

# EDITORIAL COLUMN



## WICKED PROBLEMS INVOLVE SOCIAL JUSTICE, SOCIAL CHANGE, CLIMATE CHANGE AND THE SOCIAL ECONOMY

At the Journal of Behavioural Economics and Social Systems (BESS™), we believe in problem-solving. When business and government confront complicated problems and becomes genuinely complex, new approaches are needed. Wicked problems involve social justice, social change, climate change and social economy issues characterised by stakeholder multiplicity and policy confusions. Addressing this difficulty requires negotiating politically, under conditions of uncertainty, and working effectively in networks and boundaries between academia, industry, and policy.

The conditions of uncertainty make the world a complex place. We never know what is coming next. The COVID-19 pandemic is a perfect example of how a virus transferred from its non-human to a human host started a chain reaction of infections worldwide with its deadly consequences! Just one small event has caused a humanitarian crisis that we have never seen before in our lifetimes. Utter chaos!

The good news is that after a while, the pandemic will recede. How long it will take, no one can say. However, based on our knowledge of past pandemics, humanity will adapt to the chaos. Some form of equilibrium or new normality will occur – until the next tiny event triggers another chaotic chain reaction. Normality and chaos are inescapable elements of human existence.

Normality and chaos are part of nature, the environment, business, and our personal lives. If we do not understand and accept that normality and chaos go hand in hand, we are disadvantaged. Suppose we can understand and leverage normality and chaos. In that case, we can use them to our advantage. The advantage is achieved by experimenting and probing our living environment to be a catalyst for change. We need to understand that small changes can have catastrophic impacts if we do not have systems to control and combat chaos. Optimistically, humanity must probe and experiment so we can prepare better for the next potential pandemic.

We call the systems that we probe and experiment with complex systems. Real-world systems are complex systems, where critically important information resides in the relationships between the parts and not necessarily within the parts themselves. Complex systems are interdependent and diverse entities that can adapt and respond to their local and larger environment (Page, 2011). Complex systems have dynamic and fluid reactions like dancing landscapes changing over time (Page, 2015). Complex systems consist of many microscopic components interacting in nontrivial ways (Sayama, 2015). Thus, understanding complex systems is essential to understanding how the world works.

