



E3G

School of International Futures

What does the Policy Customer Need?

Nick Mabey, E3G

August 2012

Four Core Points



E3G

- Policy customers too often find futures interesting but not useful
- The main reason for this lies in their lack of understanding of how different futures might impact their objectives and how to develop robust and effective response strategies.
- This understanding varies fundamentally between different sectors/professions
- More effort is needed to build the skills of policy audiences to absorb futures information into practical decision making

Invest in capacity to listen and respond



- Decision Making in Day to Day Government
- Understanding System Responses
- Building Strategic Options
- Ways Forward?



The Reality of Decision Making?

“There is nothing a government hates more than to be well-informed; for it makes the process of arriving at decisions much more complicated and difficult”

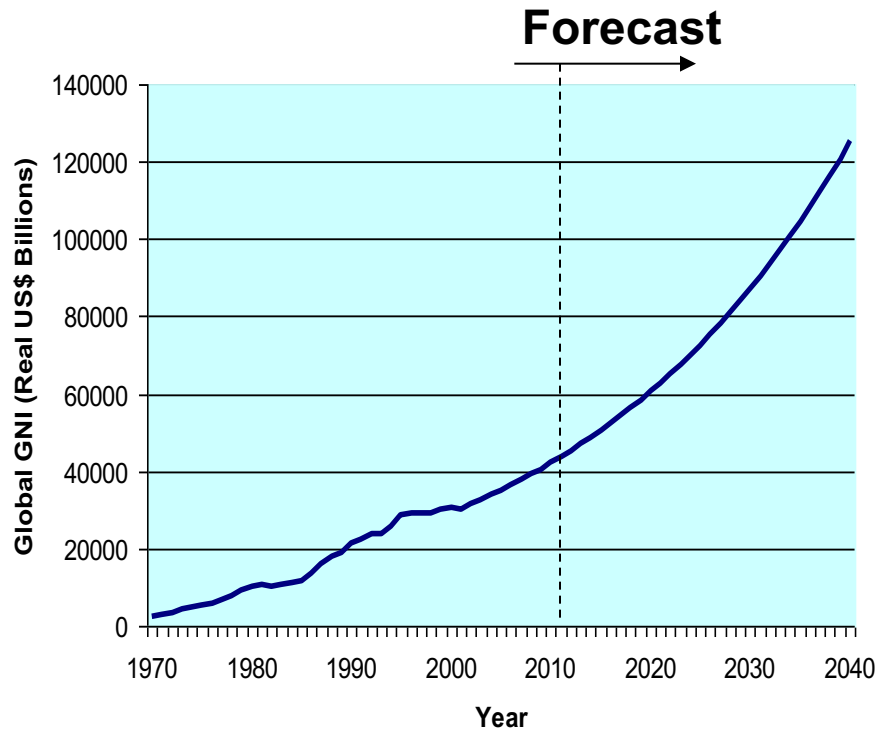
John Maynard Keynes

Current technocratic descriptions of the future give an illusion of continuity and control



E3G

Global GDP will increase by 300%
in 30 Years



(Source: World Bank)

- 300% change in 30 years is incredibly disruptive growth
- Trade will probably grow by 1000% with large shifts in production and consumption
- Regional distribution of growth has swung to South and East Asia
- This will have large changes in cost and availability of commodities changing incentives for land use, water use, conservation etc

Being “on this curve” will be exhilarating, frightening and confusing

Change is a messy, complex and uncomfortable process. A reactive stance often makes sense.



E3G

Pandolfo Petrucci, Lord of Siena, to Machiavelli (Florence, c. 1515):
'wishing to make as few mistakes as possible I conduct my government day by day and arrange my affairs hour by hour; because the times are more powerful than our brains'



Need to understand the real constraints on decision makers – not just assume they lack “political will”

