancing between their increasing economic power and the economic clout of the West?

Flowers: I think in both stories, China particularly takes on more of a role, in different ways--very different ways.

Davis-Floyd: But in both stories, China moves ahead?

Flowers: Umhmm, umhmm. [*looks at me like "don't ask any more."*]

Davis-Floyd: Did you have fun while you were doing this?

Flowers: Fun--it was exciting to be on such a steep learning curve, so I think I was having fun! but--*[laughs]*

Davis-Floyd: Was there a lot of deadline pressure?

Flowers: Yes, every day.

Davis-Floyd: How long was this process?

Flowers: Four months.

Davis-Floyd: And why was there so much pressure every day?

Flowers: Well, you had to keep rewriting the thing, and, in terms of printing deadlines, there was a due date on which these things had to be disseminated world wide, and I had to have these two volumes and a video done, and produced, by that time. You know, the colors right, and the paper right, and all this kind of stuff. And various things happened, along the way--you know, you always get differences of opinion. People would go on vacation and they would be strong people, and while they were gone the story would change, slightly, and they would come back and be upset and lobby to have it changed back, so we were always fighting over the story. And then we drew many more illustrations than we could use, and people would insist on their favorites. They were always changing the numbers, running the numbers again, which would change the illustrations, and change the story. So it was, you know, a kind of battleground, pretty bloody, actually, from time to time.

Davis-Floyd: Did you get emotionally wounded in the process?

Flowers: No, I couldn't, because early on I realized that there was a testing process going on. In fact they told me at the very end, at the going away party, that they tried to break me at the beginning. So I knew that part of the whole ordeal was to be as unflappable as I could be, and still get the job done, and still be passionate enough to write good prose.

Davis-Floyd: Why did they try to break you at the beginning?

Flowers: Well, I think there were a number of reasons. One was just to see who I was, because--see, they had been working together for three years, and these things were important to them, and to their careers. And they were a little suspicious at the story the head guy, who was an American, was telling, and they knew that when the crunch time came--there is always a crunch time in these sorts of projects--I'd have to be able to hold up. So I can see why they did it.

Davis-Floyd: So they had been working for three years gathering all this data, then you show up, and did they immediately start feeding you the data?

Flowers: Yes.They gave me piles of stuff, *piles*. And then I heard each of them tell the story as they saw it, and they were utterly different.

Davis-Floyd: Sitting around a big table for a day or two?

Flowers: No, I went individually to their offices. Eventually we would start meeting together, but there were different factions with different stories so it was quite a political process, learning who had power.

Davis-Floyd: Did you ever go off for a retreat?

Flowers: Yes, we all went off for a retreat, to tell the story completely, so that we'd all hear it, and especially so I'd hear it, and get it down. But different people told different parts of it, and other people kept quiet when they violently disagreed, and waited till they had a strategic moment to violently disagree.

Davis-Floyd: Were you taking notes during these sessions?

Flowers: Oh, yes, madly.

Davis-Floyd: No time for tape-recording because you couldn't transcribe the tapes?

Flowers: No, I didn't have time!

Davis-Floyd: High stress, high intensity, exciting--

Flowers: Yes, it really was.

Davis-Floyd: Were you in any danger of getting addicted to adrenaline during this process?

Flowers: No, because it was very wearing, too, and I generally like a little bit more leisure, I think. Although the people were so intelligent,I did get addicted to being around them, because they were so much fun--very high energy and bright.

Davis-Floyd: It is addicting to be around intensely intelligent people-- you're always stimulated.

Flowers: Um-hmm. They complained about everything, from the serial comma to the Cavafy quote I put at the beginning, *"There are no more barbarians"*--you know, what do we do now that there are no more barbarians? And one of the guys who was in charge of the Iceberg Data Base--a top secret data base with all kinds of statistics about oil and everything else--complained because I hadn't kept it in the original Greek! So when I was about to leave, he gave me this beautiful thing with a fractal image that he had run off on his computer, and the original Greek of the bits that I had quoted from the Cavafy poem, and I took it outside and was walking down the hall looking at it, because I had just opened it up from my mailbox, and the first person who came down the hall, who was someone who had been in some kind of new heavy motor oil, looked at it and started translating it. You know, looked over my shoulder!

That's just kind of an example of the kind of wit and fun and good education that was so much a part of the people at Shell. They had all lived all over the world, because Shell moves its people every three years to a different country. So they had lived *everywhere,* and the tales were just wild.

Davis-Floyd: How did the team feel about the scenarios once they were finished?

Flowers: Well, they were a bit dubious, all the way through. They were dubious about the story we were telling. They were dubious about my being brought in. They were just *dubious*. But since Shell

began disseminating the scenarios, the feedback they've gotten, if I can believe what's being reported to me, is that they are the best set that's ever been done there. They've had quite a response, and a lot of extra governmental agencies wanting to have scenario presentations. So I feel good about them.

Davis-Floyd: I get a fairly clear picture of what has happened to these scenarios so far--they are out there in the world being very active. And they're used in seminars all over the place and people react to them, and are using them within Shell--just within Shell?

Flowers: Yes, the corporate managers within Shell go through these workshops, that are honed down very tightly, where the scenarios are presented, and then a bunch of events are put up--in fact, Shell has kind of patented the process of these workshops--some events are put up, and they are put up in terms of time and area--

Davis-Floyd: You mean real events, events that have happened?

Flowers: That have happened and that could happen, according to the scenarios. So you begin to see events now that have happened that could happen in the future that are consonant with the story. Then you begin to see patterns that emerge, and actions that you would take into that kind of future. So there are even more details that participants themselves come up with.

