

Reassess our values in the 'new normal'

2020 brought promises of a new decade of action, but it turned into a drastic respite from the pace of life. The world slowed down, and our way of life changed as a result of COVID-19. Health has become a priority and we are already seeing the effects of this pandemic affect our global and our local economy. Governments are now scrambling to balance lockdown with stimulus packages to curb the effects of the inevitable recession.

We have changed rapidly the way we live, how we move, how we socialise and how we eat. What is emerging is a "new normal" – a re-evaluation of what society values. We might eventually need to "reassess the values that guide us in reorganizing our society¹".

Finding values in other forms

We haven't built resilience in our system. Our current society is fed by short-term cycles of supply and demand, built on relatively young economic theories of Keynes, neoliberalism and growth paradigms. When the demand drops, our economy suffers. This fragility has only served to emphasise the importance of building a sustainable and resilient society – one that can minimise the effects of covariate shocks, and also sustain its basic core after the shock has passed.

Examples are already coming out of people finding value in other forms – such as singing on balconies², acts of welfare such as helping with the shopping³ but also in the ultimate dilemmas of supporting life which have brought Italian doctors to tears⁴. None of these could be measured in monetary costs and benefits.

"For years now, society has been mounting a reaction to achieve long-term safety in the face of climate upheaval. it is diverse and unevenly distributed. it grows at the edges of society: in ecovillages, local currencies, neo-municipality cities and so on. these experiments are so efficient that they can survive in a short-term economy, while still taking care of the long term."

Alberto Cottica - Edgeryders

An essential need to rethink notions of value

What's more, our investment into building resilience and sustainability into our system means that the benefits may not be realised now. Many of the investments needed for mitigating future impacts and shocks that climate change will bring, such as investments in infrastructure, energy, property, will require long-term orientation.

¹ Professor Frans Melissen and Professor Lars Moratis in [Parool \(Dutch newspaper\) 24 maart 2020](#)

² [Music and Encouragement From Balconies Around the World](#)

³ [A network of 'shopping angels'](#)

⁴ [Italian doctors 'forced to choose who to save from coronavirus](#)

Considering long term impacts is critical to unlocking resources today for climate action. Also we need an economic and financial system that can appropriately allocate the resources needed and unlock the financial flows for remedial and preventative climate action.

So what is value? How is value attributed over time?

And how do notions of value change over time?

Money – our basic currency for exchanging value – has become the fundament for accumulation of wealth, which perpetuates cycles of short-term gain and returns. Value is the basis on which our current financial system has accumulated its wealth – to release the needed capital to invest into climate action and sustainability, we must experiment with redefining notions of value by looking at new money paradigms and alternative value creation that can allow people to define, express and exchange what they value and therefore how we invest.

EIT Climate-KIC, together with a number of partners, are orchestrating an initiative looking at innovative ways in which we can shift mindsets and behaviour to more long-term orientation. Under the Long-termism Deep Demonstration, we have dedicated an area of action to understanding how we can rethink notions of value.

Exploring ways to rethink notions of value

Some examples of the positions we want to explore are looking at the role of the gift economy and inheritance, as well as how incentives can work over time. Our design partners are experimenting with or would like to experiment with ways to rethink notions of value:

Edgeryders

Edgeryders is working to extend the space of economic models that are conceivable and deployable. **Conceivable:** As Edgeryders puts it: “It is easier to imagine the end of the world than it is to imagine the end of capitalism. But if we do not go beyond TINA (There Is No Alternative), we have to carry on business as usual. This will kill us all.” Edgeryders uses therefore techniques from modelling, speculative fiction, economic history, anthropology, and design to broaden the space of “conceivable economies”. **Deployable:** as argued above, there is already a “mutant population” of economic agents that operate in the current economy, while aspiring to a more long-termism one. Edgeryders learns from these agents, in order to come up with policies to thrive and grow further.

