

# Chapter 20

## A Systemic Approach towards Responsible and Sustainable Economic Development: Entrepreneurship, Systems Theory, and Socio–Economic Momentum

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### ABSTRACT

*A possible way to increase responsible and sustainable economic development is to enhance collective innovation and entrepreneurship on various systemic levels in order to gain socio-economic developmental momentum. In an era which faces socio-economic changes on multiple systemic levels, especially within the mundosystem, collective and creative approaches towards systemic activities are necessary, not only to drive businesses forward, but to give momentum to global economies. In this chapter, the author philosophizes about entrepreneurship, systems theory and socio-economic momentum and how these play an important role to give momentum to responsible and sustainable economic growth.*

### INTRODUCTION

In an era which faces socio-economic changes on multiple systemic levels, especially within the mundosystem, collective creativity for responsible and sustainable economic activities are increasingly becoming of fundamental importance, not only to drive businesses forward, but to give momentum to global economies (Van der Westhuizen, 2016).

The mundo system can be referred to as global governance and relates to the bigger economic picture in national and global fields – or in other words, the Bigger Picture that's being affected by collective creative approaches for responsible and sustainable business practice (Jackson, 2003; Scharmer & Kaufer, 2013).

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This chapter looks into a systemic approach towards responsible and sustainable economic development and how entrepreneurship, systems theory and socio-economic momentum play a role to give momentum to collective creativity within the Bigger Picture. The importance of this chapter lies within the notion of Scharmer and Kaufer (2013) that our planet is dying and humans are responsible for it.

## GLOBAL NEED FOR SYSTEMIC CHANGE

The world around us consist of integrated and interrelated systems, and these systems are facing severe challenges in all aspects (van der Westhuizen, 2016). The decay in systems in the different environments around us are the cause of collective deconstructive actions of people (Scharmer & Kaufer, 2013) and only a transformation of collective consciousness towards sustainable and responsible systemic development practices will bring forward possible solutions to turn-around the decay within our systems (Gunnlaugson et al, 2013). The need for not only change, but deep systemic transformation, has come to a boiling point where global governing practices such as the United Nations, are reviewing sustainability approaches. Fitch and O’Fallon (2013) stated that systemic transformation need certain element of transformation, as well as enablers of transformation who brings forward the desired change, which will be explored further in this chapter.

Enablers are people or things that makes something possible, whereas transformation can be defined as “growth in developmental maturity” (Fitch and O’Fallon, 2013). A system can be described as a complex whole whose functioning depends on its parts and the interactions between those parts (Jackson, 2003) where systemic elements affecting the whole, rather than just parts of it, refers to the interrelatedness and integrativeness of systems (Leonard, 2010).

Scharmer (2009) distinguishes between mundo-level systems, macro-level systems, meso-level systems, and micro-level systems. In the context of this chapter, following Townsend and MacBeath (2011), *mundo system* refers to global governance, *macro system* refers to national governance or institutionalising, *meso system* refers to organisations and culture, and *micro system* refers to individuals and their thinking. Mark Edward’s model of multi-level systemic wisdom (as cited in Thompson and Bevan, 2013) describes the global society in relation to the global economy as the mundo system, society at large as the macro system, organisational structure, culture and climate as the meso system, and the personal characteristics and traits of in individual as the micro system.

Waring (1999) offers the following account of systems and their components and determinants:

- A system has processes and certain outputs since a system is something.
- When components are added or removed from a system, these actions change the system.
- When any component is added to a system, there is an effect on it from being included to the system.
- When components are added to a system, it is perceived that relating hierarchical structures are formed.
- The survival of a system requires certain forms of control and communication which support system survival.
- Some of the system’s properties are emergent and not easy to predict.
- The system has a boundary.
- The external environment to the boundary of the system, affects the system.

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