Davis-Floyd: So this process then would make you hyper-conscious about--

Flowers: Weak signals--*weak signals*. That's their terminology, meaning that you get faint signals of something about an emerging trend, and you learn to be conscious of those, because this process they teach in the seminars through the scenarios attunes you to these weak signals from the environment.

Davis-Floyd: So this is a process of attunement and the idea is that as you become more and more hyper-conscious about how different events can lead to alternative futures, you begin to be able to read the future as a text, almost as emergent before it's quite there--

Flowers: That's right.

Davis-Floyd: So then you can make your business decisions based on those probabilities that you're seeing emerging--

Flowers: Then it gets even more mysterious, because then you begin to see that *the future is what you use to create the present,* and that the present that you then create will create the future that you want. I mean, it's chicken-egg. It gets very curious. So you see into a future, you see this way and you see that way, and then you use this future that you'd *rather* have to create the present.

Davis-Floyd: So it becomes a very strong cognitive feedback loop.

Flowers: Yes. Even though they don't even exist--those futures. It's really fascinating, *really* fascinating talking about them. And over the period of four months I could see these stories, mere stories, begin to take on life, vitality, depth, in the group, working with the group. So by the end, it's not so much that we were believing them, because they had such power and palpability--maybe, maybe we were. I'm not sure. They took on a life of their own, these stories.

Davis-Floyd: I'll bet. What values were stressed in these stories, these self-consciously created myths?

Flowers: In one, the value of individual/group ethnic diversity--"*doing it my way.*" And in the other, the environmental values of cooperation and a long-term good future for everyone, because we're all in this together. That's oversimplifying it a bit, but it would be fair to say that. The first scenario stressed nationalism, bettering your own group, acting in your own self-interest. The other one had acting in your self-interest, but your self-interest was more enlightened, or broader, and included other people than yourself. So there was much freer access on all sorts of levels--many more horizontal linkages, much more cooperative interaction.

Davis-Floyd: While the other, "the bad story," is more vertical, more about one group dominates, that sort of thing?

Flowers: Um-hmm.

Davis-Floyd: Was there general agreement among the team over what values would be emergent in each story? When people fought over things, were values one of the things they fought over?

Flowers: Yes, they fought over having any values in there whatsoever besides economic self-interest.

Davis-Floyd: Oh really? Why?

Flowers: Because they're all economists. See, the only way to tell a believable story is to tell it in economic terms. That's why I went over there--to learn how to tell a story in economic terms. So, this is what I'm saying emerges from the stories, but that's not the *language* of the stories. The language is very hard-nosed, about this kind of thing happening with that linkage in order to predict this result. But that in fact is what drives a different decision about what you do.

Davis-Floyd: Right. So the value is implicit in your discussion of the linkages, for example, in the good story, or implicit in your projections of what happens with ethnic strife in one's own self-interest in the bad story.

Flowers: Yes, it's implicit. Now, I did manage to put in some things, sort of "over their dead bodies." I did talk about fear, in the negative story, and I did talk about a kind of acceptance of change, in the positive story. I did use those psychological terms, you know--in spite of the pain of change, accepting it, and working within it, instead of resisting it. I talked in psychological terms to get the stories going in different directions, as if there's a dividing point--you can either accept these changes, or resist them, and then go back into old ways of doing things. I mean, that's oversimplifying, but it's the best I can do without revealing too much.

Davis-Floyd: Did these economists have any sense of the psychology that goes into making up a human being who will accept change or who will resist change?

Flowers: They did in terms of nationalism--fear, and nationalism. That was very strong. And the underlying assumption about people of the economic myth is that we're all motivated by selfish self-interest.

Davis-Floyd: Do you think that's true? Do you think the economic myth is correct when it says that self-interest is the motivating factor?

Flowers: It is if we're in that myth! I don't think it's necessarily correct--we have the capacity to be motivated by different things, and have in the past. But we are *in* the economic myth, and so for the most part we are very much influenced by that set of motivations. So if I'm interested in changing the world, I'll work through business, and I'll work through the notion of self-interest. In other words, I wouldn't go out and say "Here's the right thing to do," I would go out and say "Here's the thing to do for your long-term enlightened self-interest."

One of the quotes in the scenarios was by Kaku, who's head of Cannon, in Japan, which is a vastly successful company. And he says that the only institution whose self-interest coincides with global self-interest is a multi-national corporation. Many corporations are beginning to become conscious of this. This past weekend I was in Boston at a global citizenship conference that was about the interface of education and global business. In the same way that the church influenced education, and then democracy influenced education, and then the state, now it's *corporations* that are coming in with new ideas about education--all over the country, all over the world, actually. They're becoming very conscious of what they do to influence schools to produce the kind of people they need...*because of* their enlightened self-interest, and, as they see it, the interests of the world.

Davis-Floyd: When you talked about Shell as a largely decentralized corporation, I suddenly realized how powerful the stories must be at the ends of the-- You know how if you diagram a corporation you go out to the individual units out there in the field where the action is, where it's most profoundly and immediately happening? If those individuals are the ones that are perceiving trends because of the stories, because of what they've been taught in the seminars, and then acting immediately, what you have overall is a corporate structure that really looks very much like an octopus with a brain in each arm--

Flowers: --yes--

Davis-Floyd: --instead of a bunch of boxes, like IBM used to look--

Flowers: Yes, Shell is very fluid, very decentralized--so they can make quick responses on the ground, like one arm of the octopus reacting to a change. I think that's one reason for their success, and their longevity.

