

Global Leadership in an Age of Turbulence

Insights from CISL's
2024 Global Leadership Summit

CISL Global
Leadership
Summit
2024

The University of Cambridge Institute for Sustainability Leadership

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This report represents a summary of discussions at our Global Leadership Summit in February 2024, bringing together senior figures from across business, finance, innovation, academia and media. Discussions were conducted under Chatham House Rule. While there is an ambition to fairly reflect the breadth of sentiment in the room, it is impossible to accurately cover all insights shared and all relevant points made. Participants in the Summit included the following individuals. In addition, the final afternoon sessions and closing dinner were attended by a wider group of leaders from across CISL's business, finance and academic networks.

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Foreword

by CISL's Interim CEO, Lindsay Hooper



Responsible, effective leadership is never easy. But the challenges facing today's leaders are of a different order than generations past. Crises no longer present themselves in isolation, but as part of an interconnected and hugely complex web. The trajectory of progress over recent decades – and many of the political and economic models that have underpinned this – is being fundamentally challenged. As a result, it is rarely obvious what the 'right' and 'wrong' answers are, and the solutions that leaders need to adopt are far from clear.

As well as lacking clear pathways to a sustainable future, leaders – be these governmental, intergovernmental, financial or corporate – often lack room for manoeuvre. Faced with a barrage of market, political and media pressures, seemingly irreconcilable differences between the needs of different stakeholders, together with high geopolitical and social instability and exponential tech-driven change, they face new challenges, resistance and hurdles at every turn.

Those at the top of our institutions are not without blame in this scenario. We have witnessed a widespread failure over many years to fundamentally address today's underlying challenges. A substantial part of this failure centres on the prioritisation of short-term private and political interests over the long-term interests of societies and the environment upon which they depend.

This failure brings consequences for public trust. As environmental crises accelerate and wealth inequality grows, confidence is falling in the national and international institutions and processes that are supposed to be delivering solutions. The perception that governments are overly influenced by wealth, power and vested interests is also deepening, leading people to distrust politicians and disengage in political processes. A similar scenario is affecting companies. As corporate pledges to pursue sustainable business models remain largely unfulfilled and unsustainable business practices continue to grow, the credibility of the private sector to address these issues is diminishing.

Against this backdrop, simply doubling down on longstanding approaches to achieving a sustainable future or trying to move forward with existing strategies despite destabilising crises and new headwinds, risks failure. Escaping today's worrying 'doom loop' will take a new agenda for leadership. In response to this challenge, the University of Cambridge Institute for Sustainability Leadership (CISL) convened a multi-sectoral Global Leadership Summit in February 2024, bringing together leaders from a broad range of sectors internationally for open, challenging and necessary discussions. Through conversations ranging across geopolitics, global governance, domestic politics, economics, finance and technology, the Summit sought to answer the question: what leadership is needed now, and from whom? This paper provides a summary of the main insights from the Summit (conducted under the Chatham House Rule), all of which offer hope for the way forward.

Of course, the ecological infrastructure on which the global economy relies has been abused for too long, trust levels are too low, and polarisation and conflict are too high to allow for quick or easy fixes. Leaders will need to make tough and courageous decisions, to have the purpose and resilience to sustain momentum, and – perhaps most importantly – to inspire and empower action at scale. This requires honesty about the underlying challenges, acknowledgement that long-term prosperity cannot always be achieved without disrupting short-term profitability, and that no organisation and no country can be future-proofed while the rest of the world remains at risk. It also requires optimism. Optimism in human ingenuity and resilience, in the potential for international collaboration to enable co-existence on a finite planet and in the lessons we can learn from nature's ability to adapt and regenerate.

While the stakes could not be higher, with such leadership at the helm, achieving monumental change remains very much possible.

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Executive summary 1: Geopolitics

Recent years have witnessed a growing power shift from West to East, and a growing political divide between Global North and Global South. These trends have huge implications for international collaboration to address sustainability challenges – particularly for Western-led multilateral processes and institutions, including efforts to deliver the Sustainable Development Goals, as global power and norms are increasingly contested.

“We need to speak about what is unsaid – a dramatic shift in the geopolitics – the inability of the West to confront [the failure of] Western norms such as the demonisation of other political systems, repeated military interventions under the pretext of promoting democracy and the weaponisation of finance through sanctions. This divide between the West and the global majority has reached a tipping point with the war in Gaza.”

Chandran Nair, Founder and CEO of Global Institute For Tomorrow

International progress has been hampered not only by profound historical injustices and unequal economic development pathways but also by low levels of trust. Institutions and nations of the Global North are perceived by many in the Global South to be fighting to preserve their structural advantages and are unprepared to engage with the reality of loss of power and privilege. In addition, there are deep frustrations in the Global South about the perpetuation of damaging models of development, the assumption that what works in the US and EU will work in other parts of the world, the seeming deafness to lessons from the Global South. In addition, there is a perception that Global North countries are acting hypocritically in advocating action on sustainability by others while they themselves continue to pursue unsustainable practices.

