The simple rules of crises and uncertainty in Latin America and what to do about them

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Resumo Português

A América Latina está presa em um estado de 'crise permanente', seja ela social, política ou econômica. A sua propensão para crises representa um obstáculo sério ao crescimento econômico e à qualidade de vida de centenas de milhões de pessoas. Utilizando o arcabouço conceitual de Complexidade e de 'Human Systems Dynamics' – e o Brasil como estudo de caso – este artigo tem como pergunta quais são os fatores-chaves que mantenham os padrões de condições que levam à, e sustentam, crises, apesar dos consideráveis esforços políticos e financeiros para mudá-las por parte dos governos nacionais e da comunidade internacional. Também pergunta o que essa incerteza permanente significa para o desenvolvimento da região e o quê, em termos práticos e políticos, pode ser feito à respeito.

Palavras chaves

Crises – Incerteza – América Latina – Regras simples – Complexidade – Sistemas Humanos Dinâmicos

Abstract English

Latin America is trapped in a state of permanent crisis, whether it be social, political or economic. Its propensity to crises is a serious drag on economic growth and the overall quality of life for hundreds of millions of people. Using the conceptual framework of complexity and Human Systems Dynamics – and Brazil as a case study- this paper asks what the key factors are which keep patterns of conditions which lead to, and sustain, crises in place despite considerable political and financial efforts to change them by national governments and the international community. It asks what does the permanent uncertainty this brings mean for the development of region and what, in practical political terms, can be done about it.

Key words

Crisis – Uncertainty – Latin America – Simple Rules - Complexity – Human System Dynamics

1 **Introduction**

Ever since the global economic and financial crisis began in 2008, Latin America has been in a state of permanent crisis, enveloping every aspect of life in the region: economic, political and social. The consequences of this have been devastating, whether one is talking about the 'lost decade' in terms of living standards for large part of the population, which has reversed some of the progress made previously towards closing the yawning economic inequality in Latin America, the almost chronic political instability in the region and, with it, what has been severe 'democratic backsliding' in several countries across Latin America.

Crucially, the persistence of these problems comes *despite* recognition of their existence on the part of many governments, as well as the international community at large, and often considerable political and financial investments in order to try and address them. Yet, the results of these attempts have either been disappointing or, as indicated above, been reversed during the persistent crises over the last 15 years or so.

Using the conceptual framework of Complexity (Geyer, 2003) and Human System Dynamics (Eoyang; Holladay, 2013), and Brazil as a case study, this article argues that one of the reasons for the persistence of crises are the 'simple rules' which govern Latin American society. Without addressing these – which shape, to a significant extent, what people and institutions can and cannot do – there is little chance of overcoming, in a sustainable way, the crises of the last 15 years. The key task is to make these simple rules explicit, reflect on them and suggest changes to make the region more resilient in the face of a global scenario which, everything indicates, will only grow more uncertain over the near- to medium term future.

2 **Literature Review: Crises and uncertainty in Latin America as a permanent feature**

Opinion on the current 'state' of Latin America is almost unanimous: Things are bad. The only discussion seems to be *how* bad they are and what that means for the region in the longer term, both economically and politically. For some, the region 'has come to the end of its second lost decade of development' with growth averaging about 0.9% between 2014 and 2023 (Ocampo, 2024). Martin and Gillespie (2020) go one step further, fearing that the region may face *another* lost decade on top of the one it just had, arguing that Latin America is uniquely vulnerable, with

per-capita income is not expected to return to its 2015 level until 2025. *The Economist* diverges slightly, arguing that this second lost decade will 'not be as bad as the first' (The Economist, 2019). The World Bank was slightly less pessimistic still, stating that there were no signs of a 1980s-style crisis but that 'an era of lost opportunities looms' (Jamarillo; Estevão 2022).

Yet, with this economic crisis, other crises have developed and evolved in interdependent ways. As Martin and Gillespie (2020) show, the economic crisis was not only caused – amongst many other factors – by years of social and political upheaval, it has *sustained* and *exacerbated* this upheaval, with several consequences for the political and social landscape of the region.

