

FIGURE 1. The iceberg model: a surface of symptoms and structural disconnects (bubbles) below it.

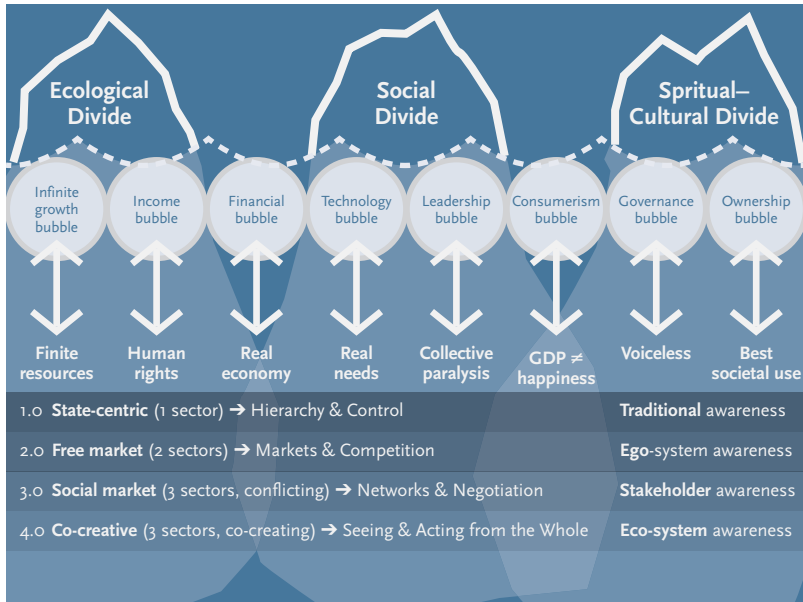


FIGURE 2. The iceberg model: symptoms, structures, thought, and sources.

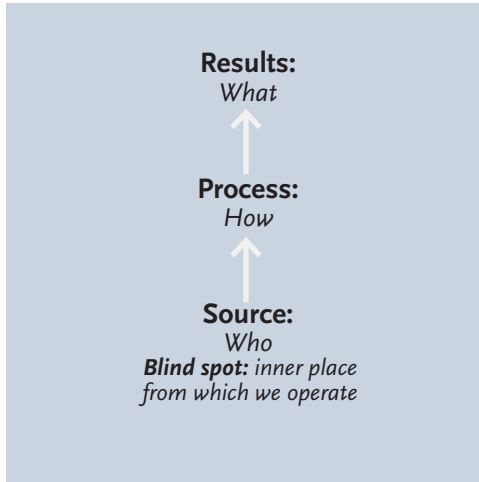


FIGURE 3. The blind spot of leadership.

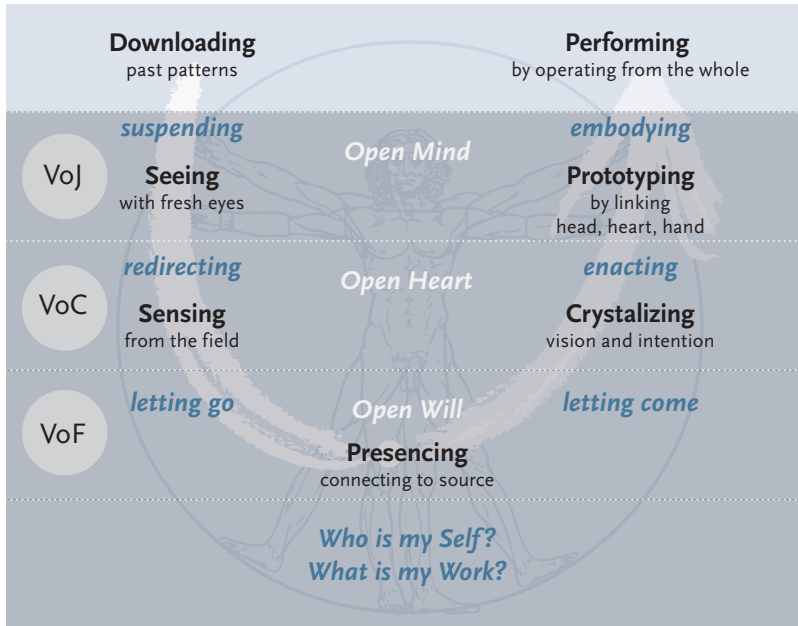


FIGURE 4. The U process of co-sensing and co-creating: presencing.

