

Contents

1	Introduction	1
1.1	It's the Economy, Stupid!	3
1.2	Structure of the Book	6
2	What Political Economy Adds to Transformation Research	13
2.1	Digging into Societal Transformation and System Innovation Research	17
2.1.1	Socio-technical Systems and Their Innovations	20
2.1.2	Socio-ecological Systems and Their Safe Operating Spaces.	29
2.1.3	Socio-ecological-Technical Systems and Their Repurposing.	32
2.1.4	The Economic Paradigm Shift Behind Today's World: Karl Polanyi's Heritage	37
2.2	Summary: Paradigm Shifts and Large System Change: Humanity's Structured Freedom.	40
3	Why the Mainstream Economic Paradigm Cannot Inform Sustainability Transformations	53
3.1	How Mainstream Economics Views Human Needs and Their Satisfaction	57
3.1.1	What Is Utility and Where Is It Created?	59
3.1.2	Is 'Having' Really All the Fun There Is?	63
3.1.3	Checking Human Happiness and the Link with Income.	67
3.1.4	How Does a Homo Economicus Feel and Act?	72
3.1.5	Summary: Human Need Perception and Well-Being Depend on the Processes Behind Creating Wealth	76
3.2	How Mainstream Economics Views Nature and Its Governance.	80
3.2.1	What Types of Capital Exist and Where Do They Come from?	81

- 3.2.2 Market Prices and the Allocation or Protection of Scarce Resources 84
- 3.2.3 Checking Nature’s Safe Operating Spaces for Human Growth Aspirations. 88
- 3.2.4 How Does Exchange Value Governance Impact Living Systems? 94
- 3.2.5 Summary: Governing Human-Nature Relations Successfully Depends on Understanding Them. 96
- 3.3 How Mainstream Economics Anticipate the Future. 98
 - 3.3.1 Which Real Qualities of Development Lie Behind Monetarized Predictions?. 100
 - 3.3.2 Unveiling the Money Magic. 107
 - 3.3.3 Summary: Opening up Mainstream Economic Ideas Is Key for ‘Our Common Future’ 111
- 4 Mapping an Emerging New Economic Paradigm in Practice 119
 - 4.1 Pioneering Businesses: Common Good Matrix and Balance Sheets. 122
 - 4.2 Pioneering Civil Society: Transition Towns for Resilient Local Solutions. 126
 - 4.3 Pioneering Governments: Beyond GDP Measures as Development Frames. 130
 - 4.4 Pioneering Governance Systems: Commoning as a New Stark Utopia. 139
 - 4.5 Summary: System Innovations for Sustainability by Double-Decoupling. 144
- 5 How to Work a Great Mindshift for Sustainability Transformations 149
 - 5.1 The Role of Mind-Sets in Unlocking Path Dependencies: Antonio Gramsci’s Heritage. 151
 - 5.2 Transformative Literacy: Hacking Systems and Their Purpose. 155
 - 5.3 Summarizing Outlook. 162
- References 169
- Wuppertal Institut 177
- Wuppertal Institut ’s Research Focus on Sustainability Transition 179
- About the Author 181
- About this Book 183