

# Societal and Governance Tipping Points: *Improving New Zealand's Anticipatory Governance*

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# Outline

1. Two pivotal issues
  - preventing damaging and irreversible tipping points
  - generating positive societal and governance tipping points
2. The attributes of anticipatory governance
3. Tipping points and creeping policy problems
4. Improving anticipatory governance – a reform agenda
  - creating and nurturing anticipatory institutions
  - transforming policy paradigms and societal mindsets – the need for an *ecological reformation*
5. Conclusions

# The challenge of anticipatory governance

*We know that we are stewards of a precious 'pale blue dot' in a vast cosmos with a future measured in billions of years. But despite these vastly expanded conceptual horizons, politics and economics are short-term and parochial*

Martin Rees



# Anticipatory Governance

1. Good governance is anticipatory
2. Core attributes
  - takes uncertainty seriously, including the risk of non-linear changes and tipping points
  - forward-looking – scans the horizon for early warnings and monitors creeping problems
  - proactive, preventative, prudent and precautionary
  - seeks to counter the dangers of path dependence, cognitive biases, vested interests and political myopia, and enable and encourage positive tipping points
  - values participative and deliberative processes – reciprocity, respect, reasoning and reflection
3. NZ's record is very mixed – compare the management of fiscal and monetary policy with environmental and social policy

# Anticipatory Governance

*“A hallmark of this government has been to think long term”*

Rt Hon Bill English

3 May 2017

# Assessing New Zealand's Performance

## Many weaknesses

1. Inadequate monitoring and reporting
2. Weak foresight institutions
3. Limited systematic analyses of creeping policy problems
4. Limited assessment of the impact of new technologies – 4<sup>th</sup> industrial revolution
5. Inadequate tools for pro-active resource management
6. A failure to internalize environmental externalities with damaging outcomes
7. A lack of comprehensive strategies to tackle crucial long-term problems – no leadership on the Sustainable Development Goals, etc.
8. Flawed policy paradigms and mindsets – especially a failure to take biophysical limits and ecological values seriously
9. Reticent and reactive political leadership



Manawatu River





# Tipping Points

Malcolm Gladwell (2000):

... moments ... where a normally stable or only gradually changing phenomenon suddenly takes a radical turn' ...

- a rapid transition or an abrupt change

# Societal and governance tipping points

## Types:

1. Rapid shifts in public opinion and electoral preferences (UK general election 2017)
2. Rapid shifts in business confidence and economic activity (global financial crisis 2008)
3. Rapid shifts in public policy across multiple domains (4<sup>th</sup> Labour government's reforms)
4. Abrupt change in the political system or regime (fall of communism in the Soviet Union and Eastern Europe)

# Societal and governance tipping points

## General observations:

1. Most societal and governance changes are gradual and incremental; major tipping points are infrequent
2. Most tipping points involve 'triggering events', 'focussing events' and 'critical junctures' (e.g. crises)
3. Most tipping points are hard to predict, but there are often early warning signals (e.g. flickering, increased variance of fluctuations)
4. Most tipping points create periods of uncertainty with the potential for a range of outcomes
5. Tipping points can be positive or negative, with winners and losers

# A Reform Agenda

1. Enhancing the quality of anticipatory governance
2. Enabling and encouraging societal and governance tipping points

# Enhancing Anticipatory Governance

## Broad objectives:

1. Better early warning systems
2. Better analytical and foresight capabilities
3. Stronger political incentives to tackle creeping policy problems (e.g. via commitment devices)
4. A wider range of proactive policy tools
5. Measures to embed long-term interests more effectively within policy-making processes and decision-rules

# Specific reform proposals

1. Establish a Parliamentary Select Committee dedicated to investigating long-term issues, including creeping problems
2. Create a dedicated foresight unit in a central agency
3. Create new institutions to facilitate and encourage climate change mitigation and adaptation (UK model)
4. Enact a Long-term Reporting Act – e.g. periodic intergenerational reports, assessments of intergenerational fairness, long-term targets, etc.
5. Create new policy instruments to facilitate proactive planning – e.g. a Climate Change Adaptation Fund to help meet the costs of managed retreat

See Jonathan Boston, *Safeguarding the Future* (Bridget Williams Books, 2017)

# Generating societal and governance tipping points to safeguard the future

1. Many theories of change and studies of major societal transformations
2. Democratic political systems have many leverage points or locations of power
3. Donella Meadows – 12 leverage points, the most influential are paradigms – i.e. mindsets or worldviews
4. Need to make use of all available leverage points – pragmatic approach

# The dominant philosophical paradigm

1. Undervalues biodiversity and ecosystem services
2. Denies or underplays biophysical constraints
3. Assumes technological fixes for all problems
4. Acclaims the wisdom and power of markets
5. Prioritizes private property rights over the long-term public interest
6. Questions the efficacy of governmental regulation and other interventions
7. Values resource flows (e.g. GDP) over capital stocks



# Changing paradigms – mindsets and policy frameworks

1. A fundamental paradigm shift is needed if environmental goods and long-term interests are to be properly safeguarded
  - requires an ecological reformation
2. The new paradigm must, amongst other things, embrace holistic approaches and systems thinking, respect scientific evidence, and value stewardship, sustainability, resilience and intergenerational justice (the long-term common good or collective intergenerational wellbeing)

# Changing paradigms

1. Changing paradigms is challenging –
  - applies to mindsets/world views, policy frameworks and modes of governance
  - but many historical examples and lessons
2. Need all available levers
  - Aristotle – logos, ethos and pathos
3. Must change the government ...
  - or the thinking of the government

# The Future

*The future depends on what  
you do today*

Mahatma Gandhi