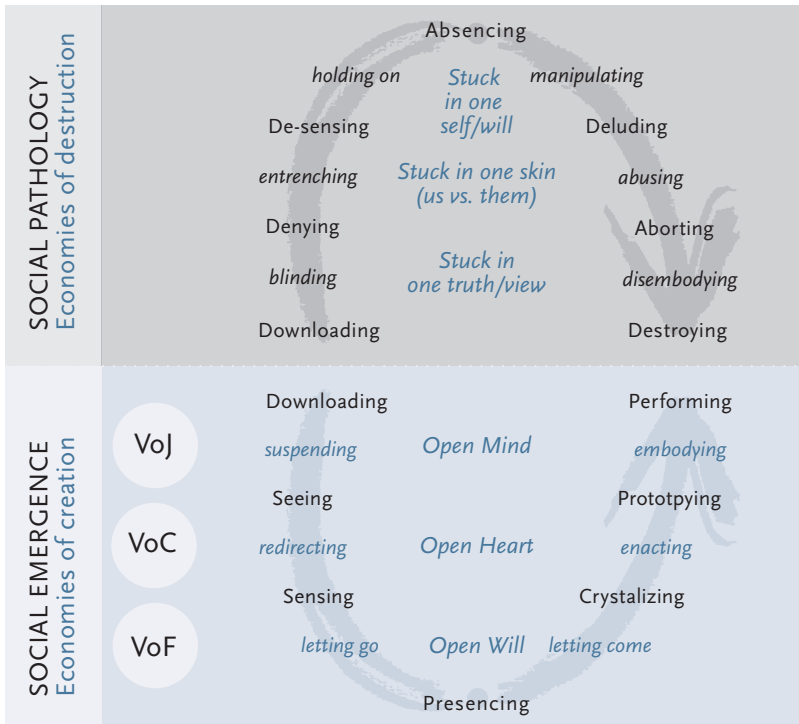


FIGURE 5. The social spaces of collective creation (presencing) and destruction (absencing).

TABLE 1 Structural Disconnects and System Limits

	Ecological issue	Income issue	Financial issue	Technology issue	Leadership issue	Consumerism issue	Governance issue	Ownership issue
Surface Symptom	1.5 planet footprint	Top 1 percent own more than bottom 90 percent	US\$1.5 quadrillion speculation bubble	Quick technological fix syndrome	Collectively creating results that nobody wants	Burnout, depression, consumerism without well-being	Inability to face challenges at scale of whole system	Overuse of scarce resources; tragedy of the commons
Structural Disconnect	Decoupling of unlimited growth and finite resources	Decoupling of Haves and Have Nots, of wealth and basic need	Decoupling of financial economy and real economy	Decoupling of technological solutions and societal needs	Decoupling of old leadership tools and new challenges	Decoupling of GDP and well-being	Decoupling of parts and whole	Decoupling of current ownership forms and best societal use
Systemic Limit	Limits to growth → cultivating finite resources	Limits to inequality → embodying human rights	Limits to speculation → organizing around the real economy	Limits to symptom fixes → focusing on sustainable solutions	Limits to leadership → direct, distributed, dialogic self-governance	Limits to consumerism → attending to inner and relational sources of happiness and well-being	Limits to competition → redrawing boundaries of competition and cooperation	Limits to state and private property → property rights for the commons