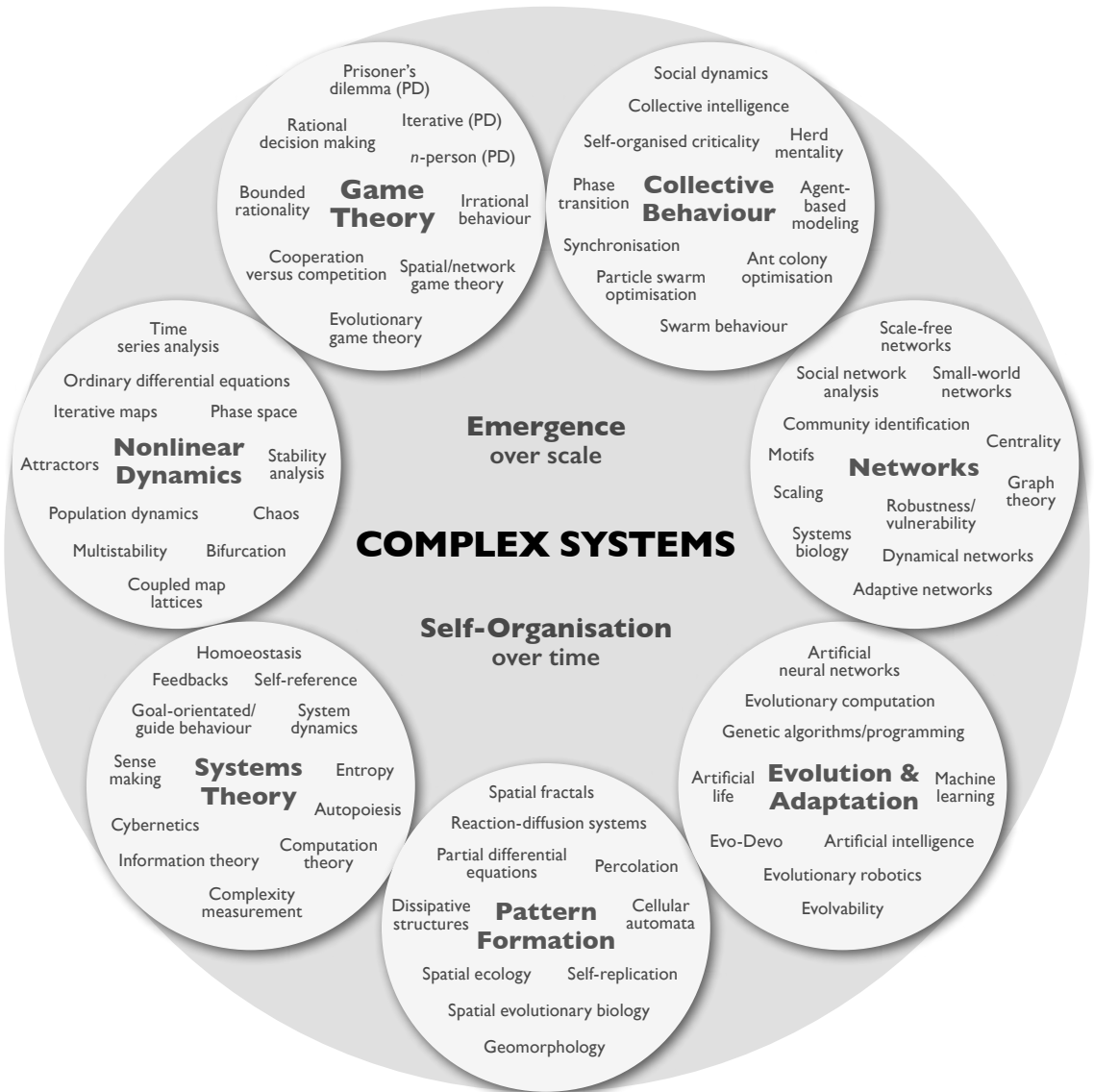
To help understand complex systems, several theories in business and science are in use, as Hiroki Sayama (2015) illustrates in Figure 1. Within each theory, there are various pathways to understanding them.

At BESS™, we are theory-neutral. Authors can use whatever theory they want to explain complex systems. Also, we encourage essays that are problem-solving and do not necessarily need a theoretical lens.

In *Compliance and creativity*, Peter Fritz (2021a) tackles the complex problem of public policy and its implementation. He argues that rigid jurisdictional boundaries prevent stakeholders from cooperating to address complex problems that cut across bureaucratic boundaries. The defence of internal vested interests means that governments cannot optimise innovative policies for the common good. Peter argues that to optimise innovative policies, we must find a way to optimise human resources. Through the Second Track process, one way builds on social science and neurobiology findings to improve the way individuals interact in groups to generate and implement imaginative and practical policies.

Natalie P. Stoianoff (2021), in the article *Research methodologies and methods to effect change in law and social systems* promotes different research methodologies and methods available for decision-making as part of the proactive role of civil society in participatory democracy. In particular, methods and methodologies of decision-making as part of the complex process for the development of laws and regulations that try to achieve social and economic change. She provides two case studies: tax policy and climate change, and Indigenous self-determination and on Indigenous Ecological Knowledge (IEK) and its protection. Both case studies explain how experts and stakeholders from relevant sectors were brought together in policy development and decision-making by collaboratively engaging with the issues. These two case studies demonstrate the significance of the Second Track process in decision-making to achieve positive outcomes for social change.