Strategy Chain

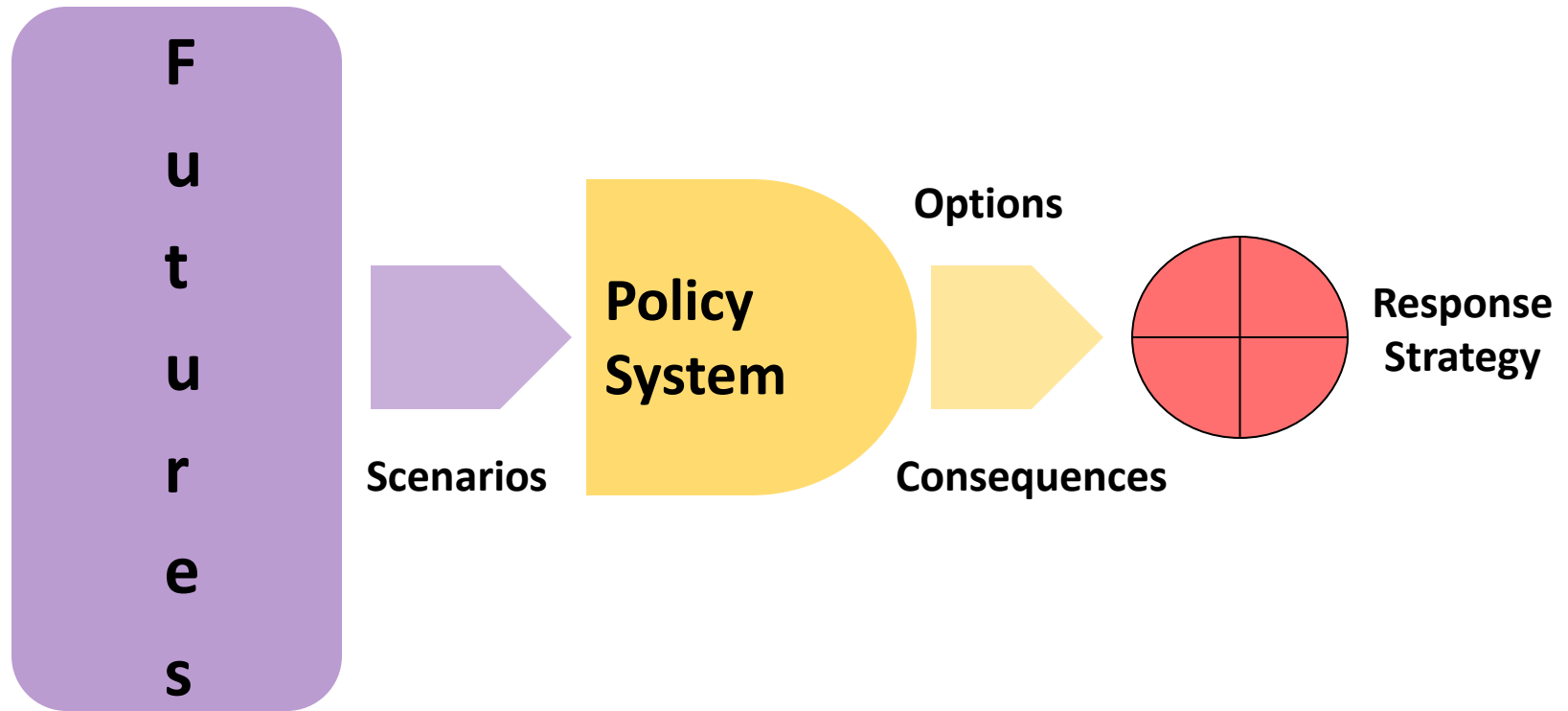


E3G

**Explicit/Structured
Analysis**

**Implicit
Synthesis**

**Ad Hoc
Judgement**



Using Futures



E3G

- Good futures work usually generates very positive reactions from senior decision makers, but often has little impact on policy
- Few policymakers (particularly at lower levels) have a clear and comprehensive systemic understanding of the full policy space. None have agency over it. They find it very hard to implicitly “model” the dynamic impacts of different futures.
- Without a compelling “why” (consequences) and an explicit “what” (options) it is difficult to formulate compelling “hows” (strategies)
- Need to synthesise incommensurate and compare subjective probabilities means that senior ad hoc judgements on likelihoods of outcomes are usually driven by current interest not future analysis

Big differences between policy areas/professional cultures



E3G

- **Security:** strong futures systems in military but very weak understanding of conflict and peace drivers. Military have strong culture of valuing and building risk management skills.
- **International policy:** very weak futures culture with bias towards process driven reactive strategies
- **Energy/Resources:** very weak on disruptive futures and strong incumbent influence on responses
- **Environment:** strong quantitative futures knowledge but unable to combine with human and market systems
- **Economy:** very weak futures culture and static modelling approaches that ignore disruptive shifts

Differences driven by political economy and culture



- Decision Making in Day to Day Government
- Understanding System Responses
- Building Strategic Options
- Ways Forward?