This is most obvious in the political systems of Latin American countries, which have been marked by several trends over the last 10 years or so, the most obvious of which can be observed in elections. As Freeman (2023) points out '[i]ncumbent parties have won just five of 31 presidential elections across the region since 2015, excluding the unfree and unfair votes held in Venezuela and Nicaragua.'

This trend is an expression of, and sustained by, increasing political polarization. The United Nations Development Program has shown how pronounced polarization is in Latin America and that it has accelerated markedly over the last 20 years as a result of increasing alienation, coupled with increasing identification with one's own social and/or political group (UNDP, 2023). This has led to a raft of populist leaders whose main 'selling point' is the identification of the 'elites' as the 'enemy' of the 'common people', dividing societies according to the simple question of who is 'with me or against me' (UNDP, 2023). Whilst populism in the region is not a new phenomenon, it has re-emerged focusing more strongly on questions of identity rather than economic questions. In fact, some analysts have argued that the most recent wave of economic populism has manifestly failed (Sabatini, 2021). Yet, this has not led to a decline in the populist appeal, as recent elections, for instance in Argentina at the end of 2023, have shown.

The march of populism in the region is also a sign of a deeper, and more complex, disillusion with democracy, support for which has declined markedly. A 2023 study by Vanderbilt University showed that only 59% of Latin American's agreed that 'democracy is the best form of government', a fall of 10% during the last decade (Lupu *et al.*, 2023). This opens the door for politicians with plans to undermine, and indeed destroy, the system, resulting in significant democratic backsliding in several countries in the region (Bertelsmann Foundation, 2022) as the political crises in Guatemala, El Salvador, Peru and Bolivia – to name but some examples – illustrate.

Of course, it is true that the mistrust and the lack of legitimacy which significant parts of the population feel towards their politicians and the (political and economic) system as a whole is well founded. The state is not delivering for the vast majority of the population. It is often profoundly, and systemically, corrupt and is perceived as such by the population (Transparency International, 2022). It is therefore no surprise that there should be a popular reaction to the overwhelming feeling that things are 'simply not working for me' (Acemogku; Robinson, 2019).

Taken together, it should be no surprise that the region is both passing through, and facing, very uncertain times. The question is how to get out of this state of 'permacrisis' which has afflicted the region for so long. This paper will argue that one of the key problems of managing crises and uncertainty in Latin America has been the lack of recognition of the long-term *interdependence* between different problems and issues, as well as the fact that crises are often treated as 'events', rather than the consequences of extremely incoherent *processes.* This problem, in turn, has a lot to do with the 'simple rules' according to which Latin American society functions. This paper will present Human System Dynamics (HSD) as a way of beginning to address the problems identified by reconceptualising what crises actually *are* and what they *mean*. It is this reconceptualization to which we shall turn to now.

2.1 Literature review: Crises and uncertainty as Complex Adaptive Systems: A Human Systems Dynamics Approach

The interesting thing about the recurrence of crises and its associated uncertainty is that the problems this brings for the region have long since been recognized, both in the academic and the policy-making community. It is not uncommon to read after any given election in the region that there is hope that the new President of that country could bring stability to said country and/or unite it (EEAS, 2019; 2023). That, the argument goes, is important so as to create 'certainty' for people, as well as investors.

Yet, it does not happen. The cycle starts again, as we have seen recently in Argentina, in Honduras or in El Salvador, not to mention Bolivia or Peru which, in turn, has significant consequences for the region's ability to *cope with* and *address* these crises (Nolte; Weiffen, 2021). This suggests that the approach to addressing crises, as well as the uncertainty which both underpins them and which is generated by them, is fundamentally flawed. The question is what explains the failure to stop this cycle?

I will argue that one of the key reasons is the belief that the combination of these factors can somehow be disentangled, isolated and changed, that crises are merely complicated. As Edwards (2002, p. 17) points out, with complicated problems 'it is

possible to work out solutions and implement them.' There is a belief that, having identified an unsatisfactory situation *a*, the application of the 'right' policy *b* would, with enough effort and sufficient resources, lead to a satisfactory outcome *c* which could then be maintained into the future for as long as possible. The identified problem would therefore be 'solved'. Geyer (2003) or Geyer and Rihani (2010) identify this type of approach to problem-solving as common in public policy, terming it 'Newtonian' or 'linear', the idea being that political leaders can control both policies and outcomes.

