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Approaching Mesopartner themes in a complexity-sensitive way

Whenever Mesopartner combines contract work with significant action research, we call such a working area a “theme”. Taking complexity into account introduces a new awareness and sensitivity into the application not only of our themes, but also of our methods and instruments. Our understanding of complexity challenges the way we approach our current themes and calls for an active awareness.

Approaching Mesopartner themes in a way that is sensitive to complexity thinking crucially depends on

the context of our clients and their flexibility to adapt certain rules, preferences or assumptions. It is not the themes that are complexity sensitive, but their application. Complexity insensitive, for instance, is defined as a rigid target group selection or an exact outcome determination, such as increasing growth by 5%, increasing the number of jobs by 6 000 or increasing the number of female-owned enterprises by 30%. Any programme that is under the illusion that it can achieve such specific goals directly and exactly is ignoring complexity.



In each of our themes there are various things that are obvious or simple, such as supply and demand issues that can be detected by using instruments like Porter's 5 Forces. There are many other things that are complicated, for instance in Quality Infrastructure (QI) the question of how sophisticated the QI needs to be in a particular country for a specific sub-sector. Upgrading QI becomes complex, however, when looking at interconnections, for example between government, industry and consumers, or when

we are not sure whether there are actually causal relations between our observations at all. It could be counterproductive to try to optimise functions of QI bodies and standards, ignoring the relevant environmental factors. Using a Value Chain (VC) approach for QI already makes it more complexity sensitive, as problems elsewhere in the system that had an effect on a particular sub-sector now stand a better chance of being noticed. In effect, a VC approach to QI, such as "Calidena", will



already make it possible to challenge some very narrow assumptions of cause and effect that may be prevalent in a technical field or engineering environment.

The willingness of our clients to be more complexity sensitive is a much larger determinant of how flexibly

we can run our processes to better suit the context. For instance, when it comes to Innovation Systems, the rule of thumb is to look at the relation between competitive pressure and types of innovation or to look at the relation between knowledge flows and innovation. We can find locations where people are quite innovative without institutions being present at all, or people innovating without any role ascribed to educational institutions. This is definitely a complex situation, because more than one coherent hypothesis – with its theoretical base – can credibly explain what is going on. This is why each innovation system has to be analysed from within, using an approach that allows testing and probing to better understand the interrelations and processes. The areas where industrial policies fail to reach their objective and where knowledge is insufficiently translated into innovation need to be analysed more

intensively and the reason behind each case better understood.

Through research efforts, Mesopartner is actively trying to make its methods more complexity sensitive. Even in the theme Systemic Insight, which is specifically designed to look at complexity in development, we are still designing experiments to learn something new about complexity. For instance, a RALIS process could employ a narrative sense-making approach as part of the Systemic Insight theme.



Such research efforts lead to the question of whether we are willing to accept that (1) we do not have all right theories at hand, (2) that we prefer certain theories over others and (3) that due to our clients' preferences we also cannot try all the different theories to see which works.

Having the right theories available is important, for instance when it comes to efforts to promote Green Economic Development. Identifying holistic adaptation or mitigation strategies to reduce climate change and its impact at the local level is certainly a complex challenge. It requires a deeper understanding not only of climate science, but also of the societal value systems and receptiveness of climate change adaptation and mitigation measures at national and sub-national levels. Early probes need to find out what might work and what would not work in such a situation, and what and who really enables or undermines Green Economic Development in order to actively consider those forces and actors.

In all themes, but particularly in Local and Regional Economic Development (LRED), Value Chain



Development and Bottom-up Industrial Policy, we have to have a deep understanding of what motivates or demotivates stakeholders to coordinate, cooperate and share resources. In order to better understand that, narrative storytelling needs to be included in the research process with the relevant actors. In the analysis phase, we need to integrate the assessment of outliers that behave differently from the mainstream and that might indicate weak signals early on that could play an important role in the future. This helps to consider alternative development and intervention strategies.

In a Pro-poor Development context deploying a range of safe-to-fail interventions is even more important, since failure of development measures can have dramatic consequences for poor individuals and their communities. Pursuing economic activities below or around the poverty line hardly happens in simple or complicated domains. In complex situations, however, specific development activities that attempt to secure livelihoods or lift income levels that were successfully applied elsewhere may or may not work. This again depends on a variety of factors, such as cultural norms, sub-sector-specific parameters, changing market demands, types of motivation of entrepreneurs, experience with past development efforts and so forth. Hence, probing with a range of possible interventions is necessary to avoid unintended, negative impacts, which could

mean a false investment, a failure of income and in the worst case starvation and even more dramatic consequences.

In conclusion, customers and collaborators who are willing to accept that there is more than one way to achieve a particular goal, or that a particular goal might even not be that desirable, are already much more receptive to an approach guided by complexity thinking. Therefore, for some clients and collaborators, complexity-sensitive approaches will be very sensible. Others, especially those strictly

clinging to their logic, will not be so open to consider that we need to experiment more before designing intervention strategies and particular support measures.

Dr Shawn Cunningham (sc@mesopartner.com)

Christian Schoen (cs@mesopartner.com)

Frank Wältring (fw@mesopartner.com)

