

CHAPTER 25

Summary

The material reviewed in Parts I, II, and III of this book heavily underscored the seriousness of the current human predicament. We saw that this stems, not mainly from the state of the environment (though that is serious enough), but more from the inadequacy of our societal management arrangements. We saw, for example, that faith in both market-based management arrangements and our current politico-bureaucratic management process is misguided. The private enterprise system (and especially the TNCs), the financial system (including banking and insurance), the educational system, the media, and the public service all operate in much more destructive ways than most of us had ever thought possible. There is little to be gained from calling - as NGOs, the New Economics Foundation, and environmental groups are wont to call - on governments to introduce the necessary reforms. Governments are over-loaded and incapable of overseeing the operation of the public service. Worse, they rarely function to orchestrate communal action for the common good. On the contrary they, on the one hand collude with, or are manipulated by, international financiers to implement policies which either satisfy their craving for power or are in the short-term interests of the international financial community. On the other they, like the rest of us, are at the mercy of non-obvious systems processes. Faith that forms of centralised - ultimately world - government will help us solve our problems is without foundation.

The systems processes which mainly determine what happens are associated with belief systems which can only be described as mythologies. The significance of both the systems processes themselves and the supporting mythologies has generally been overlooked. Indeed, besides bringing together available information in a new combination, the unique contribution of this book is to show how these systems processes can be studied and influenced. Their importance cannot be over-estimated. Their effect is to perpetuate our present society and undermine the effectiveness of almost any, otherwise rational, action which does not take them into account.

The purpose of this book has not been to define how things should be done or to provide a blueprint for a sustainable society. Still less has it been to proffer solutions to particular problems - like what to do, now, to stop the destruction of the rain forests, to control the international financial community, or to run society without the motor car. What it has provided is a range of distinctive insights into the learning-and-management system that is required to move forward. These insights give pride of place to actions which- are very different to those on which other writers have focused attention.

The learning-and-management system of which we have spoken is required on a permanent basis, integral with the texture of society. It needs to be decentralised, ecologically-oriented, and organic rather than centralised, hierarchical, and mechanical. It must be capable of initiating, in relation to each of a huge array of problems, many contradictory developments, each based on necessarily incomplete and partial understanding, yet in a way which makes it easy to learn from, and modify, all of them. Most importantly, it needs to help us to identify, and find ways of intervening in, the kind of systems processes which have been highlighted.

Its key components are improved arrangements to stimulate pervasive innovation and experiment, assess the consequences and implications of each of the alternatives that are generated,

and take action on the basis of what is learnt. In the experimentation, particular attention needs to focus on identifying and articulating the network of connections and feedback loops which so much determine what happens and on discovering how to intervene more effectively in that network. As Adam Smith and Friedrich Hayek recognised, and Thomson has more recently underlined, the process that is required is not a streamlined one of the kind favoured by efficiency experts. Instead, we need to introduce arrangements which will themselves promote the emergence of order out of a situation approaching chaos.

We have spelt out what was needed to create a pervasive climate of innovation in which numerous contrasting developments are initiated, and discussed the arrangements, required to evaluate these experiments in a comprehensive way from a wide variety of perspectives. Instead of seeking to identify ways in which pre-specified goals can be reached 'efficiently', we have, in this book, tried to articulate the arrangements needed to continuously clarify both shared, communal, goals and the needs and priorities of different sub-groups in the population. These arrangements need to be such as to ensure that goals evolve as more is learnt about the consequences of different ways of pursuing them on an individual or collective basis.

A way forward will only be found if we steadfastly resist the temptation, so characteristic of political parties at the present time, to offer instant solutions to pressing problems. The need is to focus directly on the single most important task to be addressed in the modern world. This is to clarify the nature of the effective learning-and-management system mentioned above. It is none other than to find an alternative answer to Smith's and Hayek's question of how widely dispersed bits of incomplete information relating to separate but interconnected issues are to be given the power to influence both the general direction in which society moves and the developments which occur in particular areas.