Davis-Floyd: And of course that is very much in keeping with the vision of this Director of Scenarios that you talked about--his vision for individual choice.

Flowers: That's right!

Davis-Floyd: This is very impressive, really. It's not your usual business story. Do you see other companies doing this sort of thing very much? Is Shell really the leader out there? Are there other companies flocking to follow suit?

Flowers: There are some who do scenarios--I don't know that they commit as much as Shell commits. I don't see any doing that. I think Shell, because it's been around so long, is able to make decisions in a different way. And because it's so international. They've got so many people all over the world, of different nationalities, so you can't be so boxed into the story of values that, say, the English represent--at any given time in their executive lunchroom where I ate, you could hear all these different languages going on.

Davis-Floyd: So they don't identify themselves with particular countries, not even England and The Netherlands?

Flowers: Not really. They really think of themselves as a global corporation. That's their consciousness--it's a global consciousness. And then the reaction to these stories filters back up gradually into the back end of the planning department, so you get the responses to the stories too, gradually.

Davis-Floyd: What does the planning department do with these responses?

Flowers: They take them in for the next round of stories.

Davis-Floyd: Why do you think this project matters, in the end? What differences will it make in the course of corporate, human, or planetary history?

Flowers: Goodness, who can tell? I'm not into forecasting! *[laughter]* But I can tell a story.

Davis-Floyd: Tell me your story about the importance of these stories.

Flowers: Well, for me, they're important in a whole lot of different ways. One way had to do with the whole South Africa thing. I observed what a difference the South African scenarios made. I heard preachers in their sermons referring to these scenarios, and ladies in the boondocks calling in on radio talk shows saying, "I'm afraid we're going in the direction of Ostrich scenario." It was important to see how a language of story could appeal so much, and become a language that *all levels of society* could enter into for the sake of democratic discussion.

And there are a lot of people now, like Global Business Network, who are doing scenarios. Almost all of them have come from Shell. They spin off and do their own sorts of things. And you'll see these little things--there was a little book published last year called <u>The Art of the Long View</u>--it's all about Shell. This stuff is sort of disseminating now. I saw the scenarios for the California System of Higher Education--four different stories of a possible future. They were done by ex-Shell people. So there are all these little pockets of this stuff that's specifically from Shell.

For me personally--I learned a tremendous amount about working in an economic language, about the power of story, even when it's so narrowly defined that you have to use numbers to tell it. It taught me a lot. So what difference will one individual's learning make for the future?--or many individuals? I don't know. But I do know that we're starting to talk about changing the story of America, and the story of the American dream. If we can go from belief, from holding ideas as beliefs to holding them as stories, then there's a possibility for change at a very profound level. And not the change that comes from somebody from above saying "you *will* do this" in a certain way, because there is more power in disseminating stories than a five-year plan. No central government can be wise enough to give a plan. That's *my* belief. I'm enough in the economic myth to believe that the invisible hand *is* wiser than any particular hand anywhere.

So then the question is, How do we become a community? How do we operate in terms of the large self-interest? Because the economic myth does not allow you to do that. It's wrong to think that the invisible hand is a benevolent hand. It's very effective, it's very powerful, but it's not necessarily benevolent, especially for the powerless. So in this instance I think that stories that have values implicit within them, that are compelling, that become common, are very powerful. They're not directive, they're suggestive.

Davis-Floyd: So, if you wanted to use scenarios to transform health care in the U.S., for example, how would you go about it?

Flowers: I would work out three very different scenarios for health care, and then float them around the country, not as plans to be adopted, but as stories--and see how people respond. You know: If you adopt the Canadian system by the year 2000, it'll look like this. But good *and* bad. A scenario has to be perceived as a real story, and not just propaganda: if you adopt managed competition, what happens here and what happens there? and you tell that story. And you

disseminate these stories, and then people can talk about the *stories*, and not have to stand on positions politically about something. Then you can have a real discussion, and not an argument.

Davis-Floyd: So then when it's time to vote on legislation to create policy, they'll have more consciousness about the implications of the vote, rather than getting narrowly trapped into protecting the AMA, or whatever, they'll see it a more systemic way, even.

Flowers: Yes, and that allows you to build a coherent policy. As it is now, we're going to have a little bit of this and that, depending on which pressure group is strongest, and when you get a hodgepodge, it can tend not to work, because it's not coherent.

Davis-Floyd: Yes, stories are coherent--they have a beginning, a middle, and an end, things lead to other things, and you can see relation and causation.

Flowers: Exactly, that's their power, is the coherence. Not coerciveness, but *coherence*. It's related, I think, to Wittgenstein saying ethics and esthetics are one and the same, and I think he was talking about ethics, which is an esthetics, which has to do with order, and the principle of harmony. Stories have coherence and harmony, and that can actually make things happen in the world, in a way that laws cannot, when you have different ethnic groups, and different value systems. So that's how I would have done it, very different from the way they're doing it.

Davis-Floyd: I understand.

Flowers: And then, when you talk with someone who is saying, "By God, we need to have X as our health care system," someone, even a person on the street, can say, "Well, you know, that's really a part of "Flight of the Flamingoes," that's really a part of that other story--you know, what does that belong to? Because it's always a fight among "goods." So if someone says, "We need to have kidney dialysis in every primary school for the people on the block"--who's gonna say no? That's a wonderful idea--it's just that it doesn't fit the story of "preventive health care," for example. It's not that it's good or bad, it just doesn't *fit*. So then you're judging on what fits, and not what's good, because there are too many goods. Too many "goods," that's the problem with the economic myth.