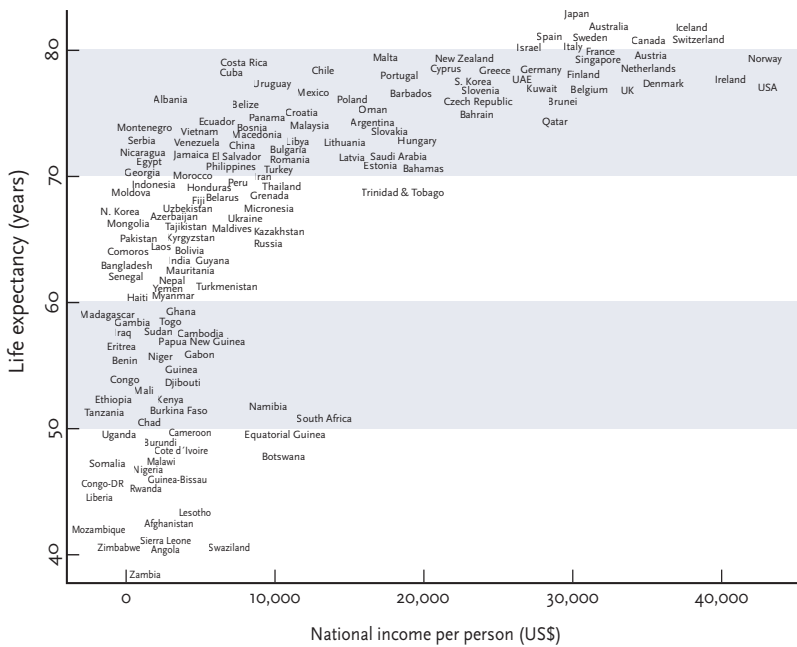


FIGURE 6. Only in its early stages does economic growth boost life expectancy. Source: United Nations Development Program, *Human Development Report* (New York: Oxford University Press, 2006).

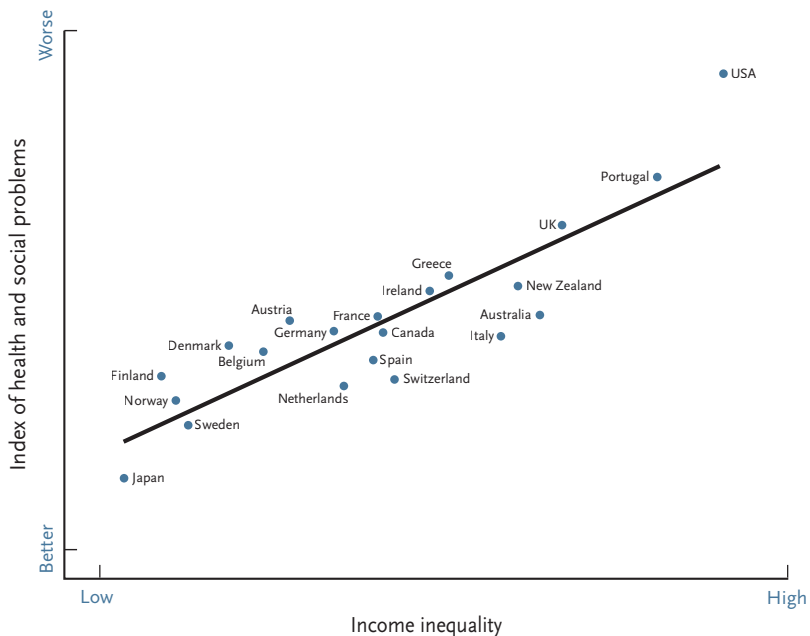


FIGURE 7. Health and social problems are closely related to inequality among rich countries. Source: Richard Wilkinson and Kate Pickett, *The Spirit Level: Why Equality Is Better for Everyone* (New York: Penguin, 2009), 20.

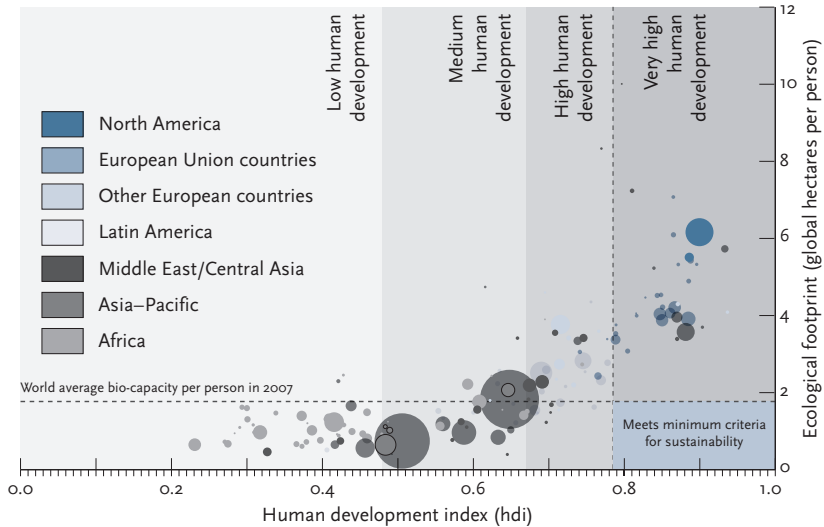


FIGURE 8. Ecological footprint versus human development index, 2008.