**FIGURE I:** ADOPTED FROM HIROKI SAYAMA (2015), COLLECTIVE DYNAMICS OF COMPLEX SYSTEMS



Peter Fritz's (2021b) article on *The neuroscience of the Second Track* hypothesis argues that the Second Track process changes the way people consider issues through positive neurological feedback. Adopting the Second Track would complement traditional first track approaches. His paper draws between the Second Track and streams of neurological research and the complexity of neurobiology of human social interactions. He concludes by arguing that if individuals within a group disagree on a common end and do not work cooperatively towards it, then they soon become less than the sum of their parts. The great success of Second Track groups is that they form a 'group brain' which is greater than the sum of its parts.

Andrew Tatrai (2021) in *How do we solve wicked problems? Effective crowd management* argues that as the world becomes crowded, effective crowd management is essential for every organisation responsible for safety, yet literature is fragmented in theory and practice for solutions across the broad range of crowd behaviours. His paper introduces concepts that improve our understanding of crowd behaviour and new tools to improve the management of crowds. He states that emergent behaviour is an advancement of systems thinking that replicates how nature changes and new forms emerge. Changes, agents, rules, and the environment all affect the result or output. The emergent behaviour concept fits crowds because the behaviour of a system emerges from the structure of its parts, and a crowd's behaviour cannot easily be predicted or extrapolated from the behaviour of those individual parts. Emergent behaviour refers to how complex systems and patterns arise out of a multiplicity of relatively simple interactions, and thus, it cannot be predicted by linear or inflexible theory. Emergent behaviour looks remarkably like crowd structures, with bottom-up changes driving adaptive responses.

Les Pickett (2021a), in the first essay in this edition, *Learning for Competitive Advantage and Business Success*, explores current research and effective practices to how learning facilitates business success. He argues that the complexity associated with rapid changes in the contemporary business environment sometimes resemble Alice's croquet game in Wonderland. Every element is in motion in that game – technology, suppliers, customers, employees, corporate structure, industry structure, government regulation – and cannot remain stable for long. His point is that technological priorities for learning are moving away from course-centric technology to adaptive learning systems that support analytics, collaborative tools, mobile delivery and other tools that produce agile, engaging learning experiences for a diverse and tech-savvy workforce.

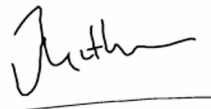
In a companion essay, *Building The Learning Organisation*, Les Pickett (2021b) argues that every organisation must become a learning organisation – rather than the tired old method of leaders believing that getting their organisations to learn is only a matter of articulating a clear vision, giving employees the right incentives, and providing lots of training. Les assumes that this assumption is flawed and risky, given intensifying competition, advances in technology, and shifts in customer preferences.

Walter de Ruyter (2021), in his essay on the *COVID-19 Hotel Quarantine Inquiry*, examines how we can adopt antifragility as a framework for better managing unforeseen circumstances, often called 'black swan' events such as COVID-19. He considers the influence of groupthink, using the Australian State of Victoria's inquiry into hotel quarantine failures as an illustration.


Brian Schmidt's (2021) transcript of the 2021 UN Climate Adaptation Summit speech, entitled *We must keep learning and keep doing*, is included in its totality. As you will see, he tackles the complex issue of climate change chaos. He argues that heading off cataclysmic climate change appears so huge and so complicated that it sometimes seems futile. However, he is optimistic that science and societal change will slow global warming. Nevertheless, unless we head off catastrophic climate change, our lives on this planet will be more complex, more dangerous and less pleasant. He states that we have all seen the tragedies COVID-19 is causing, and are witnessing the pressures it has placed on our societies and our political systems. Furthermore, COVID-19 will be nothing compared to the stress that uncontrolled global warming will cause, with floods, fires, droughts, famines, unbearable heatwaves, and other human calamities.