Davis-Floyd: So, for example, a kidney dialysis machine on every block wouldn't fit the story of a decentralized, less technological, health care system based on preventive medicine.

Flowers: Right. It wouldn't fit that health care policy. Massive bone marrow transplants in the last year of life of someone dying of leukemia, or some kind of cancer, fits "managed competition," but it doesn't fit the preventive story. It doesn't *fit*--you don't have to say it's good or bad. Your grandfather's dying--who's gonna say those transplant are bad? You don't have to argue it on moral grounds, which is what we're continually doing in America. When we argue on moral grounds, we have to make someone wrong. And that's a losing proposition. If you argue on the grounds of *fit*, then you don't have to be wrong. I think that's why a story has much more power in a diverse society. In a homogenous society, you have the luxury of having beliefs, because everyone believes the same way, and you have a value system and you can make decisions based on values. In a diverse society, you do not have the luxury of operating on belief, I don't think, but on coherence.

Davis-Floyd: So of course that's why stories become so important-- because they're only stories. But as stories, not only are they coherent, but they focus attention on certain issues without demanding belief--

Flowers: Right!

Davis-Floyd: --so you can see implications and you're free from all those moral restrictions that make people so livid and rabid and unable to think any more.

Flowers: Yes, that's right. It really has to do with the strength we have as a nation, of trying to find the "right." Because we're trying to find out who's right, and there are multiple rights, we're in a kind of gridlock. Whereas if we have coherent stories, we could get out of some of those areas of gridlock without having to make someone wrong. Because when someone is made wrong (and they're not--in most cases, they have a point), they can cry "injustice, injustice!"-- and make a law, and so we have all these ad-hoc mutually contradictory bureaucratic things going on that do not allow us to move forward.

Davis-Floyd: There's a little schema that I find useful for discussing cognitive styles. Stage One is either/or, black-or-white, fundamentalist

thinking, and Stage Four is highly relational, non-judgmental, comparative thinking, in which the world is replete with options and there is no one reality. Stories are a Stage Four phenomenon, really, when you understand them *as* stories. In Stage One, everybody tells the same story and believes it. But in Stage Four, *fluid thinking*, it's all *just* stories. Stage Four is more adaptive in conditions of rapid change, so it's a good thing we're becoming a Stage Four society. The problem of course is that this Stage Four society is full of Stage One people, and Stage One groups. The dynamic that I see is the one between *fluidity and fixity*--this constant tension between looking at reality as a set of stories, and looking at it as Truth. What's good for the country is the fluidity of the stories, but it's so hard for individuals who deeply *believe* a story to step outside of it and allow it to be fluid.

Flowers: That's right. Which is why I've given my life not to preaching any particular story--I don't have any particular thing I'm selling by way of content--but to *changing the way we hold stories*, as a kind of first step. That to me is a form of literary criticism, and so back to my discipline--it's a way I define myself in relation to my discipline, which nobody else in my discipline gets! I mean, this is truly a "discipline of one," in this case. But if someone says, What does all this have to do with you being an English professor? it has *completely* to do with it, through a redefinition of what a literary critic can do if a literary critic is interested in society as well as in criticizing stories.

Davis-Floyd: So your role is one of a *culture* critic, someone who is able to help people become conscious of the stories that they're telling about themselves and about the world.

Flowers: Yes, a culture critic from the perspective of literature, fiction--so it would be closer to a movie reviewer than a sociologist, or pollster. It has different rules to it, which we don't recognize, so it would be very hard for me to have any authority speaking, because the rules of culture critics rest on some kind of evidence that isn't fictional--statistics. We do go with statistics, even though we all know what they may or may not represent.

Davis-Floyd: Movie reviewers, for example, know that the movie could've ended any way that the script writer and the director chose for it to end. So they are completely free to criticize, because there was complete freedom on the part of those creating the movie to make it go any which way. But what *you* know is that culture-wide, we may actually have the same choices, not quite so freely as in a movie, cause we are dealing with large forces, but it's back to the vision of

the Director of Scenarios--there is this powerful role of individual choice. So if we're free to see it as stories, and to see the directions the stories will move us in, we're much freer to make those choices, to come consciously as a culture to where we want to end up.

Flowers: Yes.

Davis-Floyd: Do you think that we can do that?

Flowers: Well, the South African thing was very hopeful. I didn't go to South Africa to do the workshop--I just helped plan it. But when the head guy came back, and was talking about it, it was clear that you could do that, you could tell scenarios in such a way that I wouldn't have to stand on position and argue with you, but could actually yield my position in the interests of the story. I couldn't yield my position per se because then I would be a betrayer. But I could work for a story that *in effect* made me yield in terms of the timing. Like if I'm saying "End apartheid now," I have a very strong moral position, and I can rally the troops behind me. It doesn't matter if ending apartheid tomorrow creates total chaos and in the end, a fascist government, or whatever. But if I've worked it out, and I see that "End apartheid now" might be "The Flight of Icarus" and that doing this interim thing, and finally having elections in April, is "Flight of the Flamingos," then I can be in coherence with a story in a way that I couldn't, otherwise, without betraying my position.

Davis-Floyd: How did you get interested in myth in the first place?

Flowers: There are a lot of ways to tell this story, but if you were going to be psychoanalytical about it, I would say that my parents were very different in how they saw the world. I observed my father making one story about the same event and my mother making another, and that it was her *story* that would cause her grief or discomfort, and that my father's story actually created smooth sailing for him. I realized that the difference lay not in what was happening to them, but in something very different in the way that they were *thinking about it*. And that taught me to be on the alert for the stories people were telling to interpret their experiences.

