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**Environmental Policy and Strategic Action:  
Tools for Decision Support in British Columbia**

**EXECUTIVE SUMMARY**

*(Ten Commandments--Times Three--to Guide Strategic Action)*

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## *Ten Commandments--Times Three--to Guide Strategic Action*

Views about how information and knowledge should be mobilized to support the formulation and implementation of public policy have changed dramatically in the last two decades. The circumstances in which policy is formed are also profoundly different. This paper sketches this post-war evolution and draws conclusions about the roles and responsibilities of policy analysts.

One continuing key change in external circumstances is the growth in both human numbers and the scale of human activity, especially industrial activity generating massive extraction or harvesting of resources, and massive discharge of emissions and wastes. A second is the acceleration of processes of technological change, particularly those dealing with information technologies and built on increasing stocks of intellectual property.

As a consequence of these two trends together, the world has become an integrated, congested global village, from which open frontiers have disappeared. Its central feature is growing pressure on, and consequent increasing value of, the natural capital and ecological resources which make up the common heritage of humankind and the life-support systems of the Earth. Rights to, and claims on, these resources of the global commons are not clearly established; their clearer definition increasingly poses a central challenge for public policy.

The development of self-governing institutions and structures for community co-management of resources must be approached in the context of increased concerns for the distribution of income, wealth, and rights of access to resources. In many instances, it will be necessary to establish or clarify property rights in resources owned in common, and to realize more appropriate levels of public revenue from charges for access to these increasingly valuable resources. Such ongoing structural adjustments will inevitably raise questions of compensation to those who currently benefit from rights of access to or use of these resources, and questions of financing to ease the transition from current patterns of resource use to more sustainable and more fundamentally efficient systems.

The attached figure suggests the frame which analysts increasingly must consider. In this ecological frame, conventional economic relationships are set within the broader context of social and political institutions; notions of civil society and social capital become central. That structure of human institutions in turn must be seen as set within the natural systems of the biosphere and the geosphere, constrained by available stocks of crucial natural capital. Recognition of these new forms of capital, none of which is properly priced in markets or adequately captured in economic accounts, forces attention to procedures (such as, for example, multiple accounts analysis) for building consensus around appropriate subjective valuations of unpriced and intangible resources in economic and social decisions.

In this setting, concepts of efficiency and optimality must shift from short-term calculation and concern with robust policy to longer-term judgement and concern with resilient systems, including appropriate processes of decision. Notions of policy as based rigorously on analytical constructs leading to internal decisions must be extended to recognize the accommodation of conflicting perspectives in continuing processes of (internal and external) organizational innovation and inter-institutional bargaining leading to external behavioural change.

## **I. Complex systems and adaptive management**

Systems models and notions of optimality centered on equilibrium, and related ideas of economic efficiency focussed on cost-benefit calculation, must be set within longer-term concerns for sustainability of resources in complex systems characterized by irreducible uncertainty; hence the analyst must be concerned with concepts of continuing ecosystem health, and pursue precautionary approaches within a framework of adaptive management, as in *Commandments I*.

### **Commandments I: Responsible Policy Formulation**

- 1. Know the real problem(s):** How the question is framed substantially determines how it is answered. The way a problem initially presents itself may not reflect its more fundamental nature. It may need particularly to be reformulated in light of growing understanding of ecological systems and human interactions with them.
- 2. Don't fixate on the differences between means and ends:** Goals

- become meaningful only when concrete paths to achieve them are examined. Don't propose waiting for consensus on long term goals before seeking agreement on interim action.
3. **Seek resilience, rather than stability and equilibrium.** Resilient systems can withstand shocks and errors. In an uncertain world with faulty human institutions, we cannot eliminate error, so we must ensure that systems (both natural and human) can withstand inevitable surprises and mistakes.
  4. **Concentrate on options for changing human behaviour, not on reducing environmental variability and risk.** For example, don't build on flood plains and do maintain genetic diversity. Controlling natural variability reduces minor fluctuations at the expense of major disasters. Redundancy, slack, and precautionary attitudes to intervention are important attributes of long-run performance.
  5. **Broaden the set of feasible options considered.** Do not prejudge or limit governments by filtering or censoring options on the basis of your preconceptions of their reactions. Know your audience, but don't "play to your audience". Remember that "The Truth" can change quickly.
  6. **Recognize that the status quo is not an option.** When people talk about the option of the status quo, they usually mean "do nothing" or "no policy change". In a moving environment, the "no policy change" option does not deliver the status quo; the status quo cannot be used as a benchmark. Take all costs into account, including costs of "no policy change".
  7. **Focus on options which keep action small, reversible.** Recognize that "no decision" may often be worse than a reversible start. Treat all policies as experiments to be evaluated, not ideological positions to be defended. Experiments are for learning, not for finger-pointing.
  8. **Concentrate on the evidence that will make a difference to the decision.** Avoid drowning in data; seek information from data, respect knowledge over information, wisdom over knowledge. Don't expect "right" answers - look for "good" answers based on reasonable assumptions and consistent arguments. Look to distribution as well as efficiency.
  9. **Consider the whole range of potential instruments:** Develop criteria for choice, and examine the spectrum of possible instruments. Do not get stuck on conventional regulatory approaches when economic instruments or performance-oriented agreements might work better. But note that there will still be need for a social framework around market mechanisms.
  10. **Remember the benefits of competition:** Encourage diverse and competing ideas and initiatives. Too much emphasis on cooperation and consensus may disguise fundamental disagreements and discourage innovation and efficiency. Excessive cooperation can drift into exploitative collusion.

