



# Practitioner's Guide:

## Scenarios



## The Ranching Example





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### Example:



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The **base system state** was described as:

*Four sub-groups have been identified: the rancher, the middlemen, the meat packing industry and the consumers of beef. The ranchers own 90% of the cattle in Lobe. Cattle breeding and feeding practices are inefficient. The ranchers have a strong emotional attachment to their cattle as they equate ownership of cattle with prestige.*

*The ranchers sell their cattle to middlemen. The cattle reaches consumers after going through several levels of the middlemen, thus inflating the price of beef. The meat packing industry is small at present but is owned by a big multi-national company. The beef is packed mainly for export....*

The attributes of the sub-groups were the value of the system of each sub-group, the economic linkages between sub-groups, and major institutions. The meat packing industry was selected as the driving force for the scenario because it wanted to increase its growth rate.

The **external context** may be described as:

There will be a maintenance of favourable trading conditions with the major trading blocks (EU, NAFTA, etc). No adverse weather conditions will occur.....

Starting with the base and external context, the progression was formulated to give the following scenario:

*It is the year 2000. The demand for beef in the trading block countries (EU etc) is seen to increase greatly over the next seven years. To meet this demand, a multi-national company invests \$20 million in a meat packing plant geared for both domestic and overseas consumption of beef.*

*Training is provided to help the ranchers improve their cattle breeding and feeding practices. This will ensure a regular supply of the beef for the meat packing plant. However, there is considerable resentment by the ranchers. Since only a few ranchers react positively to the efforts, the ranchers are hindered in acquiring land to expand their ranching activities since the meat packaging company owns much of the land.*

*By 2003 the meat packing plants has been established and most ranchers have reluctantly settled. The multi-national company pays the ranchers high prices for their cattle. The middlemen find themselves being forced out of their traditional supply links. The middlemen, who handle many foodstuffs other than beef, organize into a cohesive unit and in 2002 go on strike. There is a mass hoarding of food by the housewives and prices increase remarkably. The military is asked to provide trucks for the transportation of essential foodstuffs...*

Several such scenarios were formulated for review and evaluation of decision makers.