Davis-Floyd: Were you ever able to actually articulate for yourself what the story was that your father was telling about the world, and the story that your mother was telling?

Flowers: No, I was only able to see it in specific instances. I found myself sometimes trying to tell my father's story to my mother so she wouldn't be upset, telling her, "I think he thinks this" or "he sees it this way." I just knew that I could change the reality of what happened by changing the story, and that she could.

Davis-Floyd: So then, how did you explore that academically?

Flowers: Well, there's not really a field called "changing your story" [*laughs*], except for psychoanalysis to some extent, but they're caught up in their own story! So I did read whatever I could about psychoanalysis--more psychoanalysis than psychology, because I wasn't so interested in scientific experiments that count the numbers--how many heads do this, you know, because they're in the economic myth, too, about statistics. We all are. We're statistic-crazy because we *believe* them.

But, I was interested in psychoanalysis because it's the theory of story as it relates to the human being. So I read Freud and Jung and Adler, whatever I could get my hands on. It was fascinating to me. It made me look at life differently. But I also felt that their stories were somewhat limiting, that they were caught in a founder story, as many religious groups are--in this case it's a Freudian story--and that the founder story had certain limitations, particularly if you were a woman, and also spiritual limitations. There was not very much room in the myths of psychoanalysis for transcendence or for other experiences that didn't fit that story. So then I began looking around for other ways of telling the story. It seemed as if no one had the whole story in the way that I liked it. I write fiction, too, and poetry, so I thought well, what would life look like if I do a different story?

Davis-Floyd: Is that why you picked English as your major rather than Psychology, for example?

Flowers: Yes, although it would be hard to say I could have articulated that back then. I was very interested in the stories people told about reality. For my PhD, I went to the University of London and worked with the British Museum on Browning's influence on contemporary or modern poetry. And I came to realize that to tell a story of influence is to *make up* lots of stuff. So I was continually having to tell the story in a more muted way because you couldn't say--um--there are certain stories The Academy is allowed to tell, and others stories that it isn't. And part of graduate education is teaching students what stories are permissible in the discipline. And so what I

learned in London was what stories were permissible, *how to tell a story in the discipline of English*. But what I found constricting was that "how to tell a story in the discipline of English" did not include how to tell a story that made any difference to what was going on in the world around me, except as it made a difference in individual lives.

But the great cultural stories, which to my mind were the stories of business as it was happening, were not told in literary ways, and it struck me that if I wanted to study the stories that were influencing us now, they were not the stories from religion. Most literature arises from the heroic tradition or the religious tradition--a little bit of it from the democratic tradition, not too much--enough so that it's about salvation in some form or another, even if it's not explicitly Christian or theological. So, if you were interested in what was going on in the world, the stories going on in the world, you had to do something else. That's how I got interested in myth theory, if you want to put it that way--learning about and reading about myth, because that seemed to back up and have a more architectural approach that would allow me to look at larger stories.

Davis-Floyd: Who are the storytellers in the business world?

Flowers: Well, there is this myth that--it's the *myth*, it's not that they're telling individual stories. There is a myth which you can see in advertising that has to do with the things myths always have to do with--*salvation, beauty, power, truth, love*--and it has to do with *more and better things*, and *the right way of doing things with things*. And so the myth-tellers are the marketing people, you could say. Advertisement tells this story, this myth in which people are embedded. But the measurement of the success of the story is not the applause at the end of the performance or how many people join up with your religion, it has to do with the bottom line. And you can tell a story about your own product which is embedded in the larger story of the culture, and you can tell immediately how effective a storyteller you are by the bottom line.

Davis-Floyd: What happens if people don't like your story? They don't buy the product?

Flowers: That's right. Sometimes they buy the product *because* they like your story. I think it's very interesting now to see the battle in Europe, or even here, between Haagen Daas and Ben and Jerry's. I mean, basically they both make ice cream. But the Ben and Jerry's story is "We are ecologically sound--we're *really* selling the

environment." And Haagen Daas typically has been selling *pleasure*. Now it's a toss-up as to whether we're buying the story of pleasure or the environment. I mean, both of them have to do with purchases of certain milk products, but, you know, it's how the marketing *story* goes. And Haagen Daas is very consciously trying to change its story because the '80s are over and that self-indulgent pleasure is a little on the wane. See, both of those little submyths are part of a larger myth--

Davis-Floyd: --which is?

Flowers: The myth of the power of things--the right thing, the best thing, or more things. See, we're not arguing over whether we should buy ice cream at all--or make it--

Davis-Floyd: Yes, it's fundamentally taken for granted--

Flowers: --that we're going to buy *something*.

Davis-Floyd: Yes! When did you first become aware of the role of myths in business? When did you first start looking at how business stories were *stories* that weren't told? I mean, most people don't think of businesses as having stories, much less telling them, or of myth as having any role in business. When did you first start to figure that out, and why?

Flowers: I grew up without a TV. Most of my friends in high school did have TV. And I was aware that they saw the world a certain way that had to do with things I wasn't seeing. It wasn't just that they knew things I didn't know, but that they assumed things about--the power of lipstick, or something, that I didn't. Even though I wore lipstick and liked it, it wasn't *numinous* for me. But it was for them. And it made me very curious. And then I got very interested in ads, in just how ads were constructed. They were by far the most brilliantly produced things on television. Much more thought went into the language of advertising--and I'm interested in language, as a poet--than the language of the scripts, of the shows around the advertising. I became aware that the *real* story was being told there, in the ads. Some of the ads are brilliant. There are a lot of implicit stories in the ads. And they have to do with happiness, well, with all the things stories have always had to do with, with the "good news."

