

Activity 4.2

Title: Developing a Causal Loop Diagram

Learning outcome: to gain an understanding and experience on how to build Causal Loop Diagrams

Applicable: it can be used in the first lecture of the Systems Thinking module

Green skills: discussion, collaborative planning, co-creation, systems thinking

Instructions: Ask the students to develop the CLD of the following description

Real estate demand in densely populated urban areas with sufficient land to extend is often rather price sensitive: declining *property prices* for instance caused by relative oversupply, i.e. *real supply* exceeding real estate demand, results in rapid demand rises. Construction companies often initiate *new projects* based on the demand for properties. Increased demand leads to new projects being initiated. Real estate construction projects are often *completed* with relatively long delays of about 2-3 years. Many construction companies tend to operate in these areas. And they are mostly unaware or do not keep track of construction projects initiated by others

Correct CLD

