

# Anticipatory Governance -- the Bhutanese Way

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*“Our future will become invariably interwoven with regional and global developments as well as the fusion of ideas, innovations and technologies, which are taking place at a very fast pace. Both the site and space of the future are becoming globalised. Our people’s sense of identity and belonging to national community will, therefore, matter even more, to enable them to navigate through the complexity and sophistication of the future.”*

His Majesty the King

## “Change is Changing”

“We need to take 100% decisions with 50% of information.” Of the many iconic quotes from world leaders during the COVID-19 pandemic, this statement from Dutch Prime Minister Rutte has captured quite well the predicament of decision-makers in conditions of unprecedented uncertainty. Welcome to the new world of policymaking.

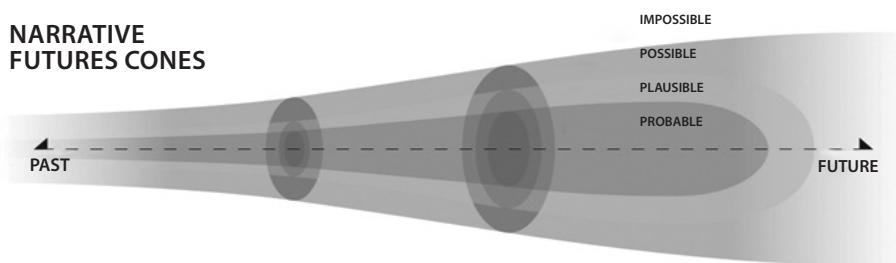
It has become almost a cliche to say that “change is changing” -- the nature of the challenges that governments and societies at large have to face in a volatile, interconnected world is of a different order. This puts our current understanding of “preparedness” into question. In a striking recent example, the much publicised World Health Preparedness report has proven to be “useless” to anticipate countries’ effectiveness in responding to COVID-19: countries ranked as best prepared to deal with pandemics fared the worst, and vice versa.

The speed of technological change is an obvious challenge. Whether it is deep fakes, bioengineering, or machine learning, governments are playing a constant catch-up game. As the former CEO of General Electric, Jack Welch famously quipped: “If the speed of change on the outside is greater than the inside, the end is near.” This makes it difficult to understand the short- and long-term societal implications of adopting a new technology and putting regulators in an impossible position (witness the current debate on platforms regulation). It generates false expectations about the power of technology and

“unicorns” to solve complex challenges as if by magic (contact tracing apps, anyone?) and it hinders effective procurement (how are you supposed to procure something you do not even know exists?).

But what makes complex challenges like COVID-19 response particularly daunting for policymakers is that they do not lend themselves to simulations and planning based on linear causality. By definition, in a complex world, you cannot anticipate the future based on past performance. This makes the tools that governments have traditionally used to understand the world increasingly unfit for the purpose.

The linear bias that often underpins models and projections, or “yes” or “no” surveys, prevent policymakers from picking up weak signals of change, and the “underbelly” of citizens’ perceptions. They push decision-makers to think of one single future that is attainable, so long as you have clearly defined, “smart” objectives, rather than consider multiple possible futures that need to be discovered, shaped and adapted to.



And for all the talk about “whole of government” approaches, most governments tend to look at complex issues from the perspective of department silos. “Governments live vertically, citizens live horizontally,” the former mayor of Minneapolis observed. But, as our recent ethnographic work on the future of work in Bhutan shows, you cannot “carve” a multi-causal phenomenon like unemployment into neat boxes (education, economy, health, etc.) and tackle each one of them individually. As is evident from the Systems Approach to youth unemployment, there are more than 15 government agencies trying to tackle this complex issue.

Change is changing, therefore, is another way of saying that “what got us here won’t get us there”. Even for governments that have been traditionally extremely forward looking -- like Bhutan -- it is time to think about what habits to decommission, because they are no longer fit for purpose (as in the recent exhortation to revisit five-year planning processes), and how best to build the muscle across the civil service, to build a culture that is open to multiple possible futures. The government has recognised this, stating the ambition of embracing “anticipatory governance”.

## Unpacking Anticipatory Governance

*“...it is difficult to make predictions, particularly about the future.”*

-- Mark Twain

It is worth unpacking the concept of anticipatory governance because, like many other catchy buzzwords that are meant to signal a new way of doing things, it runs the risk of obfuscating rather than promoting a genuine cultural shift.

First of all, it might be useful to clarify what anticipatory governance is not. The phrase often conjures up the image of having a crystal ball, or its modern-day equivalent -- a big data dashboard or a “smart” control centre that can predict long-term future trends.