“National interests are not rational – they are often ideological and driven by emotion.”

Martin Schaefer, German Diplomat

Cultural attitudes are also a point of difference. Within the Global North, and particularly in ageing and industrialised nations, there is a huge amount of fear: fear of loss of global power as well as threats to current ways of life (no matter how unsustainable these ways of life are). In emerging economies on the other hand – with a youth dividend to reap – there is far more optimism, with little to lose and much to be gained through shifting power dynamics and the opportunity of green growth.

Global competition for finite resources to meet the economic and security needs of nations and the growing consumption aspirations of their citizens is driving new tensions and moving matters of climate, energy and resource access more explicitly into foreign, economic and security policy – and therefore into geopolitical debates. New transactional alliances are emerging – such as the nine-country BRICS alliance and the Shanghai Cooperation Organisation (SCO) – as Global South countries seek alternatives to Euro-Atlantic-dominated groupings.

These tensions are also having impacts on national politics. In a year in which almost half the world’s population will vote in national elections, it is highly likely that we will see a continued growth of populist and nationalist politics and leadership. In Africa’s Sahel, for instance, countries are rolling back against globalisation and multilateral engagement. Instead, nationalist and military regimes are emerging that favour more local and short-term priorities.

A further barrier to international collaboration is the fact that even the framing and language deployed to express an ambition to protect global public goods is challenging. In emerging economies, economic and social development is an absolute priority. As such, a frustration exists when industrialised countries adopt a framing that appears to prioritise nature and climate over people. Furthermore, there are fundamental differences in the ways in which different cultures understand the relationship between humans and nature (whether we conceptualise humanity as a part of nature or apart and having dominion over nature), which can result in tensions between worldviews and mental models. Recognising these important differences, while crafting a shared ambition and commitment to co-exist sustainably on a finite planet will be valuable to underpin co-operation. We do not all have to agree with one another to be able to work together.

A withdrawal from collective dialogue and collaborative action is in no one's long-term interest. This includes most international business, whose success over time depends upon geopolitical stability and effective international mechanisms to enable the global movement and connection of capital, goods, people, data and ideas. A critical step will be rebuilding trust in the infrastructure for international co-operation. This will need to involve demonstrating greater respect for regions' different imperatives and for their different geographic, economic, political and cultural contexts, and avoiding attempts to impose a single approach. Events such as the Global Leadership Summit can contribute to building understanding and creating the space for valuable dialogue.

“Social tension has hit a tipping point and inequality is growing astronomically. We have the greatest just transition plans ever seen in history, but governments are slowly caving in to fear mongering by the Radical Right and rather than sticking to ambition are responding with knee-jerk reactions. When we need strong directed leadership, we get weak waffling politicians. When we need long term predictability, we get growing instability.”

Sandrine Dixson-Declève, Co-President of the Club of Rome and CISL Senior Associate

Finally, business and financial institutions can be instrumental in facilitating practical co-operation that occurs ‘below the radar’ of the formal political process through a commitment to building a system of international commerce and procurement that fosters sustainability, resilience and inclusive growth.

“The main challenges for leadership in this global age of turbulence is really to forge constructive, productive and impactful dialogue. There is a lack of understanding on the aspirations driving the world beyond the West whether it is India or China, and the rise of the ‘Global South’. As both democracy and climate justice are global goods, it is imperative to engage more and better across geopolitical divides. This becomes all the more urgent as the high moral tones of liberal internationalism are no longer convincing in a globally competitive and nationally driven age. CISL’s Summit thus is an important arena to forge a new dialogue that is both brave and urgent.”

Shruti Kapila, Associate Professor of History at the University of Cambridge



Executive summary 2: Innovation

The end of the world as we know it?

Technological innovation is radically reshaping the social and economic landscape, and with it the world in which we live. The timing could not be more opportune – but it is not without risk. With a host of profound, intersecting crises on the near horizon, ‘big fix’ solutions feel few and far between. The technologies, tools and approaches currently at our disposal may contribute to progress, yet still require political and public support to roll out faster, and wider societal shifts are unlikely to bring about the full-scale systems transformation needed for a sustainable future.

Historically, revolutions and the ensuing societal upheavals have been technology-led or technology-enabled. We are in the midst of a new technology revolution with a window of opportunity to ensure the outcome is positive for society, not just for a small group of elites.

While technology can and should be deployed to enable greater citizen engagement, trust and transparency, it is also intentionally being used by some to seed dissent and distort political processes. Control and governance of technology and data is also a battleground for global power and influence, not least on geopolitics and on domestic politics in a year when nearly 50 per cent of the world’s citizens will participate in national elections.