From this point of view, crises are the clearly identifiable consequence of policy-failure which can be 'corrected'. With this correction, the crisis can be brought to an 'end' and certainty can be 'restored' (Author, 2011). Such an understanding of crises has persisted, despite the fact that it has not brought the desired results. Cycles of crises and uncertainty persist.

This is due to a misunderstanding of what crises *are* and what they *represent*. As understood here, crises are not complicated but a complex pattern of conditions, with the following characteristics:

- The presence within the system of a large number of elements
- These elements interact in a rich manner, that is, any element in the system is influenced by, and influences, a large number of other elements
- These interactions are often non-linear
- There are multiple short feedback loops in the interactions
- The openness of the system and its elements to their environment
- These systems operate in a state far from equilibrium
- These systems have a history
- The elements of the system are ignorant of the behaviour of the system as a whole

(adapted from Geyer; Rihani, 2010)

Eoyang (2010, p. 466) has defined problems with such characteristics as complex-adaptive, 'a collection of semi-autonomous agents with the freedom to act in unpredictable ways and whose interactions over time and space generate system-wide patterns.' As Edwards (2002, p. 17) observed, such systemic patterns 'have remarkable resilience in the face of efforts to change them.' This is partly due to the fact that the system's agents 'are constantly changing, as are the relationships between and amongst them' (Eoyang; Holladay 2013, p. 16-17). There is significant *interdependence* between agents within a system as well as the individual agents and the system as a whole. The system self-organizes, a process by which the internal

interactions between agents and conditions of a system generate system-wide patterns (Eoyang, 2001). Such a process of self-organization is ongoing. The result is that Complex Adaptive Systems are both full of uncertainty *and* stability and resilience.

To act in a system with such characteristics, Eoyang and Holladay (2013, p. 30) propose what they call 'Adaptive Action' to exercise '[c]onscious influence over self-organizing patterns.' It permits 'seeing, understanding, and influencing the conditions that shape change in complex adaptive systems.' These conditions interact within a framework of fundamentally stability. To do this, 'Adaptive Action' is based on three questions:

What?

The 'what' question identifies the current state of the process of self-organization, which, according to Eoyang (2001), is based on three conditions: elements which hold the system together (such as shared objectives), differences between the agents of the system which generate tensions that allow for change and channels through which these differences can be expressed (elements Eoyang (*ibid*) calls 'Containers', 'Differences' and 'Exchanges' (CDE)). These conditions are interdependent and influence each other across time and space and are the guiding factors to self-organization.

Questions that might be asked to reveal the current state of self-organization include: What do we see? What containers are the most relevant? What differences exist and what impact do they have? What exchanges are strongest and what are the weakest? What has changed and what has stayed the same and, critically, what do we want these patterns to look like in the future?

So, what (does it mean)?

The 'so, what' question tries to make sense of what has been observed. What do the patterns mean for any possibility of action? Such a question is critical in that it generates options for action but also allows for the adaptation of action to different circumstances across time and space which is crucial in responding effectively to both the risk of crises, as well as crises themselves. In other words, the 'so what' question is crucial to make actions adaptable to the variable particular circumstances within which they have to be applied.

Questions might include: So, what does the current state mean to you, to me and to others? So, what does that mean for our ability to act? So, what options do we have for action? So, what option is best suited to the means I/we/they have available at this particular time in this particular context?

Now, what (do we do)?

The 'now, what' question, finally, allows for the taking of action having considered

the current state of self-organization and its implications. Crucially, this question allows for the consideration of different actions across time and space. The focus is on what *can* and what *should* be done.

Questions may include: Now what will I/you/we/they do? Now what will be communicated to others? Now what will the results and the consequences be? Now what will be done in response to these results?

These three questions can be applied at all levels of analysis. They allow for the identification of patterns that are scaled across the various levels of a Complex Adaptive System. Recognizing systemic patterns, in turn, greatly facilitates the taking of action as 'parts interact to generate emergent patterns while the patterns influence parts and their interactions. The result is a self-generating, self-organizing reality of human systems dynamics' (Eoyang; Holladay, 2013, p. 18), based on the interdependence between the parts and the whole of the system.