Olga Bodrova's (2021) in *The time for resilience is now* summarises the 2020 GAP Summit focused on national resilience and ways to safeguard Australia against future economic, strategic and environmental threats. The outbreak of COVID-19, following the drought and bushfire emergencies of the 2020 summer months, has emphasised the need for individuals, companies, civil society and government to work together for the common good. Our security as a nation depends on our collective resilience. Recent crises will prompt the fundamental reappraisal that Australia requires. Summit participants argued that we need a frank and broad-ranging independent assessment of emerging risks and vulnerabilities. The outcome should lead to a comprehensive national resilience framework as part of a coherent strategy to build public confidence and strengthen our collective ability to handle future challenges of any type.

Our ability to handle future challenges is essential. However, we must build our resilience using complex adaptive systems that sense small changes to our world that may have catastrophic impacts. Building this resilience is not easy because government policy typically evolves around known scenarios and knee jerk reactions to social wrongs and catastrophes. Such policy is like closing the gate after the horse has already bolted. Thus, we must cope as best we can with the wicked problems caused by the COVID-19 crises. We must also deal with social justice, social change, climate change and the social economy. However, we must also start building social systems that collectively and continually involve the best minds to look for the outliers that one day may cause the next calamity. Without such systems, we are always living on the edge of chaos!



**Prof James Guthrie AM**



**Prof John Dumay**

Sydney, May 2021

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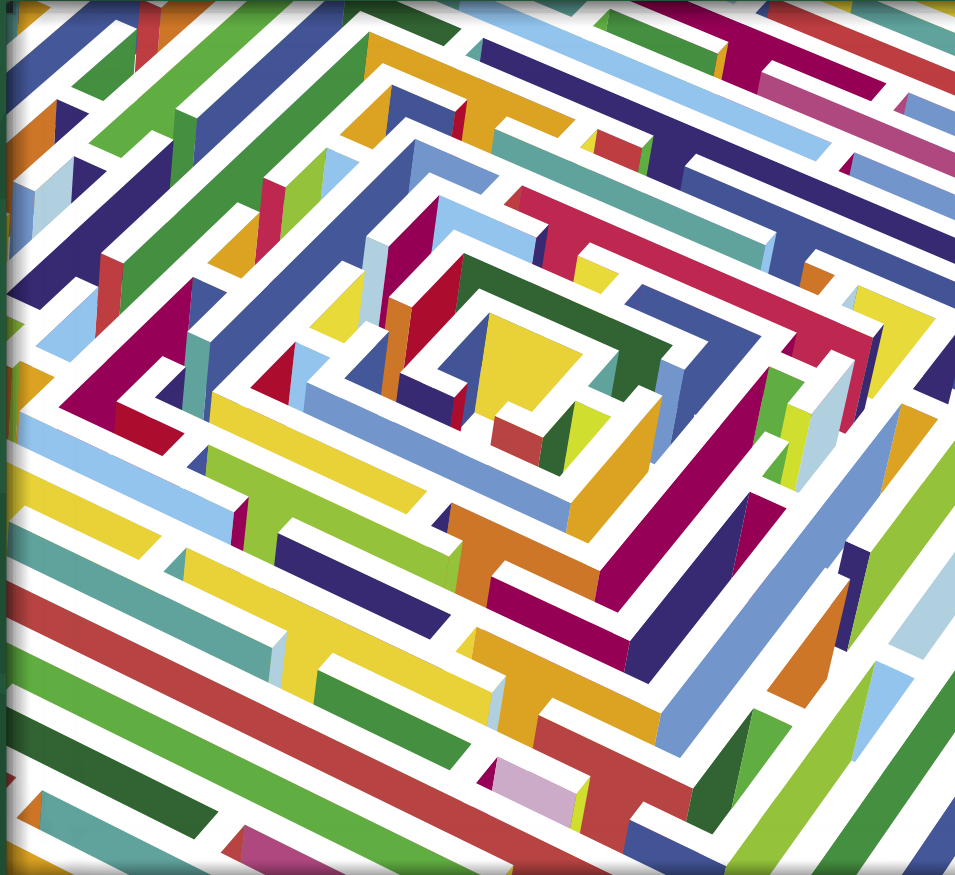
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