ETH Zurich

ETH Zurich supports mass experimentation in two directions: First, they enable independent incentive systems that allow and push for mass innovation for climate change mitigation. Such systems are bottom-up and democratic like regional currencies, and beyond that, allow entirely new incentive designs to cater to community needs for maintaining common-pool resources.

Second, novel solutions like basic income, personal data markets, etc., are too urgently needed to leave to institutions to mull over for years. ETH Zurich's technology allows communities to experiment with these new schemes for real, today. These communities should not need to wait for permission by governments or banks to help themselves if they can. In the spirit of open source development, ETH Zurich wants competition in such projects and in the underlying financial systems powering them.

IOTA

The generation of value is rooted in networks of trust and shared definitions of value. Today's economy is characterized by globally distributed, centralized networks that work towards a unidimensional objective: Maximizing shareholder value. Together with financialization and increasing automation, this leads to externalities, inequalities and fragile societies. The open-source IOTA protocol aims to remove friction in the transaction of value and information between diverse actors by creating digital trust. Together with ETI Climate-KIC, the IOTA Foundation is exploring how convergent technologies such as the Internet of Things and Distributed Ledgers can empower people with a permission less infrastructure to engage in peer-to-peer economies to collaborate on creating value in their communities and in harmony with the natural systems they inhabit. Decentralized networks of trust and information will be the backbone of a long-term sustainable, resilient economy based on pluralistic notions of value.

A systemic and innovative approach

Clearly, if we want to radically change our financial systems, we still have a long way to go. By our systematic and innovative approach within Deep Demonstration Long-termism, we look at a wide range of challenges and possible solutions. We give our community and other interested parties the space and resources to test and scale up these solutions.

Examples of what we focus on with this Deep Demonstration are:

- Setting up an online platform as a marketplace for alternative financial systems
- Making financial systems more understandable and transparent
- Providing insight into the impact of the investments, including the impact on the climate
- Financial experimentation with trees as a new concept of value (intrinsic and aesthetic) and self-ownership
- Testing innovative ways of financing and valuing social goods such as land, buildings, air, water, trees, data, sewerage and roads

"While many humans insist that democratic principles are best suited to govern collectives, the design of our money system is blatantly undemocratic. Instead of a mono-dimensional, monopolistic system of money, we need to consider multi-dimensional incentives to create more robust financial systems and we need decentralized communities rather than monopolies to create and distribute currencies. Above all, the new system needs sustainability to be baked into its core design by removing externalities as much as possible."
Marcus Dapp – ETHZ University

Would you like to be part of this innovative community?

We like to get in touch with parties from Europe and beyond who want to innovate with us. Would you like to receive more information about the possibilities? Please send an email to:

longtermism@climate-kic.org.

About the Deep Demonstration Long-termism

The Deep Demonstration Long-termism focuses on changing mindsets and devising ways to stimulate long-term thinking. Only this way we achieve sustainable behaviour and can we make impactful investments in sustainability possible. Using a proven methodology, we design various systematic interventions within entire ecosystems. It has been proven that this methodology leads to actual climate, economic and social impact.

Together with a consortium of expert partners, this Deep Demonstration focuses on five focus areas:

- Exploring new types of governance and rule setting to redesign institutional structures
- Empowering individuals in decision making through data transparency and capability building
- Harnessing the power of collective movements to democratize rulemaking
- Working with social and cultural narratives through exploring alternative concepts of time
- Redefining notions of value using frontier technological prototypes

The focus of the work up until now has been designing for interventions that can incentivize behavioural and mindset change throughout society, deliberately widening the lens from the financial sector after a key realization that such systemic impact can only be realized through a holistic and systemic approach within our social systems, as short-termism is essentially rooted in concepts of human identity, sensory capacity, language and power structures, and institutions.

Consortium of expert partners:

2° Investing Initiative, Centre for Systems Solutions, The Culture Initiative, Dark Matter Labs, Edgeryders, ETHZ University, FFRC Turku University and UNESCO, Influence Map, IOTA Foundation, Luvent Consulting, Red Cross Climate Centre.