As briefly mentioned above, though, such processers of self-organization often take place within a framework of enduring systemic stability. As Eoyang and Holladay (2013, p. 17) put it, interactions 'simply change the conditions and relationships among the parts and the whole; they do not change the system in any fundamental way.'

This is crucial for identifying and addressing problems within social systems. It requires policy-makers to ask what explains the persistence of patterns despite concerted efforts to change them. I will argue that one of the most important factors are so-called 'Simple Rules'. It is these which we shall turn to now.

In social Complex Adaptive Systems, simple rules are defined as 'systemic agreements which shape conditions and influence pattern formation by shaping the conditions [of a system's evolution and development]'. They 'guide behaviours and interactions of members of a [Complex Adaptive System]' (HSD Institute, 2015). Furthermore, they inform how people and groups relate to each other and connect with their own, and other, communities. They help create, and sustain, more or less coherent patterns of thought and action within any given social system. In short, they guide how we behave and what behaviours are acceptable (or not) within a social system.

Therefore, simple rules *influence* how behaviours impact a system across time and space and therefore can be critical to *setting* these conditions and, more crucially still, *keeping them in place*. They significantly shape the macro-level of a social system and serve as a link between individual behaviour and systemic patterns. Social systems typically function according to a small number of simple rules that are accepted by the members of the system as a whole which can be both implicit and explicit (Eoyang, 2001).

This is critical in relation to action. As will be shown in the case study that follows, simple rules can be a significant impediment to change, even where and when problems have been identified and there is broad consensus about the need to address them and what could or should be done about them. Whilst there are many works on how *culture* can shape social systems (Arias, 2011; Harrison and Stokes, 1992; Stacey, 2001), there is virtually nothing on the, often unstated, 'simple rules' of behaviour which shape the system as a whole. Critically, outside actors are often not sufficiently aware of, or disposed to engage with, these simple rules and therefore do not appreciate the huge influence they have over the reaction of members of a social system to particular policies. Understanding simple rules is critical to the chances of success of a particular policy and *should* lead to political actors adjusting their expectations accordingly.

It is this issue we will turn to now in relation to crises and uncertainty in Latin America, looking specifically at the case of Brazil.

3 Results: The simple rules of crises and uncertainty - The case of Brazil

Simply through its sheer size in terms of territory and population, as well as its dominant economic position, what happens in Brazil tends to have an impact on the region as a whole, both in practical and political terms, making it an illustrative case study for the argument this paper is seeking to advance.

Brazil has been in permanent crisis mode since 2013: a deep economic recession, social unrest, severe political instability, the rise of populism and, in 2023, the attempt to overthrow the elected President through an insurrection. All this without even mentioning the impact of the COVID-19 pandemic, with all its consequences both for the Brazilian economy and the *severe* political tensions it created between different layers of the Brazilian government and the Brazilian state more broadly (Martuscelli, 2023).

Within this context, it is also worth noting that such multiple – and interlocking – crises are nothing new. There is a long history of economic crises leading to profound political crises and transformations. The country's military dictatorship began in the wake of a severe economic crisis and ended in the wake of another. The most recent political crisis- which saw the impeachment of elected President Dilma and culminated with the election of Far-Right President Bolsonaro in 2018- followed a severe recession (Marquetti *et al.*, 2020).

In a conceptual sense, what all these crises had in common- despite their different

particularities – was the extreme lack of coherence within the social system (Brazil) when they occurred. Coherence here is defined as 'the state of the system in which the parts fit together to establish system wide patterns (Eoyang, 2001).

In Brazil, this incoherence can be illustrated in several ways: First, there has been worsening social inequality (Tornaghi, 2021), accompanied by increasing political polarization. Add to this the consistently high levels of violence, rampant informality in the economy and differing degrees of vulnerability to, for example, natural disasters and one has a social system which is marked by incoherent patterns of conditions that *increase* the risk of crises, prolong them and make uncertainty a permanent feature of everyday life (Neri, 2022; Author, 2012**)**

As shown, there is no shortage of literature to identify these factors as critical in determining Brazil's vulnerability to the recurring cycle of crises over the decades. Yet, despite such recognition the cycle of crises has not been broken. The hypothesis put forward here is that is that the simple rules which govern the country, as well as the region, are a key factor keeping these conditions in place. The question, then, is what are these simple rules? I argue that one can identify four rules which will now be discussed.

