

Future of Institutions

DIALOGUE SUMMARY

Title/topic:

How do we build and nurture anticipatory governance ecosystems that are future-ready and help us address long-term and systemic challenges?

Organizers:

School of International Futures (SOIF)

Key takeaways:

The Dialogue convened adopters of networked anticipatory governance practice (i.e., policy makers, politicians, foresight practitioners, and governance experts) and experts in emerging technology on governance, to ask the question, “How do we build and nurture anticipatory governance ecosystems that are future-ready and help us address long-term and systemic challenges?”

The Dialogue assumed:

- Current institutions have a significant role to play in addressing the challenge of the digital and environmental transitions. Part of the solution is to reform or build from current institutions.
- It is possible to identify emerging good (but not best) practice, ingredients, and models for successful institutions. Countries and local and regional entities can apply and learn from these practices.
- New technologies from the past decade will significantly change what is possible. Decentralized autonomous organisations will significantly transform the potential for more agile, anticipatory and network governance, at and beyond the nation-state level.

A field-building agenda emerged through the Dialogue to support current ecosystems to become effective. John Vasconcellos captured the essence of this Dialogue: “We must become both hospice workers to support the peaceful dying and letting go of our traditional culture of fear and cynicism, and midwives to gently usher in our emerging culture of trust and mutual regard – and with it a more hopeful human future”.

The challenge(s):

Governments and societies are facing systemic challenges that require new and more effective institutions to lead big transitions. Much has been written about long-termism, building foresight capability in government, and integrating the “good ancestor” imperative into policymaking. In parallel, there have been various efforts to put anticipatory governance into practice at national, local, and regional levels. Yet, there is currently little practical research regarding what we can learn from these attempts to institutionalize long-term thinking.

Insights for the Future of Institutions:

A networked, ecosystemic approach helps to ensure deep, effective, and lasting transformation of institutions. Existing initiatives and practices point to solutions that build a networked approach across the branches of government (i.e., executive, legislature, judiciary, and supreme audit

functions) and to the rest of society. Studies¹ find that successful interventions which can transform institutions to long-termism require a systemic, interdependent, and networked approach across the institutions of state. This endeavor builds foresight governance ecosystems that increase the capacity of governments and societies to act collectively and accountably in anticipation.

Governments which have been successful at building futures-focus into their policymaking processes have taken an ecosystem approach, implementing interventions across the branches of government (i.e., executive, legislature, judiciary, and supreme audit functions). The institutions and activities were networked together, invested in building both quality demand from policy makers, and supply quality foresight. This networked approach included connections with society (e.g., capillary mechanism like universities, civil society, participatory policy-making processes).

There is no silver bullet: the recipe for an effective future-focused organization requires a mix of ingredients. While it is possible to learn from the practice of different countries, it is also critical for each ecosystem to account for, adjust for, and build upon distinct geopolitical/cultural realities and political setup. The recipe for an effective future-focused organization requires a mix of ingredients across processes – people (inside and outside institutional boundaries), structures, and culture. An appropriate recipe can be determined by assessing existing capabilities, assets, and organizational needs, and building a program of activities that prioritize demonstrable effect/impact.

Finland was presented as an example of a country with a strong track record in creating structures to support decision-making. Legislation establishing the Committee of the Future requires the government to submit a report each year that highlights what has been done to create change. Parliament then makes recommendations for improvement, creating a cycle of strategic dialogue and accountability.

It matters where the anticipatory governance function sits within an ecosystem. Comparisons were made between Singapore, whose futures function is contained within the executive, and countries such as Finland, Estonia, and Wales where there is legislation. Dialogue participants agreed that a foresight or anticipatory governance function should sit where power exists within a system, whether centralised or decentralized. It is important to ensure that this function cannot be blocked by veto or reversed.

The electoral systems should also incentivize decision-making. Short electoral cycles and bipartisan politics have the potential to constrain anticipatory governance. Contrasts were made between systems in the US and New Zealand governments, which have short electoral cycles. The values and complexity of the system, and the nature of the political system, will influence what works.