Technological innovations have the potential to provide the bridge to a greener, safer and more equitable tomorrow, if we take the most optimistic view. Examples include state-of-the-art CO2 capture and utilisation with solid wastes, 3D-printed construction and new-generation perovskite solar cells, among many others. For all the step-change developments in recent years, we remain at the foothills of what is possible. That said, existing and nascent innovations in areas such as artificial intelligence (AI), cloud computing, the Internet of Things and nanotechnology offer a taster of the solutions that await

There are also risks to be managed. The first is that without clear intent and direction, novel solutions will not scale and multiply where they are most needed, and that markets prioritise only the most profitable solutions, and that new technology and its benefits are not applied where and for whom they are most needed. Government policy, incentives and support will be required to ensure research, investment and deployment are targeted, and technology developers need to explicitly innovate for sustainability outcomes – both social and environmental – at the level of whole systems. Innovations at the individual product or process level will not achieve the scale required. Innovators therefore need to consider how breakthroughs in different fields can combine to create the leap-frog effect needed to escape the limits of incrementalism and establish completely new-look systems that are rooted in sustainability principles.



The second risk and the most worrying is the danger of intentional and unintentional misuse of technology, which exacerbates or creates new social and environmental problems. These include concerns about AI ranging from a widespread increase in fake or deceptive information to machines and gaining independent thought and action in a way that does not support or is in conflict with human needs and desires. The risks of baking in biases and inequalities through the initial design of systems, and the use of tracking technology to monitor and control citizens and workers are also of concern to many. The EU's imminent Artificial Intelligence Act shows a promising approach, but it is yet to be proven how states can balance the need for innovation and productivity growth with a responsible approach which manages risks at the pace of deployment we are experiencing; nor how effectively global governance can cope with cross-border technologies and the corporations and states developing them.

The practical deployment of technologies that represent viable solutions to sustainability challenges should not be taken for granted. Incumbent players may have a vested interest in ensuring that disruptive solutions do not enter the market mainstream. It is the function of governments to ensure fair competition and, where necessary, to facilitate the roll-out of high-impact innovations. Active government involves policymakers looking beyond regulation as the only lever of change, however, and considering how the state might become an entrepreneurial actor and give support to innovations that would not spring from markets alone. The internet offers a classic case in point. Private and public-sector actors – as well as sources of major capital seeking impact – can also contribute to the sustainable technology ecosystem by actively supporting mission-driven public research, early-stage start-ups, and funding ventures that are committed to accelerating the transition.



“With the introduction of AI, we will be able to change the way we invent – we can use it to explore everything, everywhere, all at once.”

Dominic Vergine, CEO at Monumo

Executive summary 3: Governance

A critical need for state governance and action

The state still matters and matters greatly to sustainability, both at national and multilateral levels: the market alone cannot be relied on to deliver public goods. And nor can self-regulation be a waterproof safeguard to ensure that market forces deliver products and services that meet society's needs while providing shareholder profits.

Governance models reliant on private- sector voluntarism are running out of road. Appealing to the logic of the market in the hope of persuading corporations to elect a sustainable path has very possibly achieved everything it is likely to achieve. It is time for governments to instigate a course correction, as they are uniquely positioned to do. Through the regulatory powers and other governance levers at their disposal, they can and should exercise their civic mandate to withdraw the license to operate of harmful businesses and sectors.

“The state still matters, and matters greatly for the sustainability agenda. Co-operation between states and between sectors is essential, but will require the kind of leadership that can transcend difference, overcome polarity and populism. And, on the basis of science and reason, find a way of navigating complexity.”

Professor Richard Calland, CISL South Africa Director

Alongside this, global governance would benefit from state authorities leading a constructive discussion of how best to assign to the global commons their full value.

The architecture and authority of the state, as well as its institutional capacity and resourcing, are critical to securing and advancing public goods. The precise shape of the institutional arrangements and design will necessarily differ depending on whether the state body is multilateral, national or sub-national, the geographic region, and the legal mandate. The imposition of a specific model on all countries is not only unrealistic, it is counterproductive.



There is more than one way to organise decision-making and the use of executive power in both the public and private spheres. Transparent and accountable governance that ensures legitimate and effective decision-making in the long-term interests of societies and stakeholders is critical. Economic development and national security arguments should not be used to justify unaccountable deployment of power, favour vested or elite interests, or permit the systemic infringement of basic human rights protected by international law. Beyond this, countries need to be left to decide how best to give expression to them in their specific political and cultural context.

Governance models that respect individual freedoms, but prioritise the collective good, are the only viable route towards the systems-level transformation that the world requires.

Institutions and forms of governance need to be adaptive as norms evolve and new standards emerge if legitimacy is to be sustained. Hence, it is clear that reform of international (Bretton Woods, mainly) institutions is essential if lost legitimacy is to be recovered and a new era of collective global action activated. Disputes over, for example, rich countries' commitment to provide public climate finance to poorer countries, such as the failure to meet the \$100 billion per year by 2020 target set in Copenhagen, have eroded trust.

On the other hand, it is clear that collaboration on treaties, standards and financial regulation can be effective in bending the trajectory of unsustainable economic development – participants at the Summit were reminded about the positive impact of the Montreal Protocol, which has been extremely successful in its aim of cutting the production and use of chlorofluorocarbons (CFCs) and other ozone-depleting substances, with nearly 99% per cent of ozone-depleting substances phased-out to date.