## **II. Pluralistic communities and participation**

Concern with outcomes must be tempered with respect for rules and traditional norms in the process of decision. The preservation and rebuilding of social capital--the capacity of individuals, families and communities to maintain social coherence, to work together, and to influence the collective decisions which affect them--are also essential to the preservation of natural capital. Responsible decision-making is more likely when the beneficiaries of decisions are also those who bear the costs.

Growing recognition that neither the identification of systems nor the weighing of consequences can be objective, 'scientific' or value-free requires the analyst to take into account traditional knowledge, multiple perspectives, plural rationalities and 'other ways of knowing' in the development of the knowledge base for decision, and to engage in multi-stakeholder consultation processes in appraising the consequences of decisions.

These two considerations together force the analyst supporting consultations and negotiations to take into account the precepts of **Commandments II**, oriented toward participatory analysis and consensus-seeking exchange.

### **Commandments II : The Policy Analyst and Public Participation**

#### **1. Employ Commandments I in serving the participatory process.**

Participants in shared decision-making processes need to know:

- the full set of feasible options
- that the status quo is not an option, even if "do nothing" is.
- the evidence that makes a difference to the decision
- the whole range of potential policy instruments.

**2. Clarify your role.** Why are you there? As a government representative? As a neutral facilitator? To represent particular interests or the public interest? As a resource for information and analysis? To establish the limits within which acceptable options can be developed?

3. **If your role includes negotiation, clarify your mandate and your ability to deliver on commitments you make.** Remember that you must negotiate and deliver at two levels at least: inside and outside the negotiating group. And remember that Parliamentary systems assign ultimate responsibility to Ministers answerable to a legislature.
4. **Respect limits to participants' commitment.** While many of those involved in participatory policy-making are very knowledgeable about and committed to the issues under consideration, relatively few participants are involved as full-time, salaried, professionals. The risk of 'consultation fatigue' and overload is high. By placing unreasonable demands on participants, governments may "weed out" all those except the richest, most extreme or most self-interested voices, thereby jeopardizing the representativeness of the process.
5. **Help participants move from "naive priorities" to "informed choices".** Participatory processes help participants come to grips with extremely complex issues, to identify a broader range of alternative responses to problems, and to appreciate the implications of particular options. A policy analyst can contribute to the process by identifying opportunities and constraints, by assessing the implications of different proposals, and by supplying or finding information that "makes a difference" to decisions. Except at the broadest and most abstract level, every policy choice involves sacrifices and tradeoffs. Participants who understand these tradeoffs may be less likely to demand the impossible.
6. **Reframe positions as hypotheses:** Encourage participants to develop proposals in an "if/then" format: if we do this, then we expect that - and encourage experimentation to test these hypotheses.
7. **Encourage diversity:** Geographic, cultural and other differences in British Columbia should encourage a range of approaches tailored to regional and local conditions within a broad policy framework that establishes minimum requirements for equity, efficiency and other fundamental aspects of the public interest.
8. **Monitor results and share learning:** Very little systematic assessment has been made of the recent proliferation of participatory, community-based, innovative and/or co-operative management processes and projects. Encourage evaluation of results, preferably in a succinct, easily used format that can be captured in a highly accessible data base. In the meantime, invite participants to share their experiences (positive and negative) with others embarking on similar projects.