It can be difficult to design values into a system, but once look at culture you see where there are opportunities for change. Finland and Wales are models of culture. Finland has several groups leading foresight activities: Government Foresight Group, National Foresight Network, Futures Research Centre, and Futures Academy. Futures literacy is being embedded in schools. In Finland, the high-trust culture has also enabled trust, especially in the politicians. Culture and values are also critical to success in Wales. The four pillars of society, environment, economy, and culture are based on Welsh-adapted Sustainable Development Goals (SDGs).

¹ These studies include recent SOIF work entitled “Features of effective systemic foresight in governments globally,” and other, including OECD OPSI’s “Anticipatory Innovation Governance: Shaping the future through proactive policy making” work that explore anticipatory governance.

Emerging technologies, including decentralised autonomous organizations (DAOs), can significantly transform the potential for more agile, anticipatory, and networked governance.

Designing values into the heart of a system is hard. Governments need to embed values upstream of policies and structures, as modelled in Wales. Alternative approaches include DAOs, which are designed with values embedded. For example, the Big Green DAO decentralized grantmaking by making frontline organizations the governors and decision-makers for future funding. Technology can create ways of connecting institutions and enabling them to perform their core functions, collaborate with citizens, and transform the challenges they were set up to address.

Feedback loops, supported by cycles of continuous learning, are necessary to ensure accountability. In all ecosystems, systems must support accountability and transparency. In Wales, the 2015 Future Generations Act established the rights of future generations as part of a national vision for Wales. Accountability was built into the system through processes and structures that make the Welsh government accountable to legislation, establish a Futures Generations Commissioner, and put in place audit processes to ensure accountability to citizens.

In Finland, the latest version of the government report was developed by all 12 ministries and the broader Finnish ecosystem, who gathered for a shared scenarios process looking out to 2040. This process was a considerable step forward compared to previous versions that were owned more by external actors. The process supported existing accountability mechanisms between the parliament and executive, which already promote learning, by bringing in and engaging the whole of the executive in the learning process.

Participatory approaches and engagement are critical, but they need to be connected into governance. Dialogue participants highlighted the need to get the whole of the system in the room, systematically engaging across public sector, private sector, civil society, and communities. To do this requires people to act as “tri-sector” athletes who support dialogue, discussion, and cross-pollination. Participatory approaches already exist and have been used in many contexts, but Dialogue participants suggested that participation alone does not yield good outcomes, it needs to be intrinsically linked to governance structures and to concrete improvements in people’s lives. This requires the right regulatory structures and rules to ensure that the right decisions, provision, maintenance, and standard-setting takes place. Governments need to work alongside companies and civil society, enabling them to deliver the services that they do best. Politicians and decision-makers need to be given roles in participatory processes. By engaging in the process, they start to act differently. Examples of approaches that can support participation and drive accountability with citizens include:

- *Developing Deliberative Polling methods*, “a practice of public consultation that employs random samples of the citizenry to explore how opinions would change if they were more informed.” This deliberation method enables people to escape closed circles of interaction that are created by the algorithms for online dissemination of information. Such methods diminish distrust, promote thoughtful and reflective engagement, and reduce affective polarization.
- *Making governance innovation accessible and understandable to the public and its institutions*, using algorithms to automate sustainability accounting and give each municipality, country, and company a score that correlates to how well their actions align with this climate change agreement. Blockchains can model virtual jurisdictions. Just like companies are putting their value propositions on markets, governance services can also be brought to the global citizens of today and tomorrow.
- *Establishing a Wellbeing Economy Alliance* to build momentum for economic transformation and change the debate so that economies deliver shared wellbeing for people and planet. The

Alliance should create narratives, connect institutions and people, curate knowledge around common purpose, and create a set of instruments that enable financial investments to follow outcome metrics.