Source: Global Footprint Network and WWF, *Living Planet Report 2012* (Gland, Switzerland: WWF, 2012), 60.

TABLE 2 The Challenge-Response Model of Economic Evolution

	Primary societal challenge	Response: coordination mechanism	Primary sector/ players	Primary source of power	Dominant ideology	Primary state of consciousness
Society 1.0: <i>State-Driven, Mercantilism, Socialism</i>	Stability	Commanding: hierarchy	State/ government	Coercive (sticks)	Mercantilism; socialism (state-centric thought)	Traditional awareness
Society 2.0: <i>Free-Market-Driven, Laissez-Faire</i>	Growth	Competing: markets	Capital/business; state/government	Remunerative (carrots)	Neoliberal and neoclassic (market-centric) thought	Ego-system awareness
Society 3.0: <i>Stakeholder-Driven, Social-Market Economy</i>	Negative domestic externalities	Negotiating: stakeholder dialogue	Civil society/ NGOs; capital/ business; state/ government	Normative (values)	Social democratic or progressive thought	Stakeholder awareness
Society 4.0: <i>Eco-System Driven, Co-Creative Economy</i>	Global disruptive externalities, resilience	Presencing: awareness-based collective action (ABC)	Cross-sector co-creation: civil society/NGOs; capital/business; state/government	Awareness: actions that arise from seeing the emerging whole	Eco-system-centric thought	Eco-system awareness

TABLE 3 The Matrix of Economic Evolution

Stage	Nature	Labor	Capital	Technology	Leadership	Consumption	Coordination	Ownership
0.0: Communal; <i>Premodern Awareness</i>	Mother Nature	Self-sufficiency	Natural capital	Indigenous wisdom	Community	Survival	Community	Communal
1.0: State-Centric; Mercantilism; State Capitalism; <i>Traditional Awareness</i>	Resource	Serfdom, slavery	Human capital	Tools: Agricultural Revolution	Authoritarian (sticks)	Traditional (needs-driven)	Hierarchy and control	State
2.0: Free Market; Laissez-Faire; <i>Ego-Centric Awareness</i>	Commodity (land, raw materials)	Labor (commodity)	Industrial capital	Machines: first Industrial Revolution (coal, steam, railway)	Incentives (carrots)	Consumerism: mass consumption	Markets and competition	Private: exchange of private ownership in markets
3.0: Social Market; Regulated; <i>Stakeholder-Centric Awareness</i>	Regulated commodity	Labor (regulated commodity)	Financial capital (externality-blind)	System-centric automation: second Industrial Revolution (oil, combustion engine, chemicals)	Participative (norms)	Selectively conscious consumption	Networks and negotiation	Mixed (public-private)
4.0: Co-Creative; Distributed; Direct; Dialogic; <i>Eco-Centric Awareness</i>	Eco-system and commons	Social and business entrepreneurship	Cultural creative capital (externality-aware)	Human-centric technologies: third Industrial Revolution (renewable energy and information technologies)	Co-creative (collective presence)	CCC: collaborative conscious consumption	ABC: awareness-based collective action	Shared access to services and common resources

TABLE 4 Four Economic Coordination Mechanisms:
A Journey of Interiorizing the Whole

System Integration/ Degree of Interiorizing the Whole	Primacy of the Whole	Primacy of the Parts
High	4.0: ABC*: <i>head, heart, and hand (intentional)</i>	3.0: Negotiation and dialogue: <i>head, heart, and hand (ad hoc)</i>
Low	1.0: Central planning: <i>visible hand</i>	2.0: Markets and competition: <i>invisible hand</i>

* Awareness-based collective action.