But the future -- in spite of our best efforts, and what armies of consultants might posit -- remains stubbornly impossible to predict. In his famous longitudinal study on forecasters, Tetlock has shown that experts are “as accurate as monkeys throwing darts” when it comes to predictions (though this does not mean we cannot get better at it!). And in “Radical Uncertainty”, the former Bank of England head Marvin King and Financial Times Economist John Key (certainly no data luddites), recently provided a stark rebuke of governments’ over-reliance on quantitative models to provide a false sense of security when it comes to dealing with the “unknowable future”.

Finally, in a complex world, even if we are able to project that something is likely to happen, we cannot anticipate exactly when it will happen. Nor does this automatically mean that we have the institutional capacity to respond better. The COVID-19 pandemic was a good reminder of this. As

many have noted, COVID-19 was not a “black swan” but rather a “black elephant”. Many experts predicted the likelihood of a new global pandemic, but this did not prevent many governments from being caught unprepared.

So, if anticipatory governance is not about predicting the future, how is it to be understood? In a recent primer for governments, the OECD defined anticipatory innovation governance as “*the broad-based capacity to actively explore possibilities, experiment, and continuously learn as part of a broader governance system*”.

This can be broken down into two core components: the capability to better anticipate (meaning, proactively explore multiple possible futures) and crucially (something which is way too often neglected) better adapt in the face of rapidly changing circumstances. In a complex world, the premium is not in superior planning capacity (the way it is traditionally understood by governments), but in superior adaptive and learning capacity.

Anticipatory governance requires the humility to acknowledge that no scenario or forecast will be able to anticipate all possible risks when dealing with radical uncertainty. It means building a culture of curiosity that continuously asks, “what is going on here?”, “what if?” and “what are we not seeing?” It means building institutional infrastructure (e.g. testbeds, sandboxes, policy labs) to explore different possibilities through experimentation, and fostering an enabling environment that creates a sense of agency for civil servants.

As once again the pandemic has shown, it is at the frontline that the ability to improvise in the face of the unexpected is particularly critical. Paradoxically, it is this humility that allows us to better sense and implement changes for future implications, to blunt the impacts of threats and risks, and to amplify opportunities.

From this description, it should be clear how different anticipatory governance is from traditional planning in bureaucracies. It should also be apparent that there is no shortcut or magic bullet to shift to this new paradigm. The experience of governments around the world shows that creating a foresight unit, developing big data expertise, training civil servants on scenario planning (just to name a few) are necessary, but not

sufficient conditions to build anticipatory governance. Ultimately, it is a question of developing new mindsets, new capabilities, and a new institutional culture, all of which are very context specific.

So, whilst it will be important that Bhutan learns from the experience of other countries, there is no international “best practice” or ready-made recipe to follow here. Bhutan will have to develop its own understanding and its own practice around anticipatory governance. It is an opportunity for the country to once again provide a new framing, and position itself as a shaper of the global debate, just like it did with the happiness agenda.

## The Bhutanese Way to Anticipatory Governance

One way in which the government could start defining “the Bhutanese way” to anticipatory governance is by engaging the general public in a participatory foresight exercise, to better understand what imaginaries of the future citizens hold (UNDP is currently holding a similar exercise across Arab States). Imagine, for example, a sci-fi festival, where young people are encouraged to produce short films depicting alternative economic models for the future of the country.

In parallel, ethnography could be used to better understand the dominant narratives in society -- as well as, incidentally, in the civil service -- and unearth opportunities to engage with those at the edges, who are already experimenting with alternative practices that challenge the status quo (“the future that is already here, but not evenly distributed”).

Such an exercise in “deep listening”, world-building and comparing and contrasting different possibilities and visions for the country could be repeated regularly over time, and represents an ongoing national dialogue on the many possible futures for Bhutan. By engaging with it, the government could also kickstart the process of defining a distinctive, context specific Bhutanese approach to anticipatory governance, focusing on signals and societal trends. It also enables decision-makers to continuously engage with the people, through data and feedback collected in real time.

When it comes to the civil service, too, anticipatory governance is better understood as a cultural change process, rather than a technocratic exercise. It is, crucially, a social re-engineering process. The emphasis has to be on

building a common mental model of what “being anticipatory” means, and this can only be achieved through extensive dialogue across the civil service and a mix of interventions, to, over time, build a culture that is open, curious and comfortable with ambiguity and complexity.

