

## 2016/17 IPS-Nathan Lectures

### Lecture I - Hunting Black Swans and Taming Black Elephants: Governance in a Complex World

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MR Peter Ho, the Institute of Policy Studies' (IPS) 2016/17 S R Nathan Fellow for the Study of Singapore, delivered the first of his IPS-Nathan Lectures on 5 April 2017 at the NUS Kent Ridge Guild House, National University of Singapore. The first lecture, titled "Hunting Black Swans & Taming Black Elephants: Governance in a Complex World", served as a conceptual "scene-setter" for Mr Ho's lecture series, *The Challenges of Governance in a Complex World*.

In IPS Director Janadas Devan's opening remarks, he noted Mr Ho's illustrious career in government, including his push for a more "networked approach to strategic planning and policy implementation" during his term as Head of Civil Service.

The turnout was one of the highest for the IPS-Nathan lecture series. About 500 people attended the lecture, including students, diplomats, and members of the public and private sectors.



(L-R) Mr Ho Kwon Ping, Ambassador Bilahari Kausikan, and Mr Peter Ho. Mr Ho Kwon Ping and Ambassador Kausikan, were the S R Nathan Fellows for the year 2014/15 and 2015/16 respectively.

## What are Black Swans and Black Elephants?

Mr Ho began by differentiating complex systems from complicated ones. The latter may be difficult to understand, but actually produced predictable and repeatable results. However, complex systems, such as cities, contain a multiplicity of agents and interactions. Thus, outcomes resulting from complex systems are hard to predict.

There are two main forms of surprises arising from complexity, observed Mr Ho. The first was the “black swan”. Borrowing the term from Nicholas Nassim Taleb, black swans were rare, hard to predict events with a large impact. The second kind of surprise arises from “black elephants”, which Mr Ho labeled as “the evil spawn of our cognitive biases”.

Unlike the unpredictable black swan, a black elephant problem can be spotted easily but tends to be ignored. For instance, during Brexit, the United Kingdom’s Treasury had made no contingency plans despite polls indicating that the referendum would be a close call.

With increasing complexity, Mr Ho warned that governing would be more difficult than ever. The silver lining in this is that “governments that make the effort to understand complexity, and then to learn to manage complexity, will gain a big competitive advantage. While they cannot avoid black swans altogether, they will be in a better position to subdue the impact of strategic surprise and reduce uncertainty.”



*Mr Peter Ho, IPS' 2016/17 S R Nathan Fellow for the Study of Singapore, giving his first lecture on 5 April 2017.*

## Governance in Complexity

Mr Ho then discussed what governments could do to manage complexity. One way was through scenario planning, which had been adopted by Singapore’s Ministry of Defence in the late 1980s and is now a key part of the Singapore’s government strategic planning.

Scenario planning could inculcate an anticipatory mindset in planners and policy-makers. “It helps them to overcome their blind spots, and to confront or at least be aware of black elephants,” said Mr Ho.

However, when approaching complex issues, governments need to be wary of reductionism, warned Mr Ho. This is the trap of thinking that complex issues can be reduced to smaller subsets when complex problems actually demonstrate characteristics distinct from its constituents.

Thus, governments must adopt a “Whole-of-Government” approach in order to respond to complex problems effectively, said Mr Ho. Organisations should break down vertical silos to encourage the spontaneous, horizontal flow of information. This enlarges each agency’s worldview and helps policy-makers better discern connections hidden by the complexity of their environment. Resisting institutional tendencies to work in silos is always going to be a long hard slog with no end in sight. The Prime Minister’s Office Strategy Group in Singapore was established in 2015 precisely with the mission of Whole-of-Government policy development and coordination.

Concluding his lecture, Mr Ho surmised, “The future of governance in a world of complexity lies in such systems-level coordination.”

### **Question-and-Answer Session**

The question-and-answer session was moderated by Ms Debra Soon, Chief Customer Officer and Head, English Audience Segment, Mediacorp Pte Ltd. Two themes emerged from the discussion: the role of non-government actors in managing complexity, and how to prepare people for a complex future.

### **Non-government actors in a complex world**



*(L-R) Mr Ho with the moderator, Ms Debra Soon.*

One participant raised the development of regionalisation, and asked Mr Ho whether regional organisations were suitable for managing complex global issues. Another audience member asked what role the private sector would play in managing complexity.

Mr Ho pointed out that whole-of-globe organisations, such as the United Nations, were rarely effective in completely eradicating the world's problems, such as poverty. As for the private sector, Mr Ho felt that they, along with the people sector, could add value to governance.

“In a complex world where nobody has a monopoly of wisdom, you want some additional insights,” Mr Ho explained.

### **Preparing people for complexity**

One member of the audience asked Mr Ho for his thoughts on the implications of complex problems on education and the training of public servants. A related question centred on how the concept of complexity could be taught in secondary schools.

“We have to be quite realistic that you cannot train everybody to be futurists ... It'll be a disaster for any government, any organisation, to have people who just think about the future without worrying about the here and now,” Mr Ho responded, emphasising that complexity was not the only problem governments had to grapple with.



*About 500 people attended the lecture, including Junior College students, who gamely asked Mr Ho questions during the Question-and-Answer session.*

However, Mr Ho commended the Singapore University of Design and Technology's interdisciplinary approach to education. Such an approach would be necessary as no single discipline could contain all the answers. Complexity study is arduous, and takes time and a certain type of personality. Even for himself, as Senior Advisor to the Center for Strategic futures, Mr Ho felt that he only had a “superficial understanding of complexity”.

Concluding the session, Mr Ho stressed that in a complex world, there are no right or wrong answers. Students, indeed all citizens, must appreciate their unique societal contexts and understand how people are affected by complex problems differently.

[Fern Yu](#) is a Research Assistant (Special Projects) at IPS. She contributes to the work of the S R Nathan Fellowship for the Study of Singapore.

Registration for Lecture III and IV by Mr Peter Ho is open. [Click here to register](#).

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