TABLE 5 Evolution of Property Rights by Economic Stage

Economy	Property Rights	Types of Goods	Bundle of Rights and Responsibilities	Institutionalization
0.0	Open access	Common pool resources: ocean fisheries, atmosphere (nonexcludable, rival)	No property rights	Communal ownership
1.0	State property rights	Public goods: national defense (nonexcludable, nonrival)	Property rights assigned by state	State ownership: four-year election cycles
2.0	Private property rights	Private goods: food, clothing, housing (excludable, rival)	Private property rights can be exchanged by market (access, use, management, exclusion, and right to sell)	Private ownership: quarterly results
3.0	Mixed (public-private) property rights	Mixed goods (public-private): eco-system services (excludable, nonexcludable, rival)	Mixed property rights that are managed and in part exchanged by markets (access, use, management, exclusion, and right to sell)	Mixed-stakeholder ownership (organized interest groups)
4.0	Commons-based property rights	Common goods: fisheries, eco-system services (non-excludable and rival)	Property rights are jointly controlled by trust-based co-owners, stakeholders, and trustees (access, use, management, exclusion, and shared cultivation)	Shared eco-system ownership (trustees representing the whole system, including future generations)

TABLE 6 Organizational Assessment

	Nature	Labor	Capital	Technology	Leadership	Consumption	Coordination	Ownership
1.0	Resource	Serfdom	Human	Tools	Authoritarian	Traditional	Central planning	State
2.0	Commodity	Commodity	Industrial	Machines	Incentives	Consumerism	Markets and competition	Private
3.0	Regulated commodity	Regulated commodity	Financial	System-centric automation	Participative	Selective conscious consumption	Networks and negotiation	Mixed
4.0	Eco-system, commons	Entrepreneurship	Cultural, creative	Human-centric	Co-creative	Collaborative conscious consumption	ABC: Awareness-based collective action	Commons: shared access

TABLE 7 The Matrix of Social Evolution

Field: Structure of Attention	Micro: <i>Attending</i> (Individual)	Meso: <i>Conversing</i> (Group)	Macro: <i>Organizing</i> (Institution)	Mundo: <i>Coordinating</i> (Global System)
1.o: habitual awareness	Listening 1: downloading habits of thought	Downloading: speaking from conforming	Centralized control: organizing around hierarchy	Hierarchy: commanding
<i>Suspending</i>				
2.o: ego-system awareness	Listening 2: factual, open-minded	Debate: speaking from differentiating	Divisionalized: organizing around differentiation	Market: competing
<i>Redirecting</i>				
3.o: stakeholder awareness	Listening 3: empathic, open-hearted	Dialogue: speaking from inquiring others, self	Distributed/networked: organizing around interest groups	Negotiated dialogue: cooperating
<i>Letting Go</i>				
4.o: eco-system awareness	Listening 4: generative, open-presence	Collective creativity: speaking from what is moving through	Eco-system: organizing around what emerges	Awareness-based collective action: co-creating

TABLE 8 Personal Assessment

Awareness	Micro: Listening	Meso: Conversing	Macro: Organizing	Mundo: Coordinating
1.0: habitual	Level 1: downloading	Downloading	Centralized control	Central planning
2.0: ego-system	Level 2: factual	Debate	Divisionalized	Markets and competition
3.0: stakeholder	Level 3: empathic	Dialogue	Networked	Negotiation and dialogue
4.0: eco-system	Level 4: generative	Collective creativity	Eco-system	ABC: seeing/ acting from the whole