Davis-Floyd: It's amazing what a profound story you can tell through a series of images that take maybe 30-40 seconds to watch. If you were to write that out, it would take maybe 30-40 pages.

Flowers: Oh, yes, because imagery--it's the "picture worth 10,000 words" type thing. Part of the power of the economic myth is that it's told in numbers, which is a world-wide language, and in imagery, which is also world-wide. We don't need to be impeded by language barriers. We're building a Tower of Babel.

Davis-Floyd: The economic myth is creating a truly transcendent medium of expression.

Flowers: Yes, you can show all over the world, even in poor countries, a satisfied person, even with a different ethnic face, getting into a Mercedes with a grin on his face and with his arm around a blonde or something and right there is a whole message about life that's similar to the Gospel being spread. It's the good news, and we want it!

Davis-Floyd: Pick some other companies that you've thought about and tell me their stories.

Flowers: There's a whole corporate literature which I'm not that familiar with, where they talk about "corporate culture" and "founding stories," like the "IBM Founding Story" and the "Xerox Founding Story," and certainly the "Sam Walton Founding Story." McDonald's has a strong Founding Story. So, there are myths within individual corporations that tell their story. And then there are myths of management that help keep things together, which often have to do with what the mission of the company is, so that they're selling not products but they're selling *hope* or they're selling *truth* or they're selling *justice*--these larger things. So there's *that* aspect of storytelling in companies.

Now Shell was a different thing because Shell is actually thinking about the future apart from its company, although the company is embedded in it. The job at Shell didn't have to do with talking about the future at Shell, but the future of the world. The way they used "story" was very self-consciously, not just as a marketing thing, but looking at the world in terms of story.

Second Interview, Spring of 1995

Davis-Floyd: Betty Sue, I've been eager to tell you that since our earlier conversation, whenever I run into anyone from South Africa, I always make a point of asking them about the scenarios, and they all know the stories. They tell me all four stories, and say that clearly "Flight of the Flamingoes" was preferable, and that everybody in the country knew the stories, and that those stories made it possible for people to understand that *this* decision leads to "Flight of the Flamingoes," and this one leads to "Ostrich," and this one to "Icarus"-- so it became not about your group wins versus mine, it became, "This works--this *works*!" So that kind of storied thinking helps me to understand what you mean about creating scenarios for health care, rather than arguing over legislation.

Flowers: Yes. The practice will change as a consequence of the story changing, rather than the government trying to direct the practice.

Davis-Floyd: How have the scenarios you wrote been received?

Flowers: Very well! They've been presented--I should give you the list, because I don't remember it all off the top of my head. They've been presented to the G7, and the UN, and the European community, and the French government here and there, and to different nations around the world, and the World Bank--just a lot of different places. And, I have seen evidence of their leaking out in various journal articles--in <u>Foreign Affairs</u>, for one, and in a speech I heard given by someone from Washington, who in fact had been in on the Shell briefings, as I discovered when I talked with the speaker afterwards. So the story is getting disseminated, in various forms. And for the very first time, they are using the same story--just tweaking it a bit, for the next round, and then adding two dimensions on to it--the human dimension, and technology. So I'm going back this summer, to tweak. But it will be the same basic story, because the story I wrote has lasted.

Davis-Floyd: Both of the ones you wrote?

Flowers: Yes.

Davis-Floyd: Why did they decide to keep the same stories?

Flowers: Because they are still alive. See, when a story has power, when it still explains things that you feel are coming to you from the future, then it's still useful to tell it. When a story loses power, it doesn't get told any more. So they still want to tell these stories. And

they do it in a story-telling fashion--it's not like they become any more or less true.

Davis-Floyd: And what kinds of changes does Shell want to make in them?

Flowers: I won't know exactly till I get there--but they want to add two dimensions, extra bits to them, one on humans--the new relationship of people to their work.. And then another dimension--technology. We dealt with technology, but they want to do a whole big thing on it. And those are two areas I'm very interested in, so I'm really eager to go back.

Davis-Floyd: Tell me more about this new relationship between people and their work.

Flowers: Last time I argued strongly for a section on the human being, which I said would be true for either scenario--that workers were going to demand more holistic attention, that they weren't going to be machines any more, that they would look at their jobs as their lives, in a way, and would be more attracted to what gave them a larger sense of themselves. It's a little more complicated than that. And we had this story, and it was a huge story, and we kept trimming it back, because people didn't think it was very important, and finally it was thrown out altogether. And I made a big argument, and won over the head guy, to keep it in, and we just insisted on it because it is true to *both* stories, which hadn't happened before.

Davis-Floyd: And why did some people want to throw that out?

Flowers: Well, it didn't seem to be as important at the time, as all the economic and military things that were going on in the scenarios. I would say it's still pretty controversial--people will say no, people just work for the money.

Davis-Floyd: Tell me what difference it makes to encode something like that into the scenarios themselves. In other words, you were saying this is so important that it should be in the story, and they're saying well it may be true but it's not important enough to be in the story. What difference does it make to have it in or out of the story?

Flowers: It raises the issue, it raises the question to talk about. The stories are starting places for discussion, really. What they do is throw light on things that managers can look at. If the light isn't thrown on

that dimension, then it will not stand out as a subject for discussion. I wanted to see it in the conversation, I wanted it to be talked about.