A) Yield to Power. The first critical rule in Brazil is that one must *yield to power*. Social hierarchy is absolutely crucial and has been a key organizing concept in Brazil. They exist informally in all sub-systems in the country. In many poor areas, for instance, gangs or militias are at the top of the hierarchy and *their* rules apply at all times. In the political arena, the same principle applies, leading to a concentration of power around the President and the leaders of the two houses of Congress (Vázquez; Bjornsv, 2020). In business, it means both a concentration of economic power and rigidly hierarchical organizational structures. In other words, these hierarchies are repeated at all levels of the system with different actors but the *principle* of yielding to power remains constant.

B) Attend to what is happening. A second simple rule is to live in the here and now and, therefore, to *attend to what is happening now*. This is a necessary survival mechanism given the rigid social structures referred to above, which make change much more difficult, For large parts of the population poverty means that long-term planning is of no use in any case (Neri, 2022).

Bearing these first two rules in mind, the third one seems almost obvious:

C) Build Alliances. In a society where social progression is, at best, difficult and where most people get by on a day-by-day basis, building (mostly informal)

alliances is both useful and necessary. It is critical for everything from getting hold of everyday necessities to getting a job (Maurizio; Monsalvo, 2021). At the same time, for the elites, building alliances is a tool for maintaining the status quo which serves them so well since these alliances are *within*, and not *across* or *between*, social classes (Author, 2012). In other words, these alliances *reinforce* existing structures, rather than challenging them.

D) This last point, in turn, reinforces a fourth simple rule, which one might call "Remember who you are." As a society, the relative position of each member is constantly being reinforced by what they do, where they work, where they live, where they send their kids to school etc. This, as is shown below, has significant practical implications when it comes to addressing the persistence and reoccurrence of crises (Lustig; Tomassi, 2020).

These rules exist across all scales of the system that is Brazil. As such, they significantly shape the way that conditions interact and are expressed. In practical terms, this means that they significantly shape the way crises in Brazil – and the threat of them occurring – are perceived and addressed. We will now look at these implications in turn for each simple rule.

The first rule, yield to power, is critical to understanding why some of the underlying conditions which contribute to crises – extreme inequality being the most obvious – have only been addressed sporadically, to the point that the last 10 years have seen a reversal of some of the progress made towards reducing inequality in the country (Jaramillo; Estevão 2022). This leads to a situation where *dependence* on those 'above you' in the social structure is extreme, be it for work, the provision of security, or access to the most basic services (Vakis; Rigolini; Lucchetti, 2015). As a result, a critical *exchange* between different groups within society about political and practical priorities, about 'problems on the ground' does not take place. There is no common sense of purpose which would allow for planning to take strategic preventative measures to avert or mitigate crises. Instead, existing power relations are constantly reinforced, be it through unequal access to healthcare, education etc. As a result, people stay where they are, be it socially or geographically. One very practical consequence of this is the fact that the *impact* of crises falls disproportionally on the poorest segments of society whilst those 'at the top' are often not directly, or far less, affected, as the COVID-19 pandemic made abundantly clear once again (World Bank, 2021).

This, in turn, has implications for rule number two, attend to what you can see and what is happening. Since the state is often not present in any effective sense in the poorer areas of cities and the countryside – and since the *perception* of the state

is as being corrupt and often violent– *in*formality is rampant, leading to 'permanent ad-hoc' living conditions which are – in every sense of the word – precarious (Transparency International, 2022).

At the same time, those in position of economic and political power have as their principal objective the maintenance of the status quo which has served them so well for so long (Acemoglu; Robinson, 2019; Souza 2017). This also does not require long-term planning but, rather, addressing any short-term threats. As a result, the whole approach to governance is to be *reactive* to events. Crises are, from this point of view, something that just *happen*, rather than something that is, at least partially, predicable and whose consequences are, at least in part, the result of poor public policy-making. The uncertainty these crises generate, from this point of view, can actually help sustain the status quo, as will be further explored below.