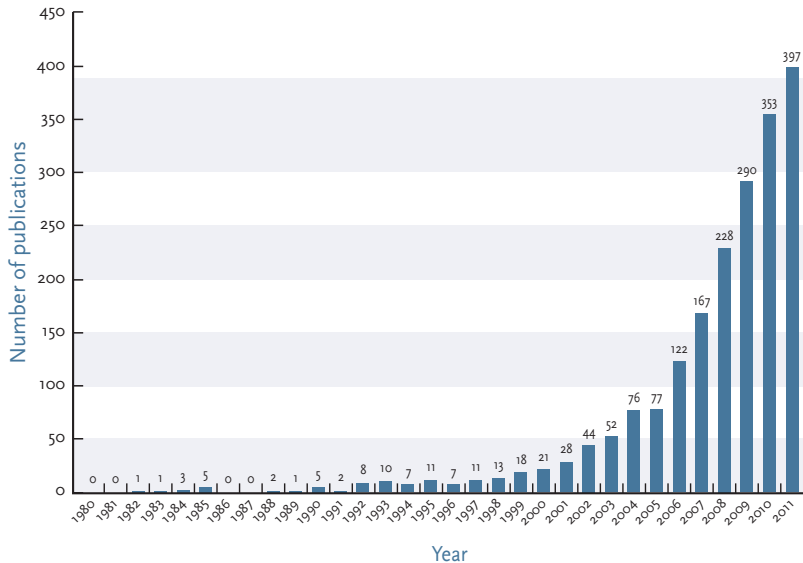


FIGURE 9. Research publications on mindfulness, 1980–2011. Figure prepared by David Black, MPH, PhD, Cousins Center for Psychoneuroimmunology, Semel Institute for Neuroscience and Human Behavior, University of California, Los Angeles. Source: J.M.G. Williams and J. Kabat-Zinn, eds., *Mindfulness: Diverse Perspectives on Its Meaning, Origins, and Applications* (London: Routledge, 2013), 2.

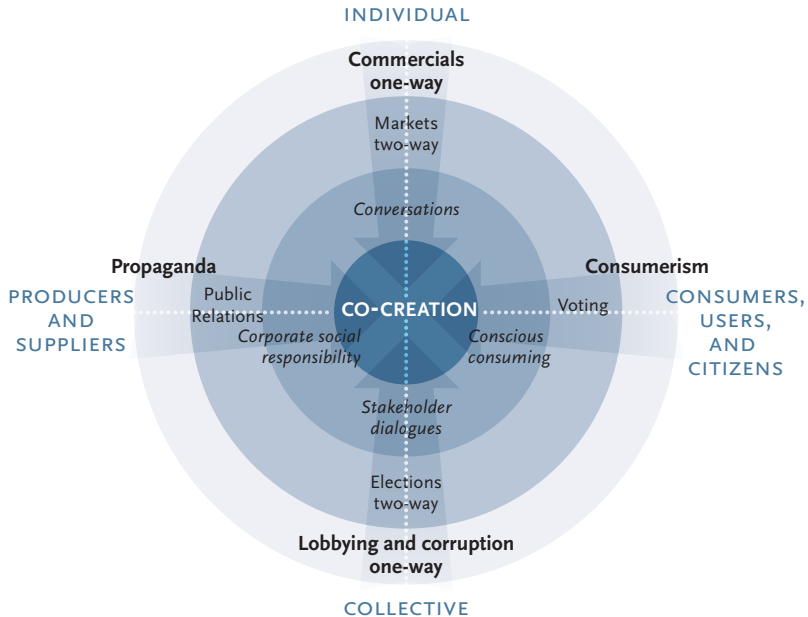


FIGURE 10. Four levels of stakeholder communication in economic systems.

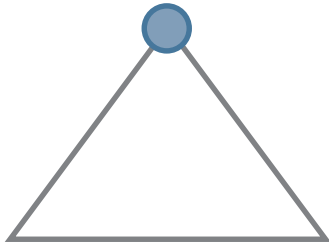


FIGURE 11. Structure 1.0: pyramid. Power is centralized and resides at the top. Solid lines here indicate traditional vertical leadership structures.

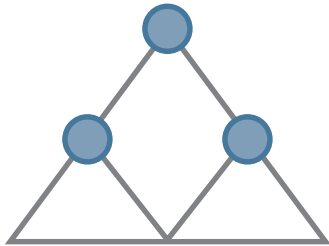


FIGURE 12. Structure 2.0: decentralized. The source of power moves closer to the base.

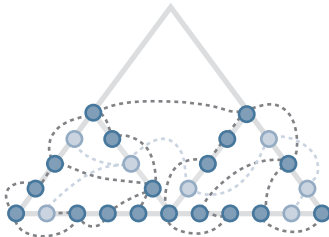


FIGURE 13. Structure 3.0: networked. Sources of power turn relational. Dotted lines here and in the following figures indicate networked and relational leadership, rather than hierarchical structures.

