

Ex-civil service head Peter Ho: Shape future, don't predict it

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BEFORE the United Kingdom voted last June on whether to leave the European Union, polls showed that the outcome of the Brexit referendum would be a close call.

Despite this, the UK Treasury did not prepare for the "leave" scenario.

Former civil service head Peter Ho cited this yesterday as an example of a "black elephant" event - "a problem that is actually visible to everyone, but no one wants to deal with it, and so they pretend it is not there".

Speaking at his first lecture as the Institute of Policy Studies' S R Nathan Fellow for the Study of Singapore, he said such occurrences are a cross between a rare and hard-to-predict event, popularly known as a black swan, and the proverbial elephant in the room.

"When it blows up as a problem, we all feign surprise and shock, behaving as if it were a black swan," added Mr Ho, who is a senior adviser to the Centre for Strategic Futures.

Governments today have to grapple with an increasingly complex world with more moving parts, and it has become harder to predict the outcome of the interactions between those parts, he told 490 officials, academics and students at the hour-long lecture.

To minimise the chances of being blindsided in such an environment, policymakers will have to think about how they can shape the future instead of predicting it, he said.

An event Singapore did not predict was the effect of climate change on the drainage systems.

Citing the flash floods that hit Orchard Road in 2010, Mr Ho said during a question-and-answer session that the Government missed the initial warning signs of climate change.

But when the floods persisted, it started looking into the issue and discovered that rising temperatures had made rainfall more intense.

It was then that it realised the drainage system had to be upgraded to cope with the change.

"Every now and then, we will be confronted with these kinds of problems. The question is how long we take to respond," said Mr Ho, who led the civil service from 2005 until his retirement in 2010.

He suggested that one way of dealing with the increased complexity is scenario planning, so policymakers can see their own biases and be more imaginative. Singapore started this 20 years ago and now runs national scenario planning exercises every few years.

Another way is horizon scanning, that is, trying to identify the game-changing events.

For this, Singapore has a set of computer tools, the Risk Assessment and Horizon Scanning system, that use big data to search for trends and issues that could evolve into sudden shocks.

But in tackling such issues, government agencies and ministries must work together and share information, instead of dividing the problem and handling it in silos, said Mr Ho.

He acknowledged that this "whole-of-government" approach requires a difficult cultural shift.

"Often, the leader must nag his people to remind them that the whole-of-government imperative takes precedence over narrow sectoral interests and perspectives."

This is why the Strategy Group was set up under the Prime Minister's Office two years ago to coordinate policies across the Government and make this approach a priority.

"If we look at each issue from a narrow perspective, we will miss the wood for the trees," he said.