This leads to the third rule: build alliances. Day-to-day survival on the one hand and preserving the status quo on the other mean that alliances are necessary but also transactional and shifting, depending on the particularities of a specific situation at a specific time. They are rarely strategic and long-lasting across time and space (Author, 2012; Souza, 2017). Equally, they do not reach across social divides. This means that, in terms of preventative planning and the building up of resilience, no *overall* and long-term view is taken. In fact, in poorer communities in particular, the fragility of life is accepted as inevitable and is deeply ingrained in culture and day-to-day behaviour. Long-term plans– which would require stable alliances between different actors – are simply not considered.

These alliances are tied to the fourth simple rule: remember who you are. Deep social divisions are constantly reinforced in everyday life: where people live, where they do their shopping, where their kids go to school etc. All of these issues reinforce an identity of belonging to a particular group. Mistrust between different groups is so deep that overarching identities cannot form and endure (Transparency International, 2022; The Economist, 2018). The question of who we are is tied to *sub*-systems and their agents. This means that there is very little interaction between these different sub-groups unless in a professional or 'master-servant' capacity– as illustrates by the relationship between the upper classes and maids, poorly paid private security guards patrolling upper class shopping centres etc. (Souza, 2017).

There is, hence, very little communication between, or engagement with, the 'other' groups. Where communication *does* happen, it   occurs in the form of orders and as a way of reinforcing existing hierarchies. Furthermore, crises – and the problems they represent– are *perceived* very differently since they *impact* different groups in

very different ways. In simple terms, crises, such as COVID-19 had far more impact on poorer groups than on the upper middle classes and the elites (Lustig; Tomassi 2020). As such, in a system where the 'here and now' is so important, the different experiences associated with disasters becomes a critical barrier to meaningful, and sustainable, action.

The consequence of this is not only that identities of belonging – and, critically, *not* belonging – to particular groups are reinforced but that crises and their consequences are not treated as *societal* problems but according to 'who you are'. In fact, they are often used quite deliberately to *strengthen* the existing system and its structures against any attempt to change it.

The above has significant implications for how societies, and decision-makers, can respond not just to crises but how it should attempt to strengthen resilience and prevention, reducing uncertainty in the process and turning this vicious cycle into a virtuous one. It is these implication to which we now turn.

3.1 Results: So, what does it mean? Simple rules and their implications for addressing crises and uncertainty.

As shown above, there has already been a significant body of work which identifies the patterns of conditions which make the region so susceptible to crises. Yet, the focus on the simple rules which govern the social interactions that occur help explain the failure to sustainably change these conditions. Simple rules hold conditions in place.

They also help explain the many structural problems identified in policy-making in relation to crises. Whilst it is true, for instance, that policy-making response can often be seen as disjointed, within the context of the simple rules, disjointed policy-making at national level makes perfect sense. Whilst one can correctly point out that policy-making related to crises is reactive, being reactive- rather than proactive- also makes perfect sense either because poverty prevents long-term planning in any case or because there is no real interest in changing the structures of the system as a whole (United Nations, 2021).

For actors trying to address the susceptibility to crises in Latin America, this has critical implications, firstly for problem definition. If one accepts that simple rules hold patterns of conditions in place, then the focus of any action should be how to *influence* those conditions which can have the greatest impact on the simple rules. In the specific case analysed here, these may *not* be directly related to crises and their management but about influencing the social interactions and the rules

according to which these interactions occur, for instance to foster forward thinking and long-term planning. In simple terms, what actions can have the most impact on the simple rules so that conditions can be sustainably changed? Another question to define the problem at hand is what conditions and rules can be addressed to influence the pattern which leads to, and sustains, the problem being addressed? Below some suggestions will be made as to what this could look like in terms of concrete actions.