A case in point is the foresight exercise conducted by the Anti-Corruption Commission (ACC) in collaboration with UNDP to deliberate, validate the resilience and to enhance the future readiness of the National Integrity and Anti-Corruption Strategy (NIACS) in 2019. NIACS was stress tested against four possible futures, through a comprehensive scenario building workshop. Such exercises enable the identification of future risks and opportunities in an uncertain and unpredictable reality.

There needs to be a safe space where curious minds and risk-takers are encouraged and rewarded, linking to the meritocracy systems for civil services. Interventions to create such an anticipatory ecosystem could include the following, for example:

- Run regular sensemaking and horizon scanning exercises where civil servants are encouraged to identify “weak signals”, surface emerging patterns in the respective areas of expertise, and reflect collectively on what this might mean for the future. UNDP, for example, has developed its own sense-making protocol.
- Complement traditional “classroom” trainings with regular simulations, where civil servants are presented with conflicting information and unexpected scenarios. For instance, UNDP is about to run simulations in seven cities around the world, where mayors and other city officials will engage in an alternative reality virtual simulation, where they will have to face a number of unexpected challenges. The Centre for Strategic Futures established by the Singapore government has been successful in integrating foresights in the public service’s consciousness, by regularly stress testing current strategies and policies.
- In the UAE, the government has created the Museum of the Future, to get civil servants to experience firsthand, through real-life installations, what potential scenarios for the future of the country and humanity at large might look like. Such a physical, immersive experience produces a different type of impact from a classroom type of training.

- Encourage the statistical office and other departments to explore new sources of real-time data. Develop protocols to ensure robust qualitative decision-making processes complement quantitative analysis, particularly when the latter presents conflicting options.
- Create infrastructure, processes and incentives that encourage civil servants to experiment and explore different possibilities, before committing to a certain path or technology, e.g., testbeds, sandboxes, open-ended procurement, policy labs, etc.
- Build incentives to innovate in the public sector. Enhance the ability and willingness of public servants to act in the face of opportunity. Provide fast-track promotions as a reward for those who are delivering results differently and better. Remove regulatory and organisational constraints on public sector innovation. For example, the Canadian government created an Experimentation Fund to proactively encourage civil servants to take risks and turn their ideas into testable hypotheses. The Telengana government created a mentorship programme, where civil servants are encouraged to become mentors for start-ups, thus opening themselves up to new approaches and technologies. In Bangladesh, the Access to Information (A2i) programme has established regional innovation fairs and national summits, where innovators across the government can showcase their initiatives.
- Foster inter-agency collaboration into structured routine settings. The same problems can spill over and interact across agencies, solutions for which often lie embedded in these integrated networks of knowledge. E-Estonia's success relies on effective coordination and inter-agency collaborations. An important part of this ecosystem is flexibility, and the ability to integrate and re-use information that has been submitted by citizens or businesses.
- Transition the role of the public sector from provider to facilitator. View citizens as active partners and not passive customers. Provide a platform for citizens to engage in the co-production of services. Place citizens at the core of an iterative service designing process.
- A feedback and learning system that serves as a basis for ongoing evaluations, monitoring and continuous assessment of existing policies, to inform policy-makers on the consequences of the policies under implementation, and improve design of policies in the future.

To ensure that the UNDP in Bhutan is able to provide the Royal Government and local innovators with relevant and required support to build the muscle of anticipatory governance, we have recently launched the Accelerator Lab. It offers a platform to co-create agility and adaptiveness in operations and practices and aims to ensure that capabilities are built to understand complexities of 21<sup>st</sup> century problems.

The lab does this by firstly adopting a systems thinking approach, and secondly, rapidly testing and experimenting ideas to accelerate learning on a small scale before making expensive mistakes. As part of a globally integrated network (114 labs serving 116 countries), each lab connects and collaborates, drawing ideas and practices from one another in real-time.

The lab, for now, focuses on three frontier challenges: to bring about a systems approach to overcoming barriers in the youth unemployment landscape, to apply behavioural insights interventions in waste management and to build a public sector innovation ecosystem in the country. The lab is currently exploring the potential of enhancing foresight capabilities in the public sector.

History is being accelerated before our eyes. Realities of the future have come 10 to 15 years earlier than anticipated. The COVID-19 crisis has taught us that those who emerge stronger from the crisis had the ability to sense early signs of change and adapt swiftly without hesitation. To navigate future shocks and build resilience against complex challenges in the world of uncertainty and the unknown, it is time for Bhutan to build the muscle of anticipatory governance that responds to the needs and aspirations of its people.

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