

# **Mission Economy**

# **What's in it for me? Discover a vision for how to change capitalism.**

In 1969, something completely unbelievable happened: human beings walked on the moon. How did they get there? Well, it took seven years of incredibly hard work by NASA and its many teams. But it also took a collective sense of purpose, and an unwavering focus on achieving a singular goal, undeterred by budgetary constraints. In a word, it took a mission. As the world reels from the Covid-19 crisis, we badly need a sense of mission. And we need to use that sense of mission to create a new political economy, more stable and fair than our current one. In these blinks, you'll find out how we can get there. In these blinks, you'll learn

why we need to fix finance and business; which missions we need to tackle today; and why we wouldn't have Dustbusters without the moon landing.

## **We need to transform our political economy with an approach as visionary as the 1960s moon mission.**

In 2020, the world plunged into the Covid-19 crisis. Faced with disaster, many governments approached the crisis with a method best summed up by three words: whatever it takes. This was surprising: even governments usually fond of economic austerity injected billions and billions into supporting healthcare and the economy. But what sort of system were they propping up? The sad truth is, the political economy was suffering from plenty of deep, structural problems even before the coronavirus came along. Fixing those problems requires some seriously big-picture thinking, with a mighty sense of purpose – or, as the author Mariana Mazzucato puts it, a sense of mission. And what better inspiration than the iconic mission that culminated more than 50 years ago, with one small step? The key message here is: We need to transform our political economy with an approach as visionary as the 1960s moon mission. “The most hazardous and dangerous and greatest adventure on which man has ever embarked.” That’s how President Kennedy described the moon mission in 1962. It took seven years, cost \$28 billion – about \$283 billion in 2020 terms – and it involved north of 400,000 people. How could any government afford that? Here’s the thing: it wasn’t about the cost – it was about the mission itself. Simply put, the government was committed to spending whatever it took. But that paid off, and not just in terms of the moon landing itself. All the work the mission required resulted in spillover effects that still surround us today. Here are just a few examples. The making of the spaceship’s computer stimulated the development of modern software. An aluminized polyester material called Radiant Barrier, which was invented to keep the astronauts warm, now insulates our homes. And the management methods needed to organize NASA’s vast teams were emulated by Boeing for the 747. In other words, one ambitious, overarching mission created countless knock-on effects. That’s not how government thinking works these days – but it should be. Far too often, government projects are dictated by the size of the budget, even when they don’t have to be. But put the mission first, and the sky’s the limit – quite literally. It’s not easy to change our way of thinking like this – in fact, according to the author it requires us to completely overturn our thoughts around both

government and capitalism. But it might be the only way to build a future world that's as resilient as we need it to be.

## **We need visionary change, but our governments are too reluctant to push for it.**

Does the financial sector really create value? In the UK, 90 percent of bank loans support real estate and financial assets. In other words, finance is primarily financing itself – and not society. And it doesn't stop there. Around the world, more and more businesses are becoming financialized. Rather than focusing on creating quality products or rewarding workers, they prioritize shareholder value above all else. Widening inequality is just one of the consequences of this. Financialization is also contributing to the heating of the planet. Because finance and business interests remain so powerful and resistant to change, we're still not doing enough to prevent the literal destruction of our planet and everything on it. Who can sort all these problems out? Surely, the people in charge – governments. But are they actually doing it? The key message here is: We need visionary change, but our governments are too reluctant to push for it. According to economic orthodoxy today, governments should basically do as little as possible. In this view, governments should only act to fix problems that the free market can't on its own, like providing a mass vaccination program or penalizing carbon emissions. They certainly shouldn't make bold, visionary interventions, or take creative risks – that's the job of the private sector. But is it really true that businesses, not governments, are the ones taking risks? What happens when governments give ambitious young companies huge loans? Who shoulders the risk then? In 2009, the US government gave out two such loans: \$535 million to Solyndra, a solar-power startup, and \$465 million to Elon Musk's electric car company Tesla. Solyndra filed for bankruptcy a few years later. Tesla, though, has grown and grown. The failure of Solyndra was widely reported, as an example of poor government decision-making. But nobody ever talks about the government's key early role in Tesla's success. It's typical: when governments support businesses, they get flak for the failures – and no credit for the triumphs. At the same time, governments are expected to be run like businesses themselves, prioritizing budgetary concerns over everything else. They end up outsourcing more and more work to private firms, on the assumption that they'll do a better job. Theoretically, this is a way to save money, but in fact it often ends up proving more expensive than staying in-house. Far too often, it looks like governments are set up to fail – like they can't do anything right, even when they do. But this isn't true. Governments can accomplish a lot with a bit of creative thinking and risk-taking. And to remind ourselves of that, we only need to look again at the astonishing, stellar accomplishments of NASA in the 1960s.