9. **Remember participatory processes are only as good as laws and policies let them be: work toward the right incentives for good decision-making:** Participatory processes are subverted by a policy climate which encourages "end runs", by legislative and regulatory frameworks that allow damaging activities to continue pending "consensus", by the absence of formal definition and recognition of the representativeness, accountability and independence of processes which devolve some policy-making responsibility from government to other arenas. The institutional framework must legitimize the processes which "nest" within them.
10. **Encourage openness and ensure due process:** No participatory process can be fully representative of the "public interest". Openness, transparency, and administrative procedures which guard against consensus at the expense of non-participants are essential if participatory processes are not to be torpedoed later by interests who were not involved.

### **III. Advocacy in processes of partisan mutual adjustment and bureaucratic bargaining**

Increasingly the process of policy formation is recognized to be complete only when compliance has been assured and behavioural change 'where the rubber hits the road' has been accomplished; this observation forces the analyst to move beyond a role as adviser in the development of ideas, into a role as advocate and entrepreneur in the selling of those ideas, both within the agencies of government and in the wider world of the social institutions which surround the agency and the economy. Action in this role draws on the guidelines of **Commandments III**.

#### **Commandments III: Effective Policy Advocacy**

1. Understand the objectives and criteria of the decision makers, and frame policy to reflect these.
2. Establish and attack only a limited number of priorities, consistent with the strategic agenda of the relevant decision-makers.
3. In particular, recognize that a policy initiative is complete only when commitment and compliance have been achieved on the part of all actors and agencies in the chain leading to action and behavioural change 'on the ground'. Therefore consider ahead of time all the ways in which vetos and diversions may be mobilized not only in the bargaining up to

adoption of policy, but in the assembly of all the components essential to implementation.

4. **Recognize the importance of stakeholder groups and interest groups.** Carry out the analytical work on distributional issues, and examine the consequences for "winners" and "losers". Look for ways in which winners might compensate losers.
5. **Recognize that windows of opportunity for policy initiatives are very short--and the window can bang closed abruptly. Therefore recognize the need to be action-oriented rather than analysis-oriented.** If a choice clearly understood appears too subtle or too close to be decided on current information, consider recommending a toss of a coin to enable action to be taken (and learning to occur).
6. **Take a strategic approach focused initially on the central issues; return to pick up supporting pieces.**
7. **Remember that opportunistic planning and contingency planning are both essential.**
8. **Recognize that one exceptional consequence can discredit a good policy--plan for it.** Horizontal equity--interpersonal comparisons--and anecdotal evidence are the issues politicians and agents confront on the street, in accountability moments with constituents. Anonymous, statistical, aggregate arguments need to be supplemented with persuasive individual comparisons.
9. **Stress entrepreneurship.** An active and sustained personal agenda (within top-down instructions) may be essential if good ideas are to be fed back up through the policy process and "sold" well enough to mobilize the necessary commitment through the implementation process.
10. **Remember that communication is crucial - first, last and always.**

#### **IV. Conclusions**

Commandments I thus focus on consequences, but recognize that 'efficiency' ultimately goes beyond incremental cost-benefit analyses, or valuation of incremental change according to equilibrium prices, and address the more fundamental efficiency concern, the long term goal of survival through sustainability of natural capital.

Commandments II underline the observation that ‘good decisions’ are not independent of the procedures by which they are reached. If fundamental rights are violated, or those who are affected by decisions are not appropriately involved, the decisions themselves are tainted, acceptance is jeopardized, critical social capital is eroded, and the likelihood of individual self-restraint in the name of collective interest is compromised.

Commandments III recognize that ideas, and decisions on them, even when conforming to both the consequential criteria for a decision ‘good’ according to Commandments I, and the procedural criteria for a decision ‘right’ according to Commandments II, will not sell themselves, and are only complete when they are carried into action which effects the behavioural change desired.

Thus Commandments I pursue instrumental rationality in a complex and uncertain world.

Commandments II pursue communicative rationality in a congested world of plural perspectives and plural rationalities. And Commandments III pursue results. But not by any means, and not at any price. The analyst guided by Commandments III pursues results within the protections of process (Commandments II) and the requirement of outcomes in the ‘public interest’, in the long term (Commandments I).

Wearing three hats is hard-- particularly when the political winds are strong and shifting unpredictably, frequently. Moses only had to worry about passing along ten commandments. But the people are more numerous now and the systems more complex. The stakes are higher, in the face of a species for the first time attaining the scale of a ‘mighty geological force’, capable of destroying irreversibly its own habitat. So three times ten is maybe not too much for the analyst to bear, if that’s what it takes to offer responsible advice.

# Policy Analysis - An Ecological Frame