We have seen that the Solution Smith proposed is inadequate for two basic reasons: First, because the range of outcomes which are taken into account by monetary accounting is too restricted. Second, because monetary 'costs' and prices are even more nebulous than Smith suspected.

One example of the restricted range of outcomes encompassed by financial accounting is the way in which economic accounts fail to reveal the most important contributions to, and detractions from, quality of life. An example is the way in which what are said to be 'economic costs' externalise serious environmental costs that will have to be faced in the future. Monetary prices turn out to be even more open to concealed human manipulation than information which at first sight seems much more suspect - such as statistics on levels of unemployment and pupil performance in schools. Despite gross defects of this sort, faith in the system is perpetuated by what appears to be the harshness of economic 'reality'. In fact, the 'harshness of economic reality' is almost entirely an illusion resulting from wordcraft and scientism. Nevertheless it has the most severe consequences for life on this planet.

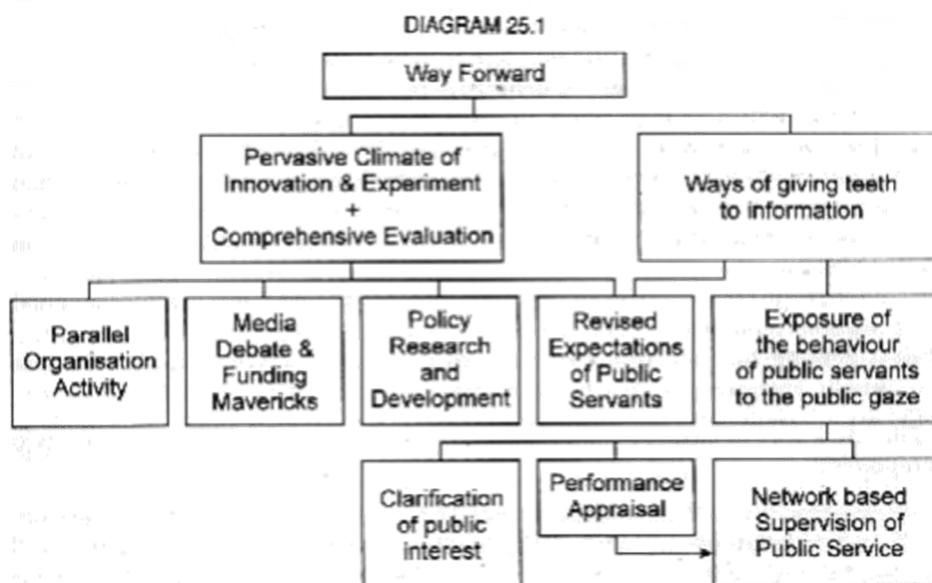
Finding an alternative answer to Smith's and Hayek's question will not be easy. After all, the greatest social philosophers have put much effort into seeking an answer. They re-cast the question in the form: 'What is the best way of managing society in the long-term public (collective) interest?' The answers they gave generally involved the concept of 'democracy', and many of their prescriptions are widely thought to have been implemented. The problem is that the deficiencies of human management of the planet have become ever more serious since the Greeks evolved their ideas of democracy. It was, of course, the failures of person-based management that led

Smith to try devise an economic system (rather than a political system) which would perform the necessary functions. His use of the hyphenated term political-economy does, however, indicate that he - unlike many modern economists - appreciated the need to continuously consider the context in which his economic system would operate. (Marx's neglect of the question was his single greatest error - and it is this error that has led most directly to the current plight of what at one time looked as if they were going to be the greatest regimes in the world.)

In this book we have suggested an answer to Smith's and Hayek's question which builds more on the work of philosophers like Aristotle and Mill than on Smith and Hayek themselves. We suggested that a direct attempt to find ways of overcoming the conspicuous deficiencies of public management would lead to more functional answer than the indirect system they proposed. Our answer has a number of nested and, in reality, mutually interpenetrating components.

In this book we have stressed the importance of deliberately gathered, carefully formulated, and continuously scrutinised formal information - and especially formal information on the workings of physical, biological, and social processes - much more heavily than have most previous writers. We have therefore devoted a significant amount of time to enquiring into the arrangements that are needed to advance formal understanding and those required to give effect to the information so generated.