Making System Assumptions Explicit



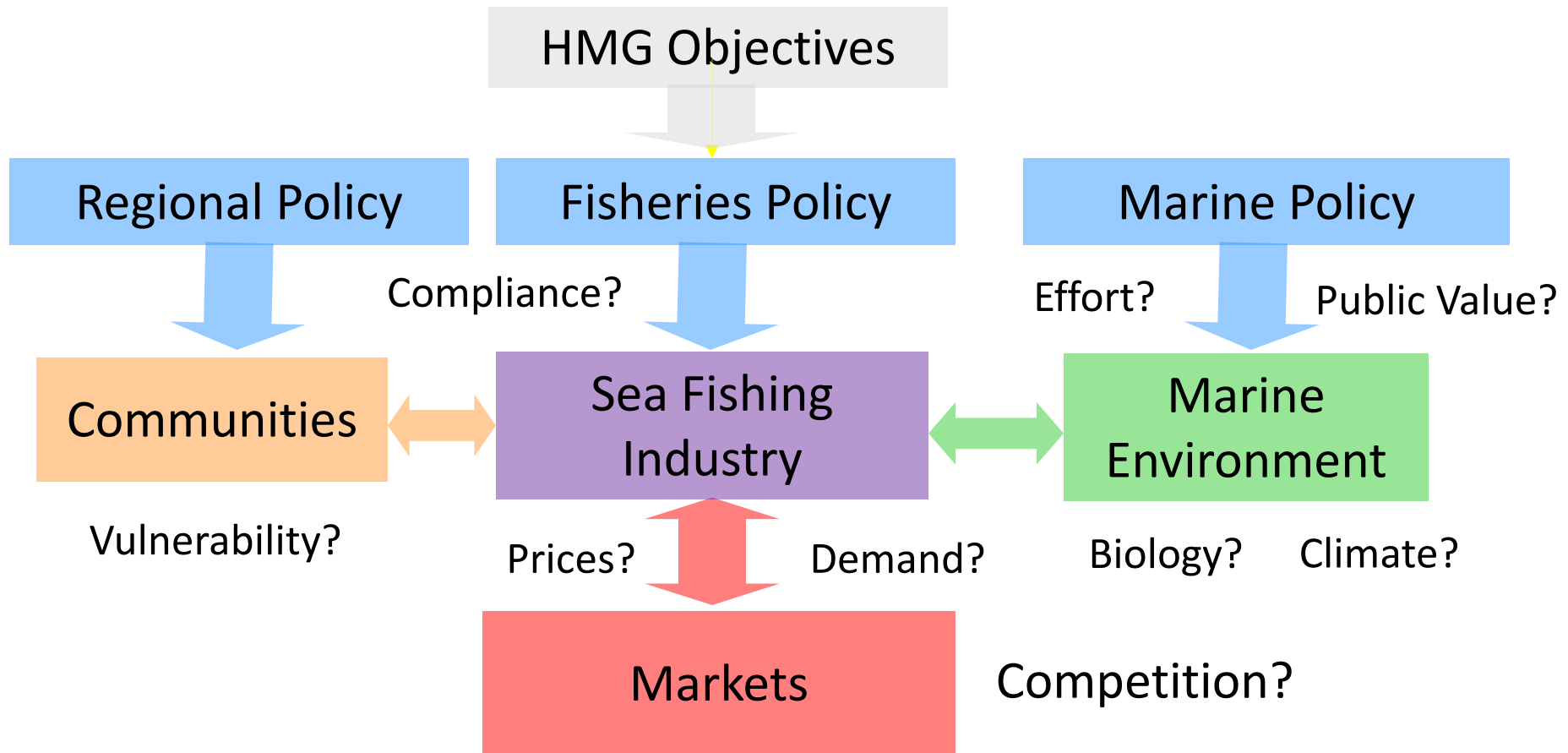
E3G

- Pooling comprehensive information across groups and professions
- Explicit consideration of key causal dynamics, uncertainties and complexity
- Simple enough to align stakeholders and “stick with” senior decision makers
- Provides a shared framework to engage with futures

Fisheries Policy System



E3G



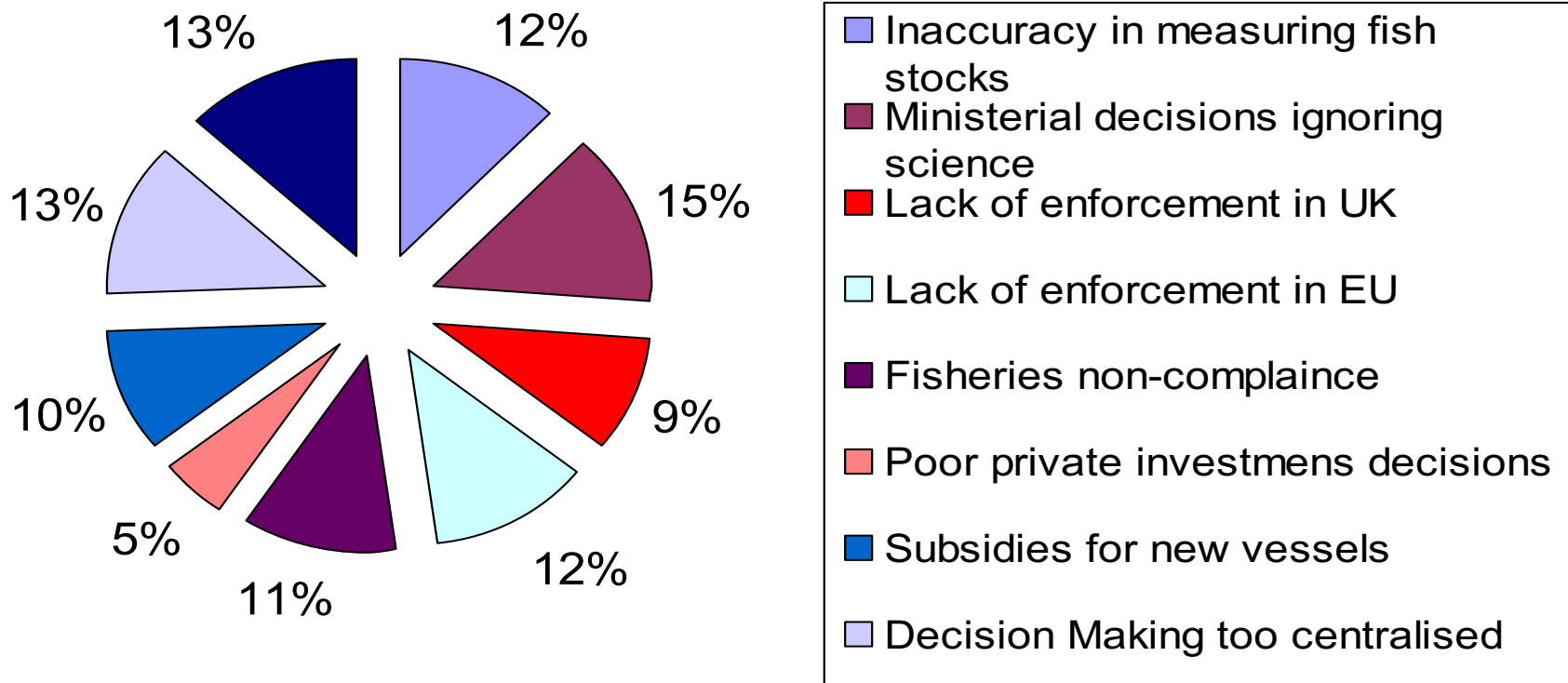
Command and Control Approach Fails under High Uncertainty