## **The US government's Apollo program is an inspirational example of how much a mission can accomplish.**

There's no doubt about it: putting a man on the moon was an extraordinary feat. And it

was one that required visionary and purposeful leadership from public officials. It wasn't just the workers at NASA and the private companies it hired that needed leadership. Leadership here was about inspiring the entire nation, the entire world. And it succeeded: people everywhere became deeply involved with the project, and children dreamed of becoming astronauts and scientists. The Apollo mission wasn't free from controversy. People asked how such expense could be justified when there was so much that needed doing back on Earth. But the mission's vision was so inspiring that it became a source of national pride. And there was a lot to be proud of. The key message here is: The US government's Apollo program is an inspirational example of how much a mission can accomplish. Think of all the problems the Apollo mission had to solve. Think of all the innovations that were needed in electronics, communications, textiles, nutrition, and navigation. Not to mention the challenge of keeping the astronauts alive. How did they solve all those problems at once? Well, by celebrating innovation and experimentation. NASA encouraged its teams to take risks and investigate multiple solutions to problems. Not only did this open up worlds of possibilities, but it also made NASA an exciting, dynamic place to work. And so it attracted the best people. What's more, NASA itself was organized in an innovative way, with inspiration taken from system engineering - which looks at how an organization is designed as a whole, and encourages interdisciplinary working. Not that everything happened in NASA itself. The mission encouraged genuine, productive partnership between government and business. Many parts of the project were outsourced - not to the cheapest company, but to the best. Motorola designed a data uplink system; General Motors did a fuel tank. The Hammond Organ Company made some clocks. The mission's approach to budgeting was outcomes-based. This meant the government committed to spending whatever was necessary for success. Because - as President Kennedy understood - success didn't just mean landing Apollo 11. It also meant the countless spillover effects that all this innovation and industry gave rise to. Without the Apollo mission, we wouldn't have camera phones. Or CAT scans. Or Dustbusters. LEDs. Memory foam. Baby formula. This was no vanity project. It may have been hugely expensive, but the long-term benefits were stratospheric.

## **Of the countless missions we might choose today, many concern the environment.**

What kind of missions do we need today? The aim of getting a man on the moon was so simple and yet so incredibly ambitious. That's what made it brilliant. But today, the challenges we face back on Earth are so great that some more grounded missions are called for. In 2015, the United Nations compiled a list of 17 sustainable development goals for the world - issues like ending poverty, developing sustainable energy, achieving gender equality, and combating climate change. And if we're looking for missions for today, they're an excellent place to start. The key message here is: Of the countless missions we might choose today, many concern the environment. Here's just one example of a problem in need of a mission: conserving the oceans. In fact, that's item number 14 on the UN's list of goals. An appropriate mission here would be to make the oceans plastic-free. But what would that involve? Well, it would require cross-sector collaboration involving the chemical industry, biotechnology, waste management, marine biology, to name just a few sectors. And between them, they would need to tackle various specific projects. For starters, plastics would need to be replaced with

reusable and biodegradable alternatives. Issues around how plastic and microplastic are digested would need to be tackled. Marine waste systems would also need to improve drastically. And there would need to be less plastic waste generated on land, too. Making the oceans plastic-free would be an enormous task. But with a clear mission, and the right people, it can be achieved. It's not all that can be achieved, either. Take the Green New Deal, launched by US politicians Alexandria Ocasio-Cortez and Ed Markey in 2019. That's a great example of the visionary leadership that missions require. The European Commission launched the similar European Green Deal, aiming to make the continent climate-neutral by 2050. The Commission's president, Ursula von der Leyen, even described it as "Europe's man on the moon moment." That doesn't mean the Green Deals are the same as the Apollo mission. For one thing, the Apollo mission was top-down – citizens weren't directly involved. When missions impact people at home so acutely, their voices should be heard equally. As we'll see, this means a more participatory approach is needed. But for now, just think of how amazing it would be to inspire people like in the 1960s. Imagine people embracing the challenge of fighting climate change precisely because of how hard it is, and celebrating how much skill, creativity, and innovation it will take to overcome. Imagine what we can accomplish if we all unite behind one mission.