But we have also stressed the importance of widely dispersed, often unverbalsed, bits of non-formal information. While we have indeed underlined the need to develop better ways of formalising this information through public debate and social surveys, we have also underlined the need for parallel organisation activity linked to network working arrangements in workplaces and network-based public participation in the supervision of the public service. Both of these would enable the public to have a much more direct impact.



Public servants emerge as key actors in the societal management arrangements that are required. They have a responsibility for both initiating the collection of, sifting, and acting on formal information in an innovative way in the long-term public interest^{25.1} and introducing and monitoring the arrangements' required to create a ferment of innovation in workplaces and those required to enable the public to contribute non-formalised information through network-based

participation in the management of society.

The components of the required system are shown, without their interactions, more formally in Diagram 25.1.

The two main components are:

- (1) The creation of a pervasive climate of innovation and experiment linked to much better arrangements for conducting research and especially for collecting more comprehensive evaluation data and advancing fundamental understanding.
- (2) The development of much more effective ways of ensuring that appropriate action is taken on the basis of information.

The creation of a pervasive climate of innovation has four components:

- (1.a) Setting aside time, and making the arrangements required, for everyone to participate in activities concerned with innovation - i.e. 'parallel organisation' activity - in workplaces.
- (1.b) Making arrangements to orchestrate public debate of goals and procedures. This involves publicising, and debating the adequacy and implications of, a range of contradictory evaluations of experiments themselves based on conflicting premises and definitions of what is 'the most important problem to tackle' and how any one problem is to be tackled. And it involves finding ways of giving mavericks and heretics the support they need if they are to be able to present their views in ways that sound credible.
- (1.c) The establishment of policy research and development units charged with conducting comprehensive evaluations of both general policy and individual experiments. This will involve the evaluation of goals as well as delivery systems, require them to study systems processes, and involve them in developing the understandings and the tools required to run modern societies effectively. (The conduct of all these involves the execution of fundamental research in an action context.)
- (1.d) Accepting that the responsibilities of the public service include releasing public energy and initiative to implement (1.b) above.

Finding a way of ensuring that information leads to appropriate action has two components:

- (2.a) Acceptance of a dramatically changed view of the role of the public servant. At the heart of the new definition lies responsibility for initiating and sustaining - not just approving - the collection of information, sifting it for good ideas, and acting on it in an innovative way in the long-term public interest. (This, of course, includes taking responsibility for promoting, and contributing to, the groundswell of innovation mentioned above.)
- (2.b) Exposing the behaviour of public servants to the public gaze in a way which will lead them to be more likely to act in the public interest.

Exposing the behaviour of public servants to the public gaze itself has three components:

- (2.b.i) Network-based public supervision of the public service - i.e. new forms of open government or participative democracy.

- (2.b.ii) Using the information and the tools developed by policy research and development units ((1.c) above) to hold public service departments, and individual public servants, accountable, through performance appraisal arrangements, for such things as contributing to the pervasive climate of innovation ((1) above) and acting on information in an innovative way in the interests of their clients and society more generally.
- (2.b.iii) Publicly contributing to the clarification of the public interest (and the interests of the publics of which it is composed,) using the information emerging from the evaluated experiments conducted under (1) above.

The system which has been outlined is not streamlined and elegant in the ways so much beloved by administrators. It involves parallel, indeed contradictory, activities all over the place. It is an experimentation, learning, and public management system. It engages the public in a way which will lead to multiple experiments based on alternative and conflicting definitions of 'the problem'. It includes assistance to those holding minority opinions to help them formulate their views in a way which will lead others to take them sufficiently seriously to (i) enable experiments upon their views to be initiated and (ii) insist on the incorporation of indices which relate to their concerns into the evaluations of other people's experiments.