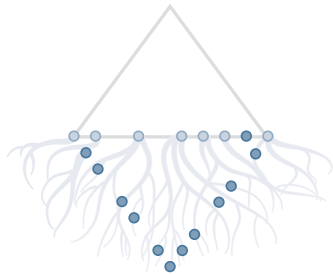


FIGURE 14. Structure 4.0:
inverted pyramid. Transforming
relationships from ego (I-in-me)
to eco (we-in-me).

TABLE 9 Sectors of the Current Institutional Transformation

Stage	Government	Health	Schools	Companies	NGOs	Banks
1.0 Traditional Awareness: <i>Hierarchy</i>	Dominating state	Authority and input-centered: <i>institution-driven</i>	Authority and input-centered: <i>teacher-driven</i>	Centralized: hierarchy: <i>owner-driven</i>	Program-focused: <i>reactive-driven</i>	Traditional banking: <i>owner-driven</i>
2.0 Ego-System Awareness: <i>Markets and Competition</i>	Dormant state	Outcome- centered: <i>managed care– driven</i>	Outcome- centered: <i>testing-driven</i>	Decentralized: divisions: <i>shareholder- and target-driven</i>	Policy-focused: <i>advocacy- and campaign-driven</i>	Casino banking: <i>speculation-driven</i>
3.0 Stakeholder Awareness: <i>Networks and Negotiation</i>	Welfare state	Patient-centered: <i>need-driven pathogenesis</i>	Student-centered: <i>learning-driven</i>	Matrix or network: <i>stakeholder-driven</i>	Strategic initiative– focused: <i>stakeholder-driven</i>	Socially responsible banking: <i>stakeholder-driven</i>
4.0 Eco-System Awareness: <i>Awareness- Based Collective Action (ABC)</i>	D-4: direct, distributed, democratic, dialogic	Citizen-centered: <i>well-being-driven salutogenesis</i>	Entrepreneurial- centered: <i>co-sensing- and co-creating-driven</i>	Co-creative eco-system: <i>intention-driven</i>	Eco-system- focused: <i>intention-driven</i>	Transformative eco-system banking: <i>intention-driven</i>

TABLE 10 Parallels in Education and Health Systems Transformation

Stage	Health	Schools	Relationship	Learner/ patient	Teacher/ physician
1.0 Traditional Awareness: <i>Hierarchy</i>	Authority- and input- centered: <i>institution- driven</i>	Authority and input- centered: <i>teacher-driven</i>	Doctor-/ teacher- centric	Recipient	Authority
2.0 Ego-System Awareness: <i>Markets and Competition</i>	Outcome- centered: <i>managed care-driven</i>	Outcome- centered: <i>testing-driven</i>	Transactional	Customer	Expert
3.0 Stakeholder Awareness: <i>Networks and Negotiation</i>	Patient- centered: <i>need-driven pathogenesis</i>	Student- centered: <i>learning- driven</i>	Dialogic	Client	Coach
4.0 Eco-System Awareness: <i>Awareness- Based Collective Action (ABC)</i>	Citizen- centered: <i>well-being- driven salutogenesis</i>	Entrepre- neurial- centered: <i>co-sensing- presencing- and co-creating- driven</i>	Co-creative	Co-creator	Midwife

TABLE 11 Stages of Economic Logic and Corporate Development

Stage of Economic Development	Coordination mechanism (<i>power</i>)	Pivotal sector	Dominant economic logic	Purpose of business	Company examples	Stakeholder relationships
1.0: Centralized State Economy	Hierarchy, regulation, control (<i>sticks</i>)	First sector: public	<i>Economies of scope</i> : vertical integration	Control over entire value chain	Old IBM	Controlling
2.0: Free-Market Economy	Market and competition (<i>carrots</i>)	Second sector: private	<i>Economies of scale</i> : horizontal integration	Profit and shareholder value	Intel, Microsoft	Transactional
3.0: Social-Market Economy	Networks and negotiations (<i>norms</i>)	Third sector: social	<i>Economies of networks (and scope)</i> : circular integration	Eco-system domination	Apple, Facebook, Google	Empathic but dominating: no shared ownership
Co-Creative Eco-System Economy	ABC: awareness-based collective action (<i>presencing of the emerging whole</i>)	Fourth sector: cross-sector collaboration	<i>Economies of presencing</i> : spiral integration	Eco-system stewardship: co-creative relationships with self, other, nature, whole	Emerging examples: Natura, BALLE, Alibaba	Generative: co-sensing, presencing, and co-creating highest future potential