Good political leadership is needed to help societies grapple with the complexity and peril of the future. The absence of a compelling vision of hope is currently conspicuously absent. The opposite is increasingly true. Those in positions of power are becoming more and more prone to fear-mongering, thereby exacerbating already high levels of societal distrust and political apathy, as well as division and polarity between and within nations.

So, governance is going to be critical in determining the future economic development pathway that is taken: open and accountable decision-making is the glue that binds an organisation's ability to achieve its defined purpose, and is essential to the legitimacy of the processes that are needed to forge consensus in tackling problems that are usually transnational as well as deeply complex. Working with multilateral institutions and processes will continue to be important, whatever their weaknesses. The most effective leaders will find ways to drive collective action despite rather than because of multilateral bodies, such as the Conference of the Parties (COP). Hence, we must not give up on them, but continue to work with the grain where possible, to secure progress across sectors and regions, rebuilding trust along the way.

“How does the state serve the people and is it strong enough? Countries like the UK can't control all the answers, so how do you regulate globally? You will always have to then work with governments that you don't agree with.”

Lord Jonathan Oates, CEO of United Against Malnutrition and Hunger



Executive summary 4: Economics

Our current economic system is fundamentally flawed.

The driving focus on continued material consumption is already breaking nature's ability to provide. Our planet cannot sustain the ever-greater pressure on non-renewable resources that today's consumer-driven model demands. This is not to damn the basic notion of economic opportunity. With the global population set to reach 9.8 billion people by mid-century, a larger and more productive economy will be essential if we are to meet everyone's basic needs and enable everyone to flourish. For future growth not to jeopardise these objectives, the global economy must be governed by inclusivity and sustainability.

Needless to say, reshaping a global system requires a global approach, but inevitably all global approaches comprise, to an extent, an agglomeration of regional, national or even local solutions. We need global consensus and, at the highest level, a shared direction and ambition; but also governance frameworks that can span different political and economic priorities to achieve them. In short, there is no 'silver bullet' in our search for an economy that is fit for our collective future.

This search requires fresh thinking about, coupled with bold reforms to, today's dominant economic models. Part of this reappraisal will require an honest and clear-eyed critique of many of the key assumptions and practices on which these models are based. The dominance of a short-termism mentality is illustrative – without giving long-term sustainability due weight and significance, we will inevitably fail to realise it. Similarly, while trade and economic collaboration is valuable, the mythologising of 'free markets' – overclaiming both the real prospects of free trade and the benefits it can create – is also unhelpful. Vital as open markets are for trade and growth, they require good governance to work properly in economic terms, let alone to deliver the public goods that we all need, and reduce the negative impacts that nobody desires.



However, if a common vision and narrative can be reached, creating a sustainable economy may be closer than we think. Recent years have seen the development of new understanding about the opportunities of sustainability, of incredible and disruptive innovations in battery and renewable energy technologies, of innovative financial mechanisms to incorporate sustainability risks and opportunities. If we can couple these changes with the new policy frameworks and social norms to scale and implement change, we can deliver dramatic shifts in our economic structures more quickly than many would believe.

In this respect, it would be advantageous to focus efforts on removing the obstacles that are currently blocking the adoption of existing solutions, and supporting the regulation and infrastructure that enables and drives change through the economy. Aligning public and private efforts around strategic goals will be key. Similar benefits could be derived from engaging in the cultural questions around consumption and unsustainable behaviours.

Different as efforts to reform the economy are, a common denominator is the understanding that a full transformation will require large-scale financing. In particular, this involves investing in innovative approaches and new infrastructure, shifting resource to where there is unmet need and sharing the risks of negative events. Our transition to a sustainable economy therefore rests on discovering creative ways to shift capital away from incumbent business models and mobilise it in support of sustainable solutions. As made clear in CISL's recent report, *Everything, everywhere, all at once*, which explores how the finance sector can scale up finance for climate and nature, this alone requires a rich variety of approaches.

Rethinking risk is vital in this respect. The high risk of global south investments as identified by ratings agencies, private asset owners, and the finance sector more broadly is choking off the flow of investible capital in support of the just transition – shifting capital into new approaches is often deemed intrinsically riskier than investing in an unsustainable status quo, pricing those with the most need and the least resource out of the market. Multilateral banks have a key role to play and can serve a catalysing function here by deploying strategic finance to build a pipeline of bankable investments. Philanthropic capital also can play a catalytic role to enable the flow of private capital into emerging markets.

Across all of this, far-sighted and collaborative leadership will be required in government, business and across our financial systems to be able to unify different efforts. Leaders in one area will be dependent on peers working in other areas, and dialogue to develop shared visions and common strategies will be the essential ingredient to enable the changes we need.