The adoption of such an experimentation, learning, and management system depends on a more appropriate understanding of science and how it advances. There is no royal route to learning - and to recognition of what constitutes a comprehensive evaluation in particular circumstances in particular. A 'comprehensive' evaluation is one which includes assessments of outcomes which have not previously been considered (or, at least, not previously been thought to be sufficiently likely or important to merit evaluation), or which no one knew how to index. Such evaluations will therefore often include novel - and therefore probably rudimentary - ways of indexing the relevant outcome. The results will be more than a little debatable and thus conflict with the authoritarian projection of science as 'that which is unarguable'.

Similar comments could be made in connection with the need to advance understanding of the hidden systems processes which so much determine what happens in society. There is no one way of discovering these. Widespread, contradictory, investigation and experiment will be required. Also required will be public debate between contrasting positions. If we are to have this, it is vital quickly disseminate a more appropriate understanding of the scientific process.

Another emphasis which should have been provoked by this book is acknowledgement of the need for a cyclical approach. Public debate of goals is to be followed by a range of experiments grounded in a variety of alternative definitions of the goals and the means to be used to achieve them. Then follow broadly-based evaluations by researchers having different perspectives on the consequences that it is important to look at, the probable consequences, both desirable and undesirable, of each experiment, the systems processes which are likely to influence the outcomes, and the methodologies which can be deployed to study both processes and outcomes. Then comes a further public debate of communal and sub-group goals, processes, and outcomes.

Obviously, there can be no central, prior, specification of what is to be done or what is to be investigated. That will only emerge through a process of trial, evaluation, and debate. The process envisaged here, like Smith's marketplace, is dynamic, self-directing, and evolutionary.

We have seen that what happens in a society is determined in part by the end-state goals the members of a society wish to achieve, the value they personally attach to actions which might

contribute to, or detract from, achievement of those goals, and their beliefs about how society works and their role in it. The book has therefore placed great emphasis on public servants (or others) orchestrating public debate about the consequences that can be expected to stem from the individual and collective pursuit of different kinds of valued activity.

Of course, such debate cannot be effectively conducted without better information on the activities currently valued by different sub-groups of the population and the short and long-term, personal and social, consequences of pursuing different kinds of valued activity in different contexts. The need to collect such fundamental information again underlines the importance of policy research and development units pursuing basic research.

It cannot be too strongly emphasised that we cannot solve the problems of modern society directly, by 'building on good practice' (i.e. good existing practice), though that is a very popular strategy. As we have discussed humankind would never have learned to fly in this way.

As Bookchin pointed out in the quotation in Chapter 1, one can ameliorate individual problems here and there in modern society by applying common sense. But one cannot introduce a systematic systems change (of the kind needed to improve the conditions of life of mankind in general) in this way. To revert to our educational analogy: One can make marginal improvements to the lot of a few pupils by employing extraordinary teachers to change classroom processes in isolated schools, but that does not help the countless other children whose talents are rendered invisible or destroyed by the system.

A final point to be made by way of summary is that the key developments required are conceptual. They involve re-conceptualising 'wealth' and 'money'. They involve re-conceptualising bureaucracy, democracy, the role of the public servant, and the role of the citizen. They involve re-conceptualising 'science', the scientific process, and the meaning of 'experiment'. Among these, the re-conceptualisation of public management as involving intentionally clumsy – but innovative and learning - organisational arrangements is perhaps the most important.

Despite the range of developments needed it is, at this point, appropriate to reiterate that none of them are unrealistic: most of the structures and arrangements that are needed are already in place. All that is needed is a new vision of the possible which will make them work.

Notes

- 25.1 Kelton (1991) arrived at similar conclusions. He argued that, in dealing with large-scale situations involving complexity, uncertainty unknown feedback loops and mutual interactions, delayed effects, and changing priorities, one cannot assess the quality of policy by reference to its accuracy. Certainly one should not think of evaluation as being primarily concerned with post-hoc evaluations of effectiveness. Rather, one needs to evaluate the quality of the procedures employed in its development. These need to acknowledge the importance of envisaging the potential relevance of different types of information, to stress the importance of collecting information, sifting and collating it carefully~ acknowledge, anticipate and assess the seriousness of risks, result in actions which are both firm and cautious, include provision for monitoring and learning from the effects of action, and involve public debate.