This suggests that there is significant *interdependence* between the conditions identified and rules which hold them in place. Changing one will inevitably influence the other. However, as is the case in complex adaptive social systems, *how* precisely any action will influence the rules and conditions cannot be foreseen. Therefore, policy-making comes with a *lot* of inherent uncertainty and unpredictability. This is particularly the case in a region which is of a more disorderly nature and has been for a long time. Therefore, crises do not *add to* the significant degree of disorder and uncertainty which already exists (Williamson, 2009).

This, in turn, means that actions taken as a way of addressing crises have to be *flexible* across time and space. Actions need to be long-lasting but adaptive, taking into account what the literature often calls 'local boundary conditions' which can, and usually do, differ in small but significant ways (Eoyang; Holladay, 2013; Geyer, 2003). In other words, outside actors have to engage with local actors, often at micro-level, and involve local decision-makers with 'buy-in' of the local population, something which is critical but often overlooked in 'outside interventions' (Keen, 2010). At the same time, to make any action at this level effective, it is critical that those actors developing and implementing them *know* these simple rules and actively think about, and engage with, the practical implications of these rules for policy-implementation, so as to minimize what Jervis (1997) termed 'unintended consequences'.

Finally, and critically, the existence of simple rules that are deeply ingrained within a particular system has significant implications for *expectations*. The existence of simple rules within highly complex, and often highly disorderly, complex adaptive systems means that, more often than not, change is slow, uneven and fragile. Addressing crises will not *solve*, but rather *influence* them. That influence will change the patterns which have caused and sustained the crisis but influencing patterns is often a long-term *process* rather than a single *event*. A large number of small changes can often have a more significant, and sustainable, impact than big changes imposed from above (Scharbatke-Church; Chigas, 2016; Keen, 2010). As a result, there will, most likely, be setbacks along the way and, critically, simple rules will strongly influence what different agents within the system consider to be a 'success'.

Having addressed the implications of simple rules ' in action' and *for* action, the final part of this paper will now consider some *actions* which will take account of these implications.

3.2 Results: Now, what? Actions to influence Simple Rules

Based on the above, there are several practical actions that can be taken to prepare for, and respond to, crises and uncertainty in a new, and potentially, more fruitful way.

The first is a decentralization of policy action. The impact of crises is often felt most immediately and acutely at local level by local people. The exact impact of any given crisis also varies from one location to another. Bearing this in mind it is critical that actions are taken at local level.

The objective behind this decentralization is both practical and strategic: At a practical level, the quicker the immediate consequences of a crisis are addressed, the better for the effected population. However, in strategic terms, decentralization can also have an important, and potentially, long-term impact: Firstly, it allows for responding more directly to specific needs. This, in turn, can *begin* address the deep mistrust between state and population which is so common in Brazil and Latin America more broadly. As such, a simple change in action – sustained over an extended period of time – could begin to, at least, *challenge* some of the key issues that underpin some of the simple rules discussed in this work: Direct, practical and useful interaction between the population and, broadly defined authority may well begin to address the mistrust between the two sides.

For this to have a lasting impact on the simple rules – such as *remember who you are* – it is critical that actions are not just focussed in an operational sense on the local level, but also involve as many local actors as possible. Can local resident associations, for instance, be involved in the execution of any action? It is they, after all, who are often closest to the *impact* of a crisis, know the immediate needs and are much better known to the local population, which, once again, is critical in terms of trust.

Linked to this, secondly, the *number* of actions at local level needs to be substantial and sustained so as to create a critical mass of success stories (Doyle, 2011; Risso, 2014).   From a complexity perspective, this is good policy since it recognizes the variable nature of local circumstances and, therefore, the need to act adaptively. A larger numbers of success stories, in turn, could slowly begin to change perceptions of the role of authority. This, obviously, would be a long-term process, yet one of the key issues in relation to the impact of disaster is precisely the creation of trust between

population and authorities. Such an approach also has the advantage of working *with*, rather than against, the simple rule of 'attending to what you can see and what is happening', that is, dealing in the here and now, attending to immediate needs.