## **We need to be on a mission to overhaul the political economy and its approach to public value.**

In the face of the Covid-19 pandemic, the world adopted a whatever it takes approach. This showed just what can be accomplished by huge, focused collective effort. But it also drew attention to the vast systemic problems we face today. Every year the UK government decides the size of the public health grant – which is how much money local authorities get for health care. In the five years leading up to the pandemic, this figure decreased by almost £900 million in real terms. As for the US, they initially had to fight Covid with far too few ventilators, because of a botched outsourcing project that had delivered none at all in 13 years. This points to a simple fact: the whole political-economic system needs to change. The key message here is: We need to be on a mission to overhaul the political economy and its approach to public value. It's common these days to conflate value with price – to imagine that anything worth money is valuable. But mission thinking helps us reconsider. Growth doesn't just have a rate – it also has a direction. Where does growth lead us? Just because a business is making more money, doesn't mean it's contributing more to the public good. We need to start thinking about how businesses serve the public interest. And that also means we need to reconsider negative attitudes toward government. Rather than thinking of government as inherently inefficient, we need to realize its public value. That means we should step away from the idea that government should only intervene in markets to fix problems. Really, it needs to be playing a more active role in shaping markets, and encouraging growth in particular directions. Take the German national bank, the KfW. This bank backs green projects, furthering the European Green Deal at the same time as supporting the economy. And conditions attached to its loans ensure that economic growth is well directed. But this isn't all a government can do. In fact, public finance in general could do with some new thinking. It's much too common to imagine that the national budget is like a household budget – that one thing has to come at the expense of another. Really, there's a profound difference: a government can literally create its



own money. Central banks can make new money available for the government to spend. When the government spends this money on important infrastructure like social security or highways, it's essentially placing that money into the economy in exchange for productive work. So long as the money is being used productively, rising interest costs and debt do not create a danger. Businesses benefit – and so does society.

## **We need to transform the political economy together, and in a way that's fair.**

Some of the missions we need are very specific, like cleaning up the oceans or fighting Covid. But, as we've already started to explain, other missions are more about a shift in attitude. Say we're on a mission to create a green city. Who gets to decide what that city looks like? It's only fair to ask the people who'll be living there – and to carry on asking them as the city develops. For these kinds of missions, ongoing participation with people is vital. They won't work with a top-down approach that assumes that businesses – or governments – know what's best. The key message here is: We need to transform the political economy together, and in a way that's fair. For a collective effort to really benefit everyone, it needs to address the modern world's sky-high levels of inequality. Far too many inequality projects only try to fix the problem after it's already occurred, via redistribution. We should also be aiming for predistribution, which simply means preventing inequality in the first place, by making sure the rewards from economic success are fairly shared among the population. Fairness applies to businesses especially. They must shift from thinking about shareholder value to stakeholder value – which emphasizes making a company work for everyone involved in it, not just those at the top. This may involve specific changes like placing trade union representatives on company boards. But it's also about re-evaluating a business's sense of purpose more broadly – they need to be asking themselves what public good their work does. The changes we need, in other words, are deep and lasting. But if we can put a man on the moon, surely we can do this. In a 1969 interview, Neil Armstrong described the view of the earth from the moon as humbling – he was reminded, he said, of the duty we had to protect the planet. Buzz Aldrin, meanwhile, said he was struck by the sense of collective effort that had gone into the mission: the notion that “We did it” – together. That was 50 years ago. Today, the duty we have toward our planet is even greater than it was back then. The challenges we face are immense and urgent – and not only because of the Covid-19 pandemic. Racial inequality continues to tear society apart, and climate change remains on course to destroy the planet. More than ever, we need to harness that sense of common purpose that Aldrin talked about. But we really do have the chance to do better. Not a chance, an obligation. It needs to be our mission.

## **Final summary**

The key message in these blinks: Just as the USA united in its mission to put a man on the moon in the 1960s, today we need to come together and engage in mission-based thinking. We're not only facing the challenges of recovering from the Covid-19 crisis. We also need to address deep systemic issues that prevent us from tackling huge problems like climate change and inequality. The whole way we think about government, business, and capitalism needs to change – but with a collective sense of mission, we

can do it. Got feedback? We'd love to hear what you think about our content! Just drop an email to [email protected] with Mission Economy as the subject line and share your thoughts!