- *Exploring impacts of artificial intelligence (AI) on society*, including ethical and social risks / harm from language models. Relevant AI systems should be built to meet a certain standard of public justification, support citizens' rights, and promote substantively fair outcomes. Building ethics of AI, specifically making big technology companies more accountable, will give individuals more freedom.
- *Exploring how DAOs can be controlled democratically*, by its grantees and donors, so everyone gets the same vote. Innovating to radically reconceive and restructure grantmaking will disrupt embedded power structures by putting non-profits in the driver's seat.

Creating the right incentives and motivations for change: building the literacy and instincts of decision-makers. Dialogue participants stated it takes an act of great political selfishness to make change happen. How can we motivate decision-makers and systems to change? Three types of actors exist in any system: those who have limited or no motivation to change; those who are forced to by the structures, processes and incentives that exist in their organization; and a smaller number of champions or allies who are motivated to create change. The "Secret Congress theory," where a small number of positive actors work behind the scenes to enable change despite more partisan and political agendas, was mentioned as an example of how change can come from identifying commonly shared values and aligning behind a shared narrative.

To incentivize decision-makers to change, there is a critical need to build their literacies and instincts. These decision-makers (e.g., ministers, parliamentarians, bureaucrats) must be intelligent consumers of futures and anticipatory insights. There are schools for producers, but not always for consumers.

Re-imagining governance structures and embracing cultural wisdom. The past and the future are both key sources of wisdom for designing and re-imagining governance ecosystems. One participant highlighted that the rules of governance have emerged from the past. Ancient wisdom is a great source for knowledge as we seek to imagine how future institutions can cooperate in ways that are less extractive. Indigenous tribes and monastic communities and groups have established systems of commons and stewardship.

The concept of exploring the governance systems for Mars was also raised. How can we design institutions and governance structures in space? One possibility is to be less dependent on centralized structures, to redefine the value we attribute to people's livelihood, dignity, and happiness. Instead, society may place higher value on dignity in a scarce starter society.

An emerging field-building agenda for building anticipatory governance ecosystems. Dialogue participants acknowledged that, despite the existence of emerging good practice, it can be hard to find good examples of how ecosystems have evolved. There is a paucity of tools, frameworks, metrics, or evaluation approaches that can help people identify opportunities to build their own anticipatory ecosystems. It can be hard to know where to start. Frameworks such as those developed by SOIF and OECD can help; however, more needs to be done to build networks and resources that can support this agenda. This field-building agenda contains a practical set of actions to help decision-makers design, build, and sustain anticipatory governance ecosystems:

On the supply side:

- *Nurture networks of existing practitioners and decision-makers* to capture stories, case studies and exchange knowledge about what works, growing and building connections between different communities of practice.
- *Capture shared resources in a knowledge platform that showcases good practice.* Networks grow quickest when there is a clear benefit. A well-designed resource that helps people understand what has been tried, what works or failed, what has changed and been iterated on can support people to design their own systems based on good practice.
- *Develop monitoring, learning and evaluation approaches.* There are existing tools that assess capability, but we need better data, metrics, and approaches to evidence the benefits of anticipatory governance and support accountability.

On the demand side:

- *Promote education and capacity-building campaigns* that support institutions and leaders to understand the features of effective systems. There is a need to bring this esoteric topic to life through storytelling and public relations (PR), to best educate leaders, communities, people.
- *Address motivations for decision-makers to embrace anticipatory governance.* This can be supported through practical steps to build processes and structures across the executive, legislature, judiciary, and audit functions in governments.
- *Build capacity and knowledge of futures work and anticipatory governance* through education, awareness, and literacy campaigns.
- *Harness conversations around global transitions* to ensure a focus on anticipatory governance and ecosystems is at the heart of institutional plans for tackling climate and digital transitions.
- *Build accountability mechanisms* that foster trust, solidarity, and inclusion, leveraging participatory mechanisms and new technology to link citizens and the broader ecosystem to governance.

Participants:

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