No Common Understanding of System Failures among Stakeholders



E3G

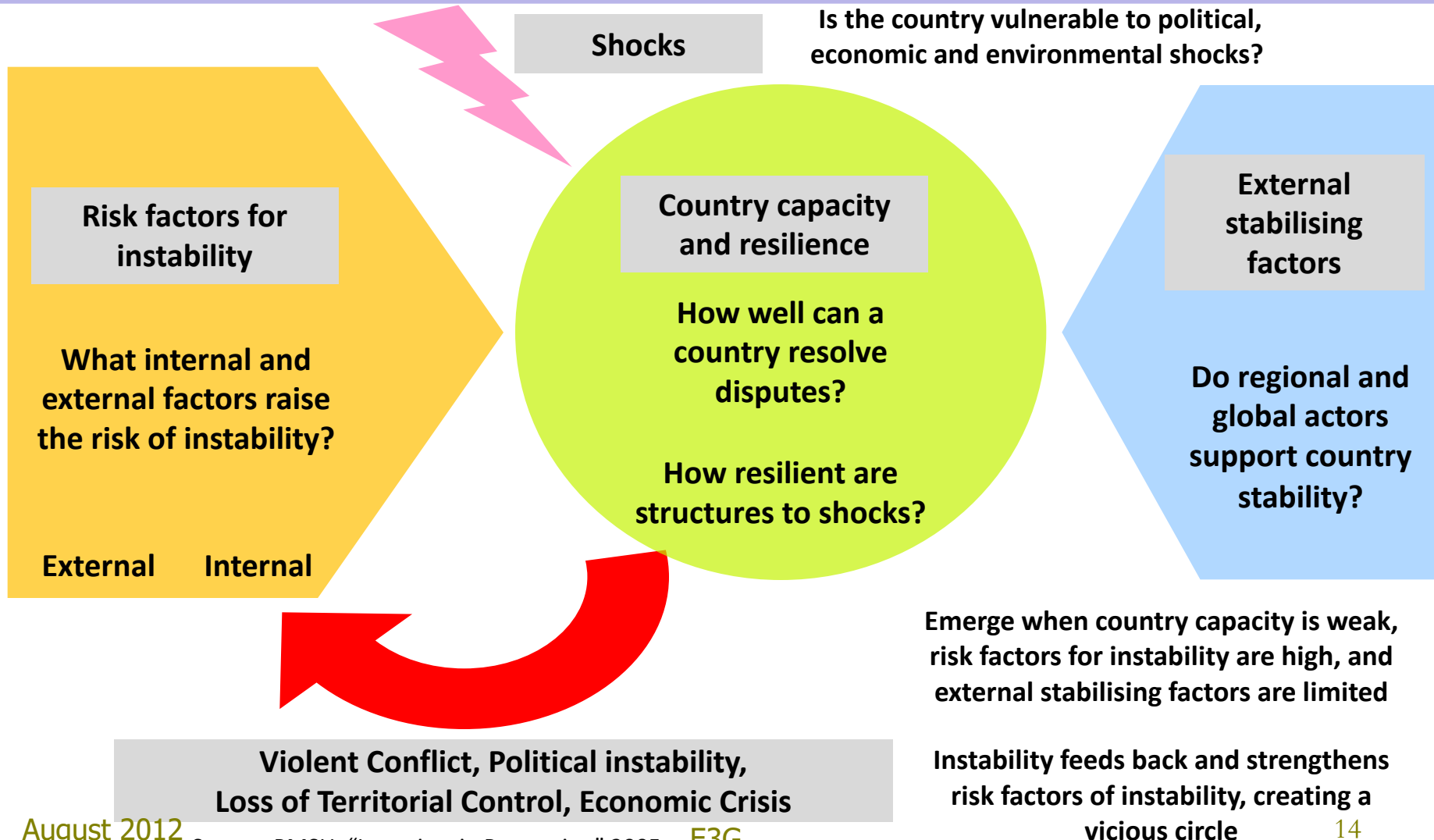
- All parts of the CFP system have significant problems
- This system failure is reflected in differing stakeholder views in survey
- Lack of faith in system leads to mistrust and widespread non-compliance



Understanding Conflict Dynamics: the Instability Framework (“Butterfly”)



E3G



August 2012

Source: PMSU “Investing in Prevention” 2005

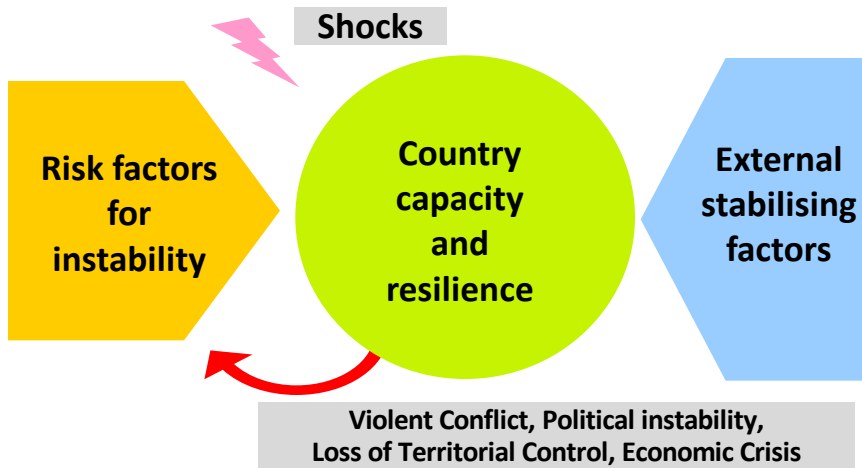
E3G

Crisis Cycle: balance of factors changes over time as country risks change, crises emerge and are resolved

