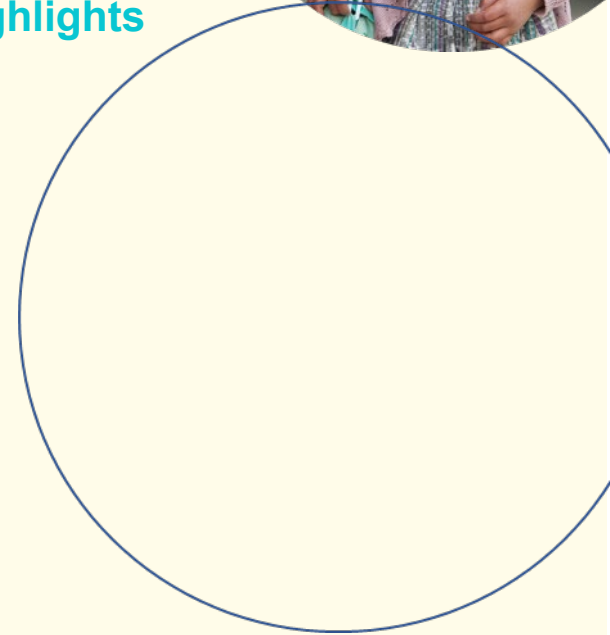




New Approaches to Economic Challenges

## Case Study Highlights

March 2021



social impact advisors

creative solutions  
for complex times

# How we got here



Our work is part of a two-year grant from the Partners for a New Economy Foundation (P4NE) to:

“...develop curricula, cases and videos featuring alternative economic and financial models to train and transform social finance executives to adopt new economic models that are human and planet centric.”



We are researching five current P4NE grantees:

- Organizations focusing on creating internal change:
  - Future-Fit Foundation
  - NAEC/OECD
- Organizations creating disruptive models
  - Climate Safe Lending
  - Democracy Collaborative
  - Finance Innovation Lab

# Our Approach



Our approach – grounded in “Wicked Problems” and Deliberate Leadership

1. Desk research – landscape analysis and background materials
2. Research NAEC documents and reports
3. Confidential interviews with 13 people familiar with NAEC from within and outside of OECD.



Final product – 30+ page case study to be taught at various internationally recognized business schools.

- First session – Social Finance Programme, Said Business School, Oxford (fall)



**Next few pages are highlights from the interviews and some issues to consider moving forward.**

# Views from the outside



## Successes

- Has done a lot with a little, due to:
  - Location inside Office of the Secretary General (shielding, raising profile, stabilizing budget)
  - Position as an OECD initiative
- Provides unique, responsive and varied initiatives to exchange and generate new ideas
- Provides a forum for economic pluralism absent from other financial institutions (e.g. IMF)



## Obstacles

- Budget – enough to keep new economics on the radar, but not to have a big impact (e.g. develop ‘lighthouse policies’ with Directorates)
- Opportunities for alternative economists and other disciplines are constrained

# Views from inside OECD



## **Successes – has achieved more than it is given credit for**

- Fostering a culture of experimentation and investigation.
- Introduced or enhanced approaches within OECD (ex. agent based modeling, systemic resilience, etc.)
- Encouraging the break-down of subject matter silos.



## **Obstacles – has had to deal with institutional realities of OECD**

- Lack of a critical mass of economists exploring new modes of analysis.
- OECD staff have insufficient time to engage with new ideas. It's easier, faster, and more efficient to just do what one's always done.
- Ideological attachment to traditional thinking.
- The general realities of being part of a huge bureaucracy.

# Going Forward



1. NAEC is introducing new economic approaches within the OECD. Can these exist with, or are they in conflict with, the OECD's current direction?
2. What should NAEC's expectations be about how, and how often, the OECD considers incorporating these approaches into its decision making:
  - Over time, the OECD should incorporate new economic approaches/ideas into all its activities.
  - NAEC should continue as an internal "think tank" that makes new ideas available to decision makers (but not required).
  - NAEC should maintain an external focus that is only incidentally active in changing OECD's behavior.
3. Should NAEC evolve to the next level and be more active in influencing and creating change? And if so, how? Should it remain within the OSG and be expanded as a stand-alone initiative, or should the OECD begin to build the capabilities within the different directorates to integrate new approaches? What about its budget (and staffing)?