“Climate change can only be tackled through a combination of government policy and incentives and business innovation and investment. Leadership on both sides needs to see beyond the short term and chart the path for economy wide transformational change.”

Steve Howard, Vice Chairman, Sustainability, at Temasek



Executive summary 5: Politics and citizens

The roles we play

A sustainable future will only be possible if built on a foundation of effective domestic government, irrespective of the specific form of that government (see section 3 on governance). Government leadership on sustainability – informed, supported and held accountable by strong and informed civic participation – is a crucial building block for international co-operation and real-world action.

“What is emerging – and what we need to lean into – is the citizen story. The idea that the right thing to do is to get involved, to contribute your ideas, energy and resources. It’s the logic that all of us are smarter than any of us.”

“I think the role of organisations and leaders fundamentally is to facilitate and create a space for participation of citizens – rather than either to command or to serve.”

Jon Alexander, Co-Founder of New Citizenship Project

Delivering such leadership is challenging as national governments face multiple conflicting crises, priorities and pressing demands on their resources (which, given today’s macro-economic headwinds, are increasingly constrained). In many democratic countries, cost of living pressures, an antagonistic and polarising media landscape (often influenced by vested interests and hostile states), together with fear of enforced limitations to livelihoods, rights, freedoms and consumption choices are undermining efforts by governments to make progress to address climate change and environmental challenges.

These barriers, and the risk of voter and media backlash, are resulting in increased caution on the part of national governments and a deficit in leadership, especially in the Global North. This reticence – and the



growing wealth inequality exacerbated by continued inaction to address the underlying economic issues – has created the space for populist and nationalistic movements to take hold. Feeding off popular fears of change to today’s ways of life (and often perpetuating a myth that we can choose to go back to the ‘good old days’), these movements hold out the promise of simple solutions – often focused on short-term priorities over urgent long-term challenges. The divisive tone of political discourse also increases civic divisions, which undermine solidarity and co-operation on sustainability issues both at home and internationally.

Alongside the growth of populism and nationalism is the growth of cynicism and apathy in political processes. This is often driven by repeated broken promises by governments, persistent aversion by politicians to communicate inconvenient truths to voters, the absence of any credible vision for the future beyond protection of the status quo, and a sustained failure to meaningfully engage with the need for a socially just energy transition. This reduces the licence of democratic governments to drive meaningful action precisely at the time such action is most needed.

Only through active citizen engagement in a purposeful plan for society will we rebuild public support for necessary government leadership. This requires much greater scope for engagement than current, infrequent opportunities to cast votes in elections and referenda; it requires citizen involvement in the co-creation of local solutions and informed engagement in tough decisions. Successful participation models will necessarily be context-specific. Examples that have been shown to work in a European context, as well as further afield, include citizen assemblies and participative budgeting.

Providing meaningful spaces and processes for citizen participation is therefore an essential role of governments. The goal of political institutions should be to solve today's sustainability problems 'with' people, not 'for' them. For this to happen, we need to shift our approach to politics and government, to embrace a form of leadership that seeks to facilitate and empower others, rather than today's approach of seeking individual heroic leaders who inevitably fail to perform miracles.

Storytelling and engaging narratives also have an important role to play, bringing to life the positive potential of more sustainable futures, but also illustrating the costs and consequences of inaction in ways that are relevant to communities, inspiring and motivating action in ways that harsh statement of facts alone cannot achieve.

Working across political partisanship to find common ground in unifying and empowering long-term visions of sustainable social and economic regeneration will also be important. Good ideas are often rejected by the public or opposing political parties, not because of their respective merits and demerits, but simply because of their association with a specific political tribe or social group. Building a sustainable, long-term future is not a 'left' or 'right' issue. Rather, it is the government priority of our age. No political group owns it, just as none can impose it.



“It is vital, if we want to indeed change systems – we need to redesign systems – to bring in new actors who can really take the lead on climate justice.”

Bianca Pitt (Gerlinger), Co-Founder of SHE Changes Climate

“We need to look at storytellers. This is a neglected area in climate, but people are 22 times more likely to remember a story than fact. We need a new narrative for the climate crisis, opposed to the current, dominant narrative that’s simply based around harsh facts.”

Lucy Shea, Group CEO at Futerra

Recommendations

1. Accelerating innovation

Accelerating innovation through speeding the deployment of proven technologies; ensuring innovation is focused where it is most needed, and addressing the risks of disruption and harm.

Technology is advancing at an exponential rate. Proven technologies represent a key component in the transition to a sustainable future, as do novel technological solutions that are only just emerging. Without falling into excessive techno-optimism, all leaders must equip themselves to make the case for technology as a driver of a sustainable transition.

To make a convincing case, however, leaders will need to overcome, and take seriously, the barriers and risks that currently restrict responsible deployment, and guard against the potential impacts of irresponsible deployment. Technology alone will not solve our problems and leaders will need to advocate for policy and financial models that are both supportive and responsible. They will also need to engage citizens to ensure the public acceptability of novel solutions.