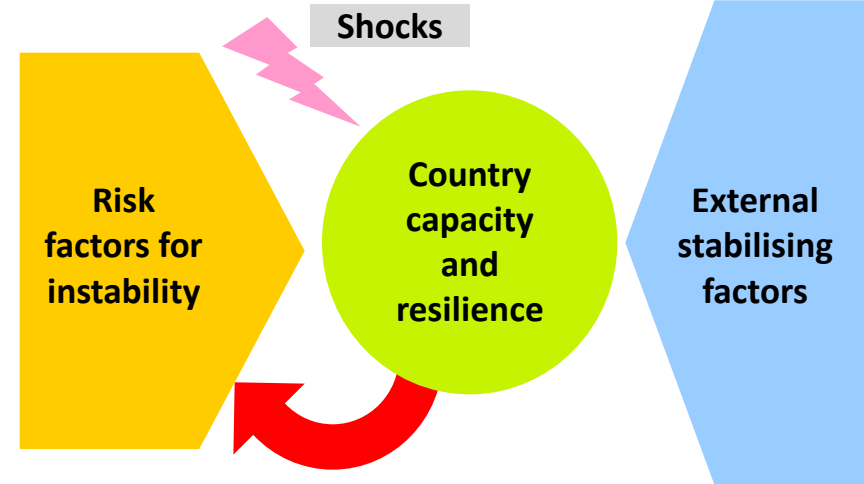


E3G

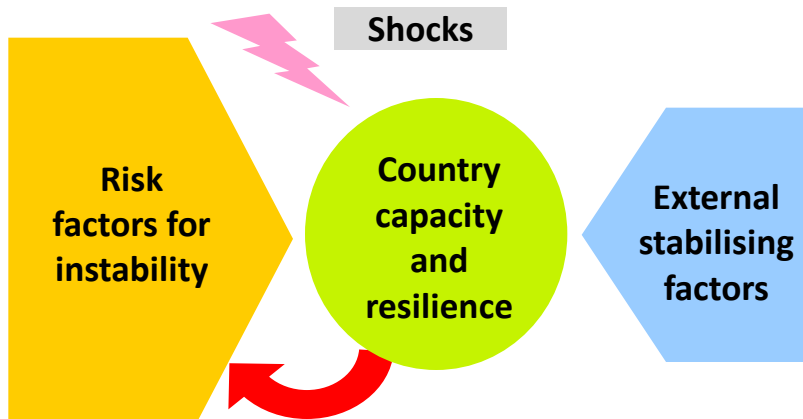
1. Stable Country



4. Post-Crisis with International Stabilisation

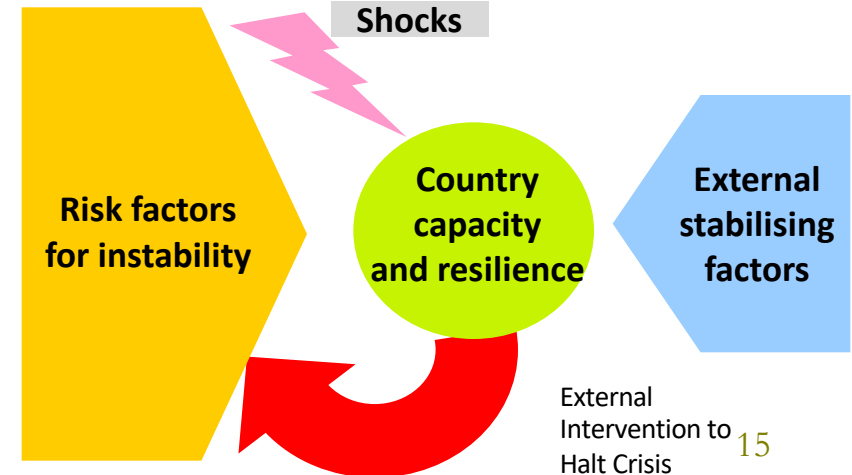


2. Pre-Crisis, instability increasing



August 2012

3. Crisis Emerges



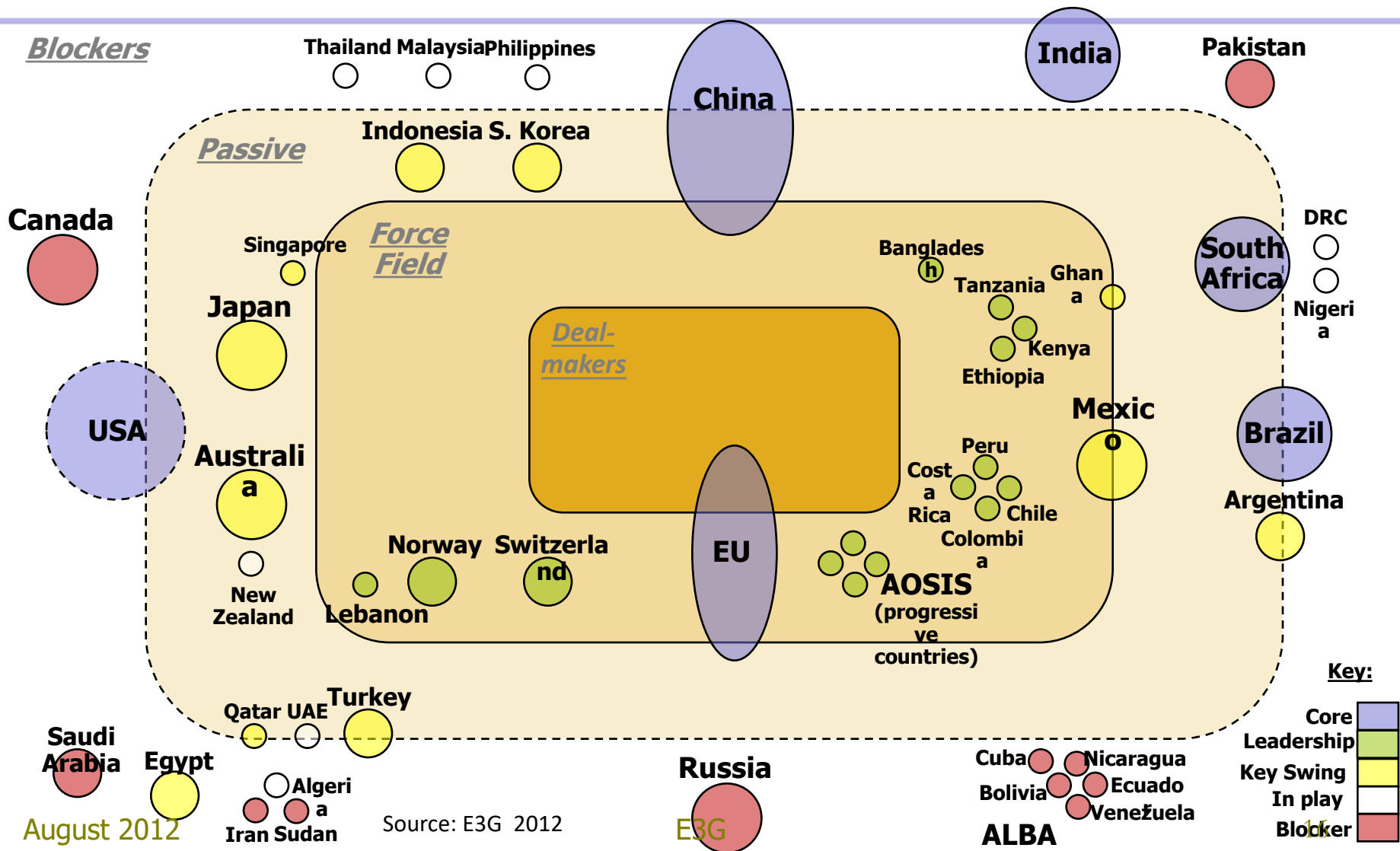
External Intervention to Halt Crisis

15

2012 Climate Negotiations Map



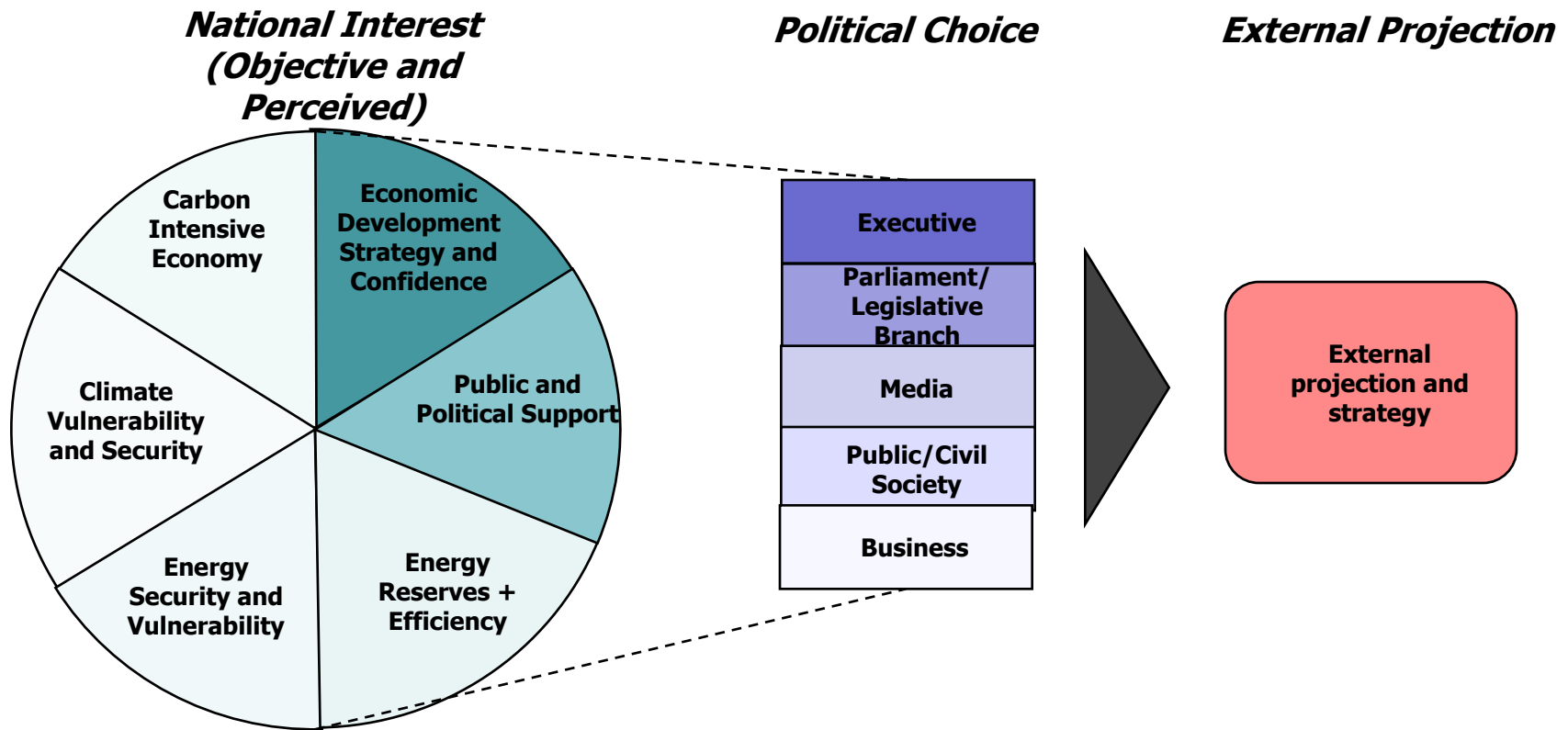
E3G



Mapping National Climate Change Dynamics



E3G