However, for such an approach to be sustainable over time, one other key action is to make actors, and their organizations, more responsive to local needs and differences across time and space. As outlined above, in response to crises, actors are usually extremely traditional in their way of acting, especially as it refers to the centralization of power in order to 'control' crisis responses. Therefore, one challenge is to demonstrate the utility of an approach such as de-centralization using traditional methods of social sciences and policy-making. *Data* here is critical since it is highly valued in policy-making organizations. There is substantial evidence from Latin America to show that decentralized approaches in response to crises have worked and have challenged the simple rules which underpinned many of them. However, they have not been used broadly enough to see whether they would make a sustainable difference (see Muggah, 2018, in relation to public security in Latin America). Therefore, using trusted methods of informing policy-making *can* create pressure for change in terms of how a particular problem should be approached.

The key question then becomes what conditions stop an organization or political actor from embracing such an approach, as outlined above, bearing in mind that we have *a lot* of data suggesting what does and what does not work. One challenge in this respect, is to address the issue of assuming risk. We *do not know* how a particular policy will work out, but we *can* sketch out possible scenarios, based on previous experiences and solid empirical data. In other words, in embracing a seemingly riskier policy approach (increased decentralization of action) we can mitigate at least part of this risk by doing what has traditionally been done: be scientific and thorough in the way we approach and interpret what we already know about the problem at hand. This, again, would challenge the simple rules which rely so much on top-down actions, hierarchy and 'knowing who you are'. These processes are long-term and uncertain but when people see things 'working' over time, it may fundamentally change the patterns of action and, influence the simple rules.

None of the above suggestions would guarantee success. What they are is an attempt to challenge and change an approach which simply has not had the desired success. As such, it seems prudent to 'poke the established system', to shake it up and, with it, the simple rules which underpin it. Far from being radical, Acemogku and Robinson (2012) have shown that this kind of approach has been key to the development of today's most prosperous nations. These countries is marked by continuous

experimentation, trial and error, and often small and incremental changes to simple rules, which the state has not only permitted but often actively encouraged and incentivized through political action (Geyer and Rihani 2010). In other words, they have historically developed through adaptive action. What Acemogku and Robinson (2012) term 'creative destruction' has been at the core of development for centuries, based on the ability of those who want to be able to try new things, fail if necessary and try again. Certainly, creative destruction will lead to enormous tensions as it inevitably challenges, and sometimes destroys, the status quo but it is key to sustainable change and, can unleash enormous potential, backed up by an impressive historical record.

4 Conclusions

This work has provided an approach to answer the question what stops Latin American countries from becoming more resilient towards crises and the uncertainties they cause.

The key argument advanced is that crises are self-organizing complex adaptive systems, the result of a pattern of conditions which make the system extremely susceptible to them. In the case of Latin America, the simple rules outlined in this paper keep the system in a state which is poorly prepared to prevent – and respond to – crises and therefore far more susceptible to the uncertainty they bring.

Modifying these rules – and the patterns they help to sustain – requires a transformation of how crises are defined and where, and with whom, actions in response to them are taken. As mentioned, amongst the new approaches should be a decentralization of action as a way of building up resilience.

Advancing in such a direction opens up several areas which will require further research. Most importantly, how can successes at local level scale across the system as a whole? Much innovative work has been done to address susceptibility to crises at a local level. Yet, this has not led to a change in the overall pattern. As argued here, one aim must be to considerably increase the number of local projects to create broader alliances at the local level aimed toward a critical mass of success stories. However, this will only happen when the simple rules are modified. How this can be done needs to be further explored.

This, in turn, requires institutional and organizational reforms in policy-making institutions which have been marked by strict hierarchies and top-down decision--making. Yet, organizations are Complex Adaptive System *par excellence* whose development and evolution is *emergent*, spurred on often by *informal* interactions.

Successful organizations allow such processes to further and entrench coherence within their organizations.

Furthermore, it will need to be shown more clearly, in a conceptual as well as a practical sense, how simple rules are linked to, and sustain, the patterns of conditions which perpetuate the problems outlined here in relation to disasters and how the modification of one or more simple rules can lead to new and emergent patterns in relationship to reaction to and preparation for crises in the region. What has been done in present text is merely the beginning of this process. How do simple rules sustain conditions and how can conditions influence the rules outlined above? These questions need to be further explored.

Approaching such issues from a Complexity perspective opens up different options for action, but also to *engage* more actively at organizational level to show the benefits of such an approach to policy-makers directly.

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