Davis-Floyd: I've been trying to ask people in the business world if they have heard about the Shell scenarios, but so far I have not encountered anyone who has heard more than a tiny bit about them. Last night, I did overhear a conversation between two businessmen at a restaurant, which sounded very intense and very global, so I interrupted them to ask if they had heard of the Shell scenarios, or of scenarios in general. They hadn't, but they asked me what scenarios are. When I explained, they immediately started talking to me about chaos theory, fuzzy sets, and neural network theory.

Flowers: Those are the buzz words now! and they are all part of the scenario process.

Davis-Floyd: What have you learned about the scenario-writing process, or about scenarios in general, since you left England?

Flowers: Wow! Well, I've learned, for one thing, about how easily companies can believe their own scenarios, which started off as fiction but up as "fact"--I guess because of the natural human desire to make something that's real--so that by the time you finish with the scenario, it is carried around as a prediction, rather than a fiction. Very few companies have the courage that Shell has to claim something as a fiction.

Davis-Floyd: So what makes Shell unique in that regard?

Flowers: Well, there were some unique people involved with its founding, as is often the case--when you find something that's really different from the run of the mill, there's a human being behind it, in its history. And in this case, there was an amazing human being, Pierre Wack, who was a kind of wild man whom could be found in his Shell office, in the most sterile building in London, sitting on his floor amidst a haze of *puja* sticks, meditating, to come up with his stories about the future of oil and gas--those are the stories told about him. He would go off on sabbatical, to India, or wherever--just disappear for a month at a time, and come back with his head full of ideas. And Shell supported that happening in their midst.

Davis-Floyd: Why?

Flowers: For some reason, and I don't know why, they had the instinct that it's good not to get encrusted in one way of thinking about things. And maybe that comes from their multi-cultural background. You know, it's a very old company, begun over a hundred years ago by a dual team, Dutch and British, so the fact that there are two founders, that from near the beginning, two different cultures have run this company, as they moved their headquarters from The Hague to London every other week--that does something. If you are in constant flux, you are reminded again and again that nothing can be depended on to stay. That's a kind of wisdom that we all know intellectually, but very few of us know day-by-day.

Davis-Floyd: Do you have any concrete information on what differences the stories you wrote for Shell have made in the world to date?

Flowers: No, no way, they're too big. There's no way anyone could know that. Which is another interesting thing about Shell, because you could make a case that these have absolutely no influence at all, because there is no way to show it, and yet they continue doing it.

Davis-Floyd: Well, looking at Art of the Long View and "Gentle Art of Reperceiving," you can clearly see how the scenarios helped Shell position itself for the oil price crash in the '80s. And the end of the Cold War--one of Shell's scenarios predicted that, so they saw it coming a long way off. But those were *dramatic* shifts. And in the last two years, there hasn't been anything that concrete and dramatic, with that kind of global effect, so the impact of your stories would be harder to assess, right? because the shifts have been more subtle.

Flowers: Yes.

Davis-Floyd: So what are the major things to look for? What could happen, in the scenarios you are going to write this summer, that would be huge and dramatic?

Flowers: Probably it would happen on the financial level, the movement of money around the world. Anybody with a huge amount of overhead and a lot of money being moved would have to know *both* fictions, because different things will happen about money in each. If there were to be some kind of global financial crisis--which might be coming--unless you knew Shell's books, you wouldn't know what they had done to prepare. I don't know whether it would be obvious, even if they were making tremendous changes. The other place they could be

making changes is in the way they run themselves internally. And I won't know that until I get there. And even then I may not know, because that's really subtle.

Davis-Floyd: So let's scenario a bit right now. Suppose there *is* a wordwide financial crisis, set off by some trader in Japan, with a snowball effect, in Scenario I. And in Scenario II, everything just kind of keeps rocking along. What could a company like Shell do about it, if they wanted to prepare for Scenario I?

Flowers: Going back to the real scenarios, a lot of which had to do with communications technology--they would be very wired. They would know, in advance all kinds of things that were happening, would be tuned it, in touch, to make very quick decisions and increase their speed of implementation.

Davis-Floyd: You mean, to move money here or there, put it in this bank or buy that factory--

Flowers: So, if you see these two scenarios, what you might do is say, you know what? we need more computer connections. We need to be more closely connected to the Bank of Tokyo--we need to work out a special deal with them, so there is some kind of trigger mechanism whenever any large shift occurs, so we'll *know* if the Japanese do X, Y, or Z with the yen, and then we'll immediately need to flag the bottom line investment in Singapore. A company could increase its options that way--but of course, I'm just making this up.

Davis-Floyd: For me, this is part of the process of learning to think in terms of scenarios.

Flowers: You wouldn't start by putting it all in gold, because that would be to treat the scenario as true.

Davis-Floyd: And you're hoping that Scenario II will happen, but because I exists, in which there is a crash, you've got to ask yourself how could we respond most effectively in the face of a crash, so then you go, oh gee, we don't have enough communications links--

Flowers: Right-- and we need more flagging mechanisms than we have in place--*we should think this through*.

Davis-Floyd: So you want to be prepared for Scenario I while you're hoping--and trying to create--Scenario II. But in any case, you are ready, whichever way it goes.

Flowers: Yes.

Davis-Floyd: What might be another major event, besides a worldwide price crash, that would affect your scenarios?

Flowers: Umm...well, if there really were a major technological breakthrough in energy.