Often well-founded societal fear of negative consequences of poorly thought-through or intentioned use of technology also needs to be addressed. Clarifying that technologies are in themselves neither good nor bad is an important first step towards reassuring those with concerns. Putting in place the measures society needs to manage technology risks is also key, and leaders across all sectors need to ensure that robust guardrails are placed around the development and use of new technologies. In this way, risks of negative outcomes can be reduced and opportunities for positive outcomes maximised.

Technological development must be steered for the public good, and this is primarily the job of governments given their ultimate responsibility for the wellbeing of citizens. This will involve finding ways to engage public and private sectors as well as citizens in the design and delivery of incentives and regulation for responsible tech-led solutions to sustainability challenges. Inclusivity is also critical. The concerns and aspirations, as well as new thinking and perspectives of marginalised groups within and between societies need to be incorporated into the tech development process from the start. Ensuring meaningful citizen involvement also involves pushing for the tools and investment to deliver widespread digital literacy to enable participation.

Such participation will act as a brake against the tech industry's instinct to pursue a 'move-fast-and-break-things' approach, which can lead to an impairment of individual and collective rights in the name of innovation. Instead, by making the scaling up of new technological development a more deliberative democratic process, future technologies can come into being with long-term societal needs at their centre. This needs to be balanced with a commitment to experimentation and creative destruction, which are the engines of innovation.

2. New economic thinking

An economic system that privileges and protects the delivery of public goods, social structures and the environmental foundations on which human society is built is essential for a sustainable future.

Leaders in government and business need to join together in arguing for the common benefits of such a system. No longer can the short-term interests of capital holders be permitted to dictate the global economy. This will require not only changes in national and international governance and regulation, but also a shift in mindset regarding the purpose of the economy and the role of the private sector within it.

Governments have a central role in enabling more sustainable economic activity. Here, the game-changing role of well-designed government incentives should be top of mind for leaders. The galvanising effect of the Inflation Reduction Act in the United States is the latest in a number of illustrative examples of the market-shaping influence that governments can have. The financial and policy support of Germany's energy transition or China's central government to advance the country's industrial and clean energy manufacturing capacity provides other such cases. Such interventionist government strategy increasingly characterises current economic practice, and comes with benefits but also challenges in terms of market distortions. The most effective interventions will come from dialogue between business and government but will also need to be informed by healthy scepticism about the risk of vested interests.

Ultimately, a sustainable economy will grow out of enabling market structures and enlightened governance that protects and restores nature, while providing climate stability and social equality. It is the responsibility of those currently in positions of power to galvanise the international public-private co-operation and collective commitments necessary for these conditions.

Alongside governance and structures, there is a need to shift sentiment. Creating a compelling narrative for an economic paradigm that permits us all to survive and thrive on the same planet would represent one such galvanising factor. Part of this narrative should centre on the enormous potential of sustainability solutions for large-scale financial returns as well as societal gains.

Finally, a successful transition must entail a reset of the financial system, which has become too focused on short-term profits at the cost of profoundly negative impacts for climate and nature – and ultimately for societies. This should have two elements: looking at how finance works in the economy and looking at how the economy is organised around finance.

On the first, mobilising capital for the transition is an absolute imperative for building a sustainable economy. Leaders should not shy away from admitting that government coffers will never suffice to finance the transition alone. By the same token, they should act on the fact that high volumes of private capital are now available for a more sustainable (and thus economically secure) future. Creative ways need to be found to mobilise this private capital. Here, leaders must challenge concerns around perceived investment risk by pointing out that this risk is often highly exaggerated, especially in African countries and other emerging low-income economies around the world. Curbing the negative influence of rating agencies' cautiousness will help.

On the second, change needs to emerge from shifting the consensus around how governments, regulators, businesses and investors each measure their success. We cannot build a sustainable economy by optimising short-term shareholder value. Indeed, many of the economic gains of the era before the 2008 financial crisis have turned out to be somewhat illusory, as the real gains in terms of practical assets rather than financialised value have turned out to be much thinner. Leaders need to focus on developing assets and activities that provide long-term value for society as well as the economy.

3: Engaging and activating citizens

Transitioning society onto a truly sustainable basis cannot happen without the active involvement of citizens. Given today's public cynicism across many political systems, the challenge of mobilising citizens en masse is substantial. As a starting point, leaders must accept the responsibility for the role that ineffective governance and unaccountable decision-making – both at the political and corporate level – has had in undermining trust and thereby fostering citizen disengagement.

In this vein, those in positions of power must use their voice and influence to call for improved governance and accountability. This is as true for those heading up private-sector institutions as those in government or civil society. In parallel, leaders across the board should commit to make decision-making processes as open and inclusive as possible. No longer can powerful elites and vested interests be allowed to manipulate these processes to their advantage.

Good governance also requires leaders to demand a change in time horizons. For too long, citizens' long-term security and wellbeing have been sacrificed to the short-term interests of individual leaders and the interested parties that they represent. All leaders must act with the future good of society uppermost in mind. To prove their seriousness, they should provide robust implementation plans and targets, together with meaningful mechanisms for holding themselves to account.