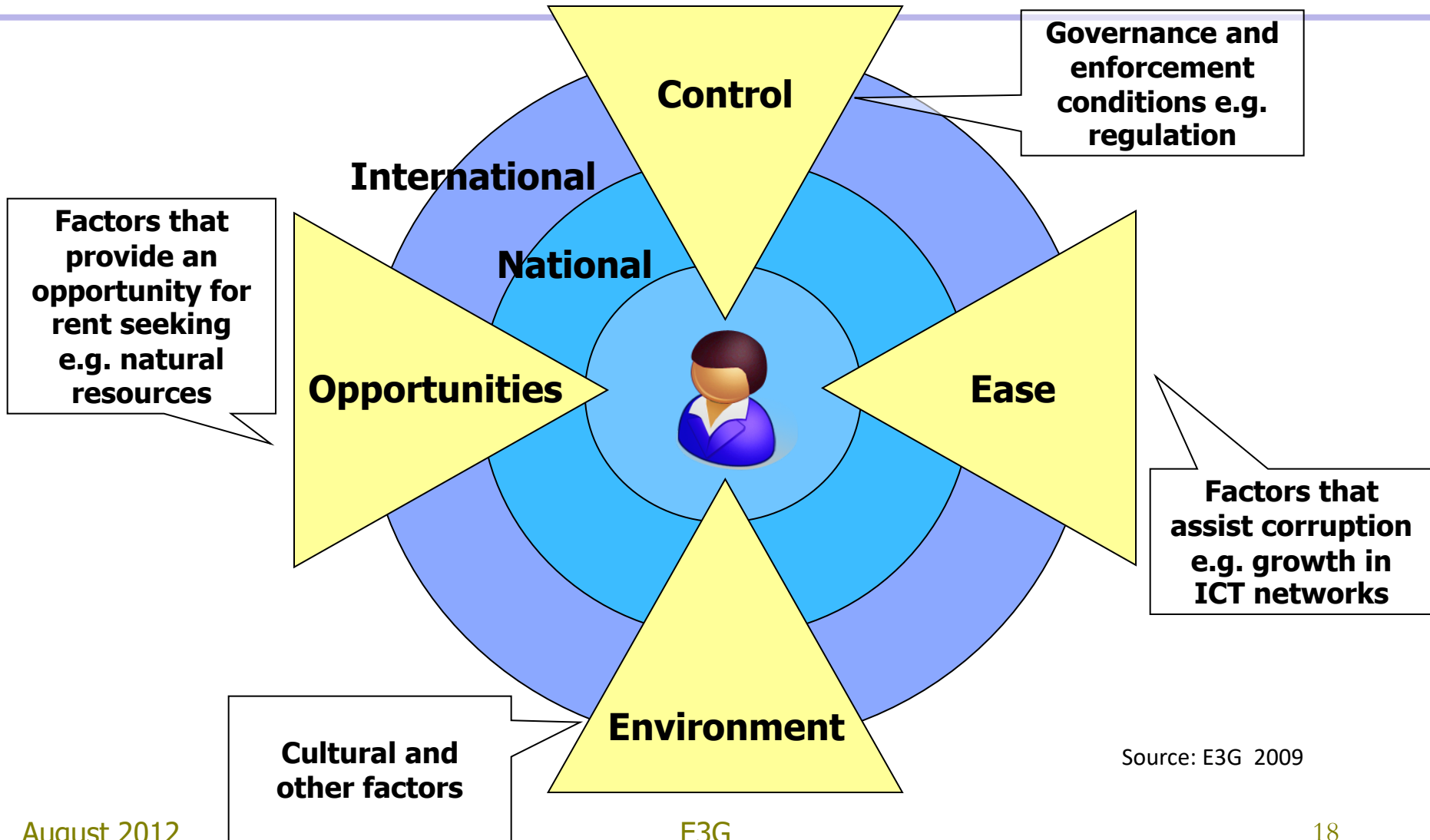


Source: E3G 2011

The decision to engage in corruption is driven by four key factors



E3G





- Decision Making in Day to Day Government
- Understanding System Responses
- Building Strategic Options
- Ways Forward?



E3G

It is better to be roughly right than precisely wrong

John Maynard Keynes

Generic Security Strategies



E3G

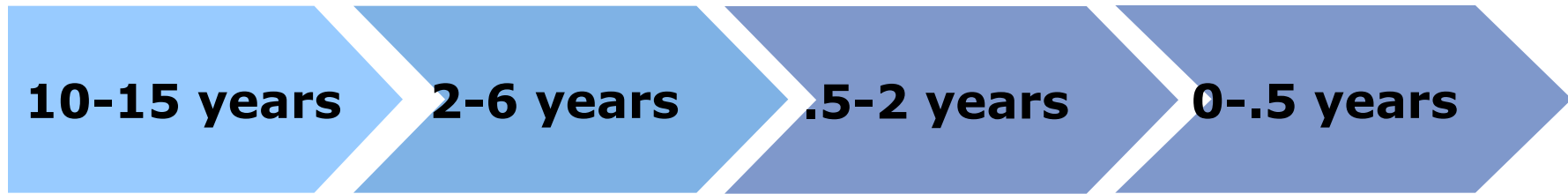
- **Isolate:** disease quarantine; India-Bangladesh fence
- **Buffer:** flood controls; mitigation and adaptation R&D;
- **React:** managed retreat; crop adaptation; geo-engineering
- **Govern/Mitigate/Prevent:** UNFCCC; decarbonisation;
- **Capture/Contain:** coercive tropical forest management; arable land grabs; environmental refugee management;

All security areas use a portfolio strategy; all struggle to effectively balance preventive and reactive strategies

Critical decisions to invest in tackling instability and build capability for crisis response