Davis-Floyd: Like someone coming up with a really cheap and viable alternative energy source that would eventually replace oil altogether--

Flowers: Right. It would have a dramatic impact--*dramatic*. So if you have a scenario that says that in ten years' time it will be economically viable, then what you do is put some of your money in those technologies, maybe establish your own research arm--

Davis-Floyd: so that if there *is* a sudden shift from oil to some other technology, you'll be part of that shift.

Flowers: But see, what's important about a story instead of a prediction, is that, if I just predict that by 2025 windmills are going to provide the heating and not gas or coal, that won't be enough. Because the thing about a story is that it tells you how we got from here to there, and what if getting from here to there meant passing through Russian gas? (Russia has a whole bunch of gas.) So then the flexible response is not "Let's start building windmills," but "Ah, now let's get heavy into Russian gas and quick out in three years time"--or whatever.

So, the point of a story is that it tells you *how you get from A to B*, because in the interim you might make very different decisions, even if the outcome is the same. And if you don't get the middle right, by the time windmills are the hot thing, you might be too broke to invest in them! In the scenarios we write at Shell, almost no one disagrees with *how we get* to the end, if we do our job right. They may disagree about the end itself, but almost no one disagrees with how we get there--and that's what has the influence. And that's why it's not a prediction. It's the story, not *the end.*

Notes

1. Since these interviews were conducted, a third major publication has come out that also details this process--Joseph Jaworski's Synchronicity: The Inner Path of Leadership (1996). See pp. 154-171 for the full text of the two 1992 scenarios, which are entitled "Barricades" and "New Frontiers."

2. The title has since been changed. See footnote 1.

3. It should be obvious from a quick read-through that none of these scenarios focuses on the divisive issues of black-white antagonism. Rather, they keep their sights on the long term economic prosperity of the nation as a whole. The word *apartheid*, for example, is only mentioned once. This was intentional, and is one of the great benefits of the scenario process: scenarios shift the focus from specifically opposed political positions to a broader look at *what will work--or fail-- in the long run.*

The creation of these scenarios was sparked in mid-1991 by a request to economist Pieter le Roux to organize a conference on South Africa's economic future. Feeling the time was right for a different approach, Le Roux put together a multi-disciplinary team of 22 people----four women and fourteen men--to work on possible scenarios for South Africa. Team members met for the first time at Mont Fleur near Stellenbasch in September 1991. Adam Kahane of Shell International in London, a recognized expert in scenario planning, acted as facilitator.

The team members included: Dorothy Boesak, Administrative Coordinator, Rob Davies, Co-Director of the Center for South African Studies at the University of the Western Cape; Howard Gabriels, Project Officer at Friedrich Ebert Stiffung; Koosum Kalyan, Manager of the Social Political, Communications, and Media Department of Shell International in Cape Town; Michiel Le Roux, Managing Director of Distillers Company in Stellenbosch; Pieter Le Roux, Director of the Institute for Social Development, University of the Western Cape; Johann Liebenberg, Senior General Manager: External Relations, of the Chamber of Mines; Saki Macozoma, Member of the National Executive Committee of the ANC, Head of the ANC's Media Liason Unit of the Department of Education and Publicity; Tito Mboweni, economist in the ANC's Dept. of Economic Planning; Gary Magmola, Ex-Director of FABCOS and Chairman of the Inter-Africa Group; Mosebyane Malatsi, PAC economist and Senior Policy Analyst, Development Bank of Southern Africa; Thobeka Cikizwa Mangwana, teacher of social planning at the UWC Institute for Social Development; Trevor Manuel,

ANC Executive Committee Member and Head of the ANC's Department of Economic Planning; Vincent Thabane Maphai, Head of the Department of Political Studies, University of the Western Cape; Philip Mohr, Head of the Economics Dept, University of South Africa; Nicky Morgan, Dean of the Faculty of Economic and Management Sciences at the University of the Western Cape; Patrick Ncube, Senior Research Fellow in economics, University of Cape Town; Gugile Nkwinti, ANC National Executive Committee member, ANC Regional Secretary, Eastern Cape Region, Director of the Eastern Cape Development and Funding Forum. Brian O'Connell, Director of the Peninsula Technikon School of Education in Cape Town; Mahlomola Skosana, First Assistant Secretary General of NACTU; Vivienne Taylor, Director of the South African Development Education Programme at the University of the Western Cape; Sue van der Merwe, Member of the Black Sash National Executive Committee; Christo Weise, Executive Chairman of Pepkor, Member of the President's Economic Advisory Council; Winfried Veit, Director of the South African office of the Friedrick-Ebbert-Stiffung in Cape Town, a company which provided the funding for the development of the Mont Fleur Scenarios, with technical support provided by Shell South Africa.

A video, "The Flight of the Flamingoes," describing the four scenarios and the process by which they were created can be obtained by writing to "The Mont Fleur Scenarios," The Institute for Social Development, University of the Western Cape, Private Bag X17, 7535 Bellville, South Africa, or by sending a fax to 021-959-3242.

4. The cover page says GLOBAL SCENARIOS 1992-2020 at the top, and confidential at the bottom. According to the next page:

> the cover illustration, a series of fern-like spirals heading off into the distance, is a detail of the Mandelbrot set, named after its discoverer and the father of fractal geometry, Benoit Mandelbrot. Fractal geometry provides a common language to characterize certain complex systems studied in chaos theory. Chaos theory is now being applied in fields as diverse as physics, weather forecasting, economics, cardiology, and traffic planning as a way of dealing with data that cannot be used to predict the long-term future--not because we don't have computers big enough to do the job, but because after a time, small variations in initial conditions (like rounding of decimal places when we calculate with irrational numbers like pi) result in sudden and significant transformations.

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