We live in difficult times, with many interlocking and urgent challenges. Citizens know this. They are looking for institutional leaders who will be honest with them about the hard choices ahead. Trust comes not from telling people what they want to hear, but rather from having the moral courage to push against the tide and say what needs to be said. When political leaders boldly step out in this fashion, it behoves those with influence in the private sector and civil society to back them up and reinforce their prioritisation of our collective long-term wellbeing.

Finally, leaders need to acknowledge that they are not the only ones fighting for citizens' hearts and minds. Today's media is heavily influenced by vested interests who are active in polarising and caricaturing discussions of sustainability as well as many other complex and nuanced issues. Pushing back against this relentless discourse is essential. Leaders need to assert a positive argument for sustainability, for dialogue and compromise, and for the role of everyday citizens around the world in helping to shape decisions and implement them. Creating participatory processes through which citizens can be empowered to take action and thus be part of delivering the decisions they are helping make represents a natural next step for leaders.



4: Global governance

Opportunities to strengthen global governance and co-operation.

Voluntarism is not a solid basis for global governance. Institutional leaders must reaffirm international law – applied fairly and equally – as the basis for geopolitical stability, trade, and economic development, including for business actors. In a world where ‘great powers’ increasingly treat international institutions and laws as optional, and the interests of privileged elites rather than societal needs are perceived to drive decision-making, leaders should make the case for a rules and institutions based system that everyone can be part of.

At the same time, the world’s current multilateral organisations (particularly Bretton Woods institutions) face many justified criticisms, especially from politically and economically marginalised stakeholders who feel shut out. Government leaders should welcome an open debate about these concerns and seek constructive ways to resolve them. Private sector leaders should support this and work to create the space for such discussions.

Such discussions must acknowledge the historic imbalances that remain embedded within many global governance institutions and processes. With this in mind, government leaders should commit to power-sharing agreements and other modes of procedural inclusion, recognising that these can play a valuable role in building future legitimacy in global governance.

In the spirit of building a global governance system based on the ‘leadership of the many’, space needs to be created for the wide participation of all sectors of society – from citizen groups up to national governments. However, broad representation will be ineffective if not accompanied by inclusive modes of dialogue, coupled with a commitment to action. Leaders of all kinds should share examples of action-oriented dialogue as a means of inspiring its continuation. The remarkable achievement of the Paris Agreement – arrived at after tense and complicated negotiations at the 2015 Conference of the Parties (COP) of the United Nations Framework Convention on Climate Change (UNFCCC) – stands out as just such an exemplar.

Regarding the COP process specifically, leaders cannot afford to abandon it, in spite of its flaws. Going forward, they should make every effort to eliminate vested interests from influencing negotiations and guarantee space for inclusive, open debate. Further, they should breathe new life into COPs by an unremitting commitment to ever-greater ambition. In parallel, leaders should place greater focus on other multilateral alliances relating to finance, trade and security as these carry huge implications for our ability to coexist on a finite planet. Both business and government have a role to play here in supporting such global processes and engaging with them effectively, transparently and in good faith.

Notwithstanding the above concerns about equity and inclusion, business should be confident about taking its place at the table. Companies genuinely committed to a just transition to a sustainable future can exert a progressive influence on global governance. They can advocate for the common good through multisector platforms, as well as bring pragmatic and evidence-based perspectives from the frontlines of the real economy, as many are doing already. In respect of the international legal system specifically, business leaders can contribute by supporting the development of robust sustainability standards. As a minimum, such standards must radically raise the bar of corporate performance. Beyond that, however, they should also present a transformative vision of business in a governance context, setting out how the private sector can become a powerful engine of global peace, equality, and prosperity for all.



5: Decision making

Developing novel models and better research/evidence-informed thinking to address mis/disinformation, institutional siloes, and vested interests.

Too much decision-making begins with a focus rooted in the status quo. Recent history has featured multiple examples of the limits of models and mindsets rooted in the current moment that have been unable to comprehend or encompass the level of change that the world is experiencing, or needs to experience, to navigate the critical challenges of sustainability.

This bias towards the past and the present inevitably limits visions of the potential futures and perpetuates incrementalism and incumbency. Leaders of all kinds therefore need to strive for new decision-making approaches and tools that are adequate for today's changing and highly complex and interconnected context, in which there is a need to deliver multiple outcomes, to navigate competing demands and interests, and to be able to understand not just a static situation but also a dynamic set of possibilities.

This will require an openness to starting with what is needed, and not simply what is currently likely, convenient or economically viable. It will also require consideration not only of the cost of action, but the implications of inaction, and the willingness to embrace uncertainty and incorporate the unknown without creating false certainty around it. Many of the decisions that leaders need to take are in previously uncharted territory, where data or evidence don't yet exist. This will require the wisdom and courage to make the best possible judgements in the circumstances rather than wait for tried and tested solutions.