E3G

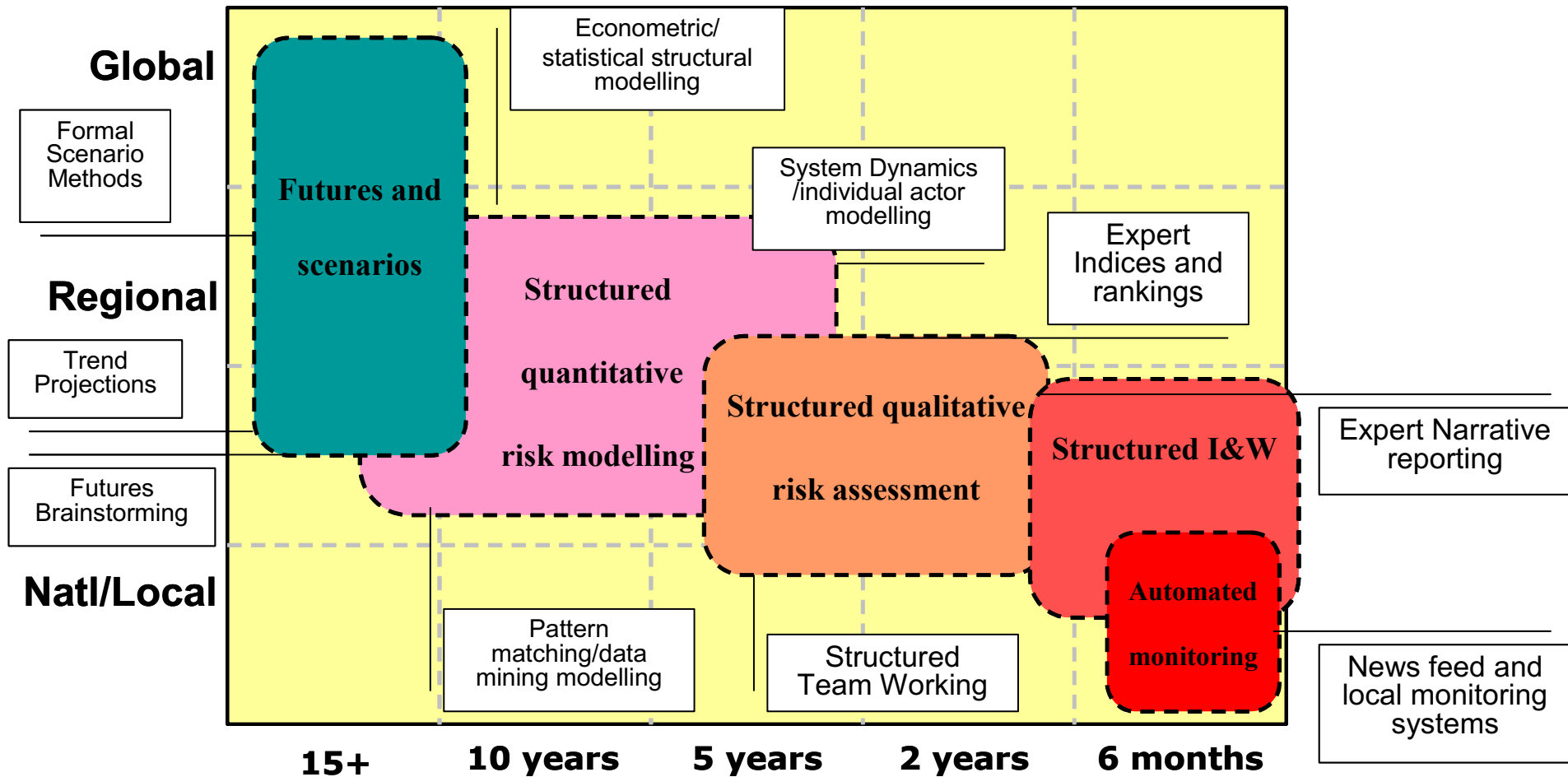


10-15 years	2-6 years	1.5-2 years	0-.5 years
Broad International system change	Focused international system change	Military Contingency planning	Military intervention/strengthening
Broad Regional system change	Force reorganisation	Disaster/aid Contingency planning	Diplomatic intervention
National institution building	National governance strengthening	Criminal operations	Humanitarian support
Military capability investment	Aid programmes	Preventive diplomacy	Macroeconomic crisis support
Economic investment	Regional military strengthening		Food/energy price stabilisers

Multiple Decision Support Tools at Different Levels of Granularity



E3G



The “**ABC**” Climate Risk Management framework



E3G

- **Aim** to mitigate to stay below 2°C;
- **Build** and budget for resilience to 3-4°C;
- **Contingency** plan for capability to respond to 5-7°C

Elements same for all countries/actors but goals will differ;
there is no universal risk management approach

Ten Steps to implement a Risk Management Framework



E3G

Aim to stay below 2°C	
	Sufficient mitigation goals
	Increased investment in transformational RD&D
	Resilient and flexible global climate regime
	Independent national climate security risk assessment
Build and budget for 3-4°C	
	Adaptation strategies for “perfect storms” and interdependent impacts
	Improved cooperation on preventive and humanitarian intervention
	Increased resilience of international resource management frameworks
	Provision of data and tools decision-makers need
Contingency plan for 5-7°C	
	Contingency ‘crash mitigation” planning’
	Systematic monitoring of tipping points



- Decision Making in Day to Day Government
- Understanding System Responses
- Building Strategic Options
- Ways Forward?

Simplicity not Simplistic



E3G

“I would not give a fig for the simplicity this side of complexity. However, I would give my life for the simplicity on the other side of complexity”

Oliver Wendell Holmes

Some Building Blocks for a New Operating System



- Targeted investment in decision support tools
- Greater openness to challenge and stress testing of strategies
- Better training in designing strategic responses tailored to professions
- More focus on political economy of futures in decision making and role of multiple coalitions
- Engaging senior decision makers at a “gut” level through gaming and experiential peer learning

Who is taking responsibility for driving change in the operating system?

Thank You



E3G

I can be contacted at nick.mabey@e3g.org

Materials can be found at www.e3g.org

Prescriptions put forward to address complex issues are often seen as unrealistic by decision makers



E3G

	Sustainable Development Ideal	Practical Policy Makers' View
Coherence	All policy should be integrated and coherent, both domestically and internationally	We have enough problems agreeing what to do internally without involving anybody else who will just obstruct action
Long term approaches	Policy should take a long term and preventative view and not just focus on short term reactive responses	We are overstretched just keeping day-to-day operations afloat, planning over the next budget period and reacting to events.
Managing uncertainty	Policies should consider the full range of possible uncertainties	More uncertainty is unhelpful and complicates decision making. What am I meant to do with it?
Systematic approaches	Policies should be designed in a systematic manner embracing and controlling all parts of the problem	Systematic proposals are overcomplicated and can never be implemented in the real world