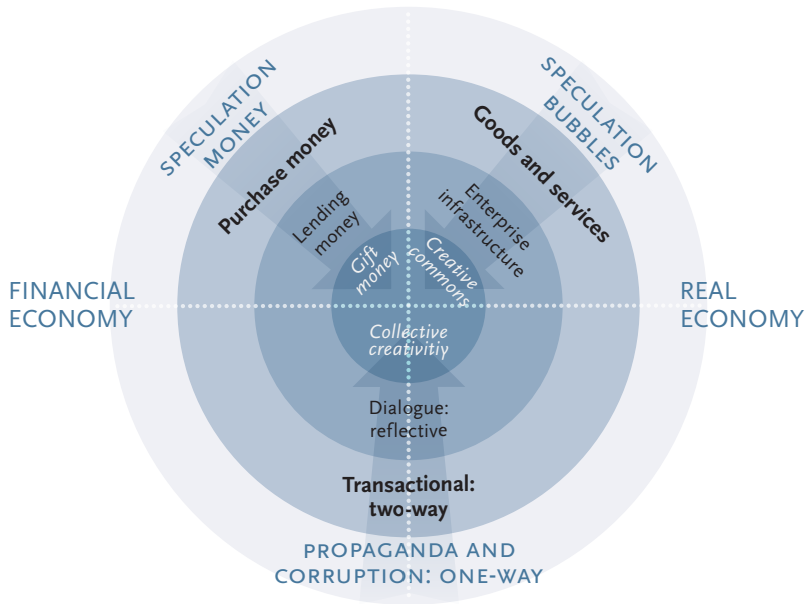


FIGURE 15. Shifting the center of gravity for economic and conversational action.

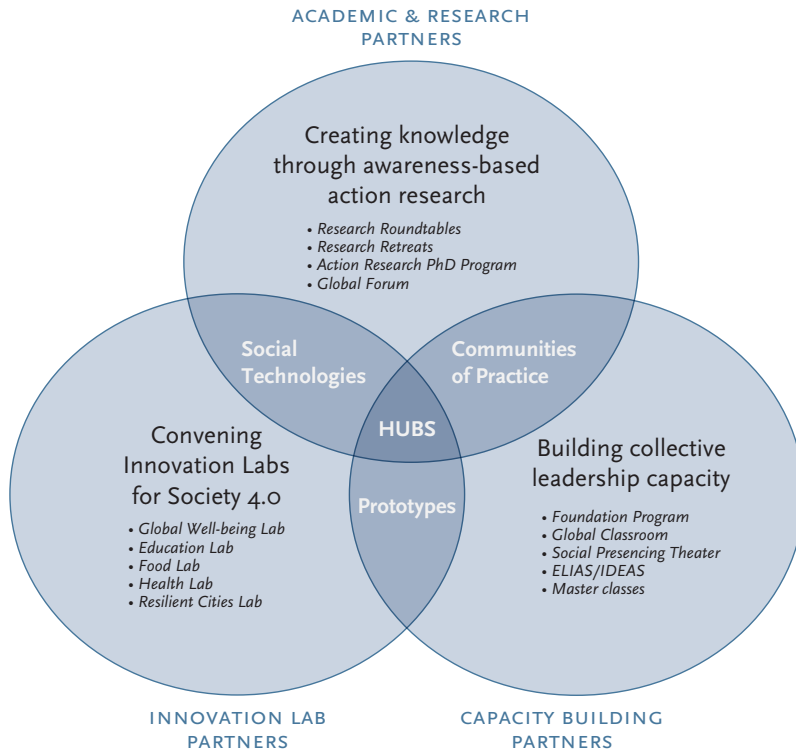


FIGURE 16. U.school: three core activities.