Decision -makers need to be willing to ask for and use new and different tools to engage with these questions. Some of this work can be supported through a greater use of visioning, scenarios and options modelling. Some insights can be supported by advances in digital technology and AI. Big data analytics, in particular, opens up exciting opportunities to better understand complex scenarios and identify critical levers and actions for unlocking large-scale change. In other cases deep understanding of the systems dynamics, and how uncertainty and lack of clarity affects

wider choices, can be made accessible to human study through simpler modelling approaches that might yield richer results. Understanding the implications of and limitations of any tool is essential.

While tools are important, there is also a need to be proactive in seeking relevant sources of insight and evidence – including insight into the needs and expectations of those affected by decisions, or on whom there is a critical dependency. Where decisions require engagement and concerted action by multiple players, work to develop shared language and understanding of the necessary outcomes, options and contextual factors may be essential prerequisites for good decisions. This can benefit from insight from a breadth of disciplines and regions, but also taking a long view of lessons learned to date.

Beyond this, decisions should be made in a context where they are open to discussion, debate, and, where necessary, pushback. It falls on leaders' shoulders to ensure that marginalised stakeholders in particular feel that their voice is heard. This will involve effective checks and balances to reduce the disproportionate influence of dominant powerholders.

Value should be placed on the principles of experimentation and flexibility. Given the complexity and dynamism of today's systems, not all outcomes can be perfectly predicted. Leaders therefore need to be bold in taking a purposeful approach to catalysing change. If they fail, then they should fail fast and apply the lessons for that failure.

Where they succeed, they should share, scale and replicate that success.

Conclusion for leadership

The core challenge explored over the course of the Summit was nothing less than the challenge of preserving human civilisation. This is the leadership challenge of our times.

Addressing the scale and complexity of the challenge will take everything, everywhere, all at once. Progress will be messy and unsatisfactory; leaders need to grow comfortable with this fact.

This requires the aptitude, intellectual honesty, integrity and humility to recognise that the world is complex and that progress will not be easy, but that this is no excuse for putting one's head in the sand. Rather, there is a need to embrace the messiness and frustration of complexity, taking not just a wide view of the context, but also a long view of history, human ingenuity, resilience and revolution; to recognise that different contexts will require different solutions, and that we do not all need to share the same worldviews and political systems to be able to work together.

This starts with an openness to seeing the world as it is and accepting the validity of perspectives from across the spectrum, especially from those who bear the most significant consequences of historic injustices and are most at risk from today's crises, yet who are too often excluded from decision-making. To really hear and understand what is happening, leaders need to escape their own echo chambers, which only serve to reinforce their existing worldviews, and to be open to difficult conversations and inconvenient truths.

A clear and sustained strategic intent is critical. We are past the time for relying only on incremental improvements to the status quo and urgently need to catalyse new economic models in which capital is allocated where it is most needed to address social and global challenges. In support of this, we need leadership that is committed to building new alliances that bridge growing divides, to harnessing the exponential growth in tech capability to identify new solutions, and to put in place governance at international, national and institutional levels to ensure that decisions are guided by societies' long-term needs.

Importantly, it will require changes not only to what we do, but also to how we do it. For those in positions of power and influence, it will require changes of mindset, narrative and approaches to decision-making. Indeed, it will require fundamental shifts in approaches to leadership.



This includes an obligation and the moral courage to be honest to society, to tell the truth about the scale of the challenge and the underlying human causes, and to be frank about the tough choices and the necessary changes that lie ahead. This means being clear that maintaining the status quo is no longer an option available to us, and that delaying action is the riskiest and most costly strategy. That no country or institution can be fully 'future-proofed' in an unstable and fractured world. That we do not have the luxury of being able to wait until the solutions are obvious and proven, or until the short-term economics are favourable. And that it may not always be possible to secure long-term resilience and prosperity without disruption to short-term growth and profitability. Candour is an important prerequisite for much-needed trust building.

Alongside this, a shift in the current tone and language of sustainability debates is urgently needed; a shift from a spirit of either cynical pessimism or empty boosterism, combined with blame and misinformation, to one of qualified optimism, possibility and progress. This requires acknowledging what is not working, recognising where progress is inadequate and more is needed, while celebrating and building upon the successes that have been achieved.

Perhaps most fundamentally, there is a need to rethink the role of those in positions of power and influence, looking beyond the simplistic tropes of 'heroes' and 'villains', while at the same time not being naïve about the vested interests that seek to perpetuate the status quo. Rather than seeing themselves as heroic saviours (and inevitably failing to deliver on this promise), there is a need for institutional leaders across business, finance and government to see their roles as catalysts, facilitators and enablers of change with and by societies. As well as providing positive visions of possibility and narratives that engage across polarised divides, there is also a need for processes and spaces to enable citizens to participate in tough decisions, to co-create solutions and to self-organise to build resilience across societies. The wider the conversation, the greater the hope of a rapid, system-level solution.





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