GOVERNING FOR THE FUTURE: DESIGNING DEMOCRATIC INSTITUTIONS FOR A BETTER TOMORROW

Can democracies handle the future? In this magisterial work, Jonathan Boston takes on one of the most compelling issues of our time, and he does so with broad and deep scholarship, astute political and social analysis, and writing that is both elegant and illuminating. This is one of the most important books on governance that most of us will ever read.

— Daniel J. Fiorino, Director, Center for Environmental Policy, Department of Public Administration and Policy, American University, USA

How can advanced democracies reconcile an increasingly pressing need for far-sighted policies and decisions with short-term political pressures? This perennial dilemma is well recognised but has been studied little. In this ground-breaking book, Jonathan Boston systematically assesses the nature and causes of the 'presentist bias' in so much public policymaking, and offers realistic suggestions as to how it may be more effectively countered in a quest for improved democratic governance. This is a compellingly insightful work, which should be widely read by academics and policy-makers alike. It confirms its author's reputation as a consummate political scholar with a strong sense of social responsibility and an abiding concern for the welfare of future generations.

— Robert Gregory, Emeritus Professor of Political Science, School of Government, Victoria University of Wellington, New Zealand

Why do politicians tend to govern for the short term rather than prudently investing in society's long-term welfare? How can we cultivate more forward-looking governance? In *Governing for the Future*, Jonathan Boston unpacks and illuminates the formidable obstacles to farsighted policymaking in democratic contexts. He then offers a comprehensive and clear-eyed assessment of a range of institutional reforms that might steer democratic societies toward more sustainable policy choices. Analytically incisive and brimming with conceptual insight, this book not only substantially advances our understanding of the politics of the long term; it also provides practical guidance to those seeking to generate more future-oriented forms of democratic decision-making.

— Alan M. Jacobs, Associate Professor, Department of Political Science, University of British Columbia, Canada

Governing for the Future offers an important contribution for the debate about the long-term problem-solving capacity of liberal democracies. Taking an international perspective, Jonathan Boston accounts for the 'presentist bias' in politics and administration and points to potential governance arrangements that might encourage thinking for the long term. Boston does not offer any single solutions, but highlights the critical

tensions involved in any institutional arrangement. In the world of the 'new normal', *Governing for the Future* is a powerful contribution to the quest of ensuring long-term sustainable democratic institutions that safeguard the well-being for current and future generations.

— Martin Lodge, Professor of Political Science and Public Policy, Department of Government, London School of Economics, UK

There is nothing else like this book. Boston addresses one of the most urgent questions of our times: whether democracies are capable of managing long-run problems like climate change. He provides a comprehensive and thoughtful survey of techniques for avoiding myopic decision-making. It is the indispensable guide for policymakers and academics.

— Alasdair Roberts, Professor of Public Affairs, Truman School of Public Affairs, University of Missouri, US

Jonathan Boston's *Governing for the Future* is a book we have been waiting for. Short-termism is universally decried and all around the globe there are policy experiments to remedy it. Still, we currently lack a systematic intellectual grasp of the problem and the initiatives to answer it. This is where *Governing for the Future* comes in. Its comprehensive and detailed treatment is very timely. The book is passionate about the subject's importance but sober and balanced in its analysis. The unbiased assessment of evidence and the broad-ranging examination of options yields practically useful advice on the various steps forward we can take in redesigning democratic institutions so as to counter the presentist bias.

— Dominic Roser, Research Fellow, Human Rights for Future Generations Programme (Climate Ethics), Faculty of Law, University of Oxford, UK

Governing for the Future is a wise and passionate book. Jonathan Boston combines a comprehensive and rigorous analysis of the causes and perils of short-termism in policymaking with concrete and pragmatic suggestions for mitigating or reversing its harms. The author is not sanguine about the prospects: he offers no easy solutions or silver bullets, but rather a set of concrete institutional and political reforms. He is realistic about the obstacles confronting each of the potential counterweights to short-term thinking that he proposes. This book nonetheless offers real hope for the future: if politicians can be persuaded or compelled to adopt even some of the recommendations, the world can be a better place.

— Kent Weaver, Professor of Public Policy, Comparative Government Field Chair, McCourt School of Public Policy, Georgetown University, USA

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PUBLIC POLICY AND GOVERNANCE VOLUME 25

GOVERNING FOR THE FUTURE: DESIGNING DEMOCRATIC INSTITUTIONS FOR A BETTER TOMORROW

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PREFACE AND ACKNOWLEDGEMENTS

This book is about short-termism – or what can be called a presentist bias – in governmental policy-making in advanced democracies. Short-termism constitutes a 'disorder' because it undermines good governance and reduces long-term societal well-being. This inquiry focuses on the nature, causes, and consequences of short-termism and what, if anything, can be done to mitigate it.

My interest in this topic spans almost four decades. During the late 1970s I was a Masters student in Political Science at the University of Canterbury in Christchurch, New Zealand. My Masters' thesis investigated the origins, role, influence, and effectiveness of two high-level advisory groups in central government: the Priorities Review Staff (PRS) which advised the Australian Prime Minister during 1973–1976; and the Economic Advisory Group (EAG) which was established in 1975 to advise the New Zealand Prime Minister. The research took a year, and I interviewed nearly 100 politicians, civil servants, political advisers, and academics, mostly in Canberra and Wellington. I also spent three months working in the New Zealand Treasury, which gave me a grandstand view of Wellington's policy community, the policy-making process, and the inner workings of the 'bureaucratic machine'. For a 21–22 year old, both the research and internship were fascinating and rewarding experiences. But they were also sobering. Let me explain briefly.

The PRS was modelled on its counterpart in the Cabinet Office in London, the Central Policy Review Staff (CPRS), created by the British Conservative Prime Minister, Edward Heath, in 1970. Both the PRS and the CPRS were designed to focus on medium-to-long-term policy issues and were staffed by highly trained, interdisciplinary teams drawn from within the civil service, the business community, and the academic world. Both advisory groups were expected to think broadly, test existing policy frameworks, highlight looming problems, and explore diverse solutions: they were, in short, to be 'grit in the machine'. But in fulfilling their mandate they both faced a common dilemma. The more they concentrated on long-term problems rather than those of immediate concern to ministers, and the more they challenged conventional civil service thinking on important policy issues, the more they risked political irrelevance and/or

bureaucratic opposition. To compound matters, to the extent that they advanced politically controversial ideas they risked alienating their primary patron, the prime minister. In the event, both advisory groups endeavoured to be politically savvy and pursue a middle path. They sought to balance their institutional mandate to think about the longer term with their desire for political influence. Hence, while they both undertook in-depth reviews of major long-term policy issues and published substantial reports, they willingly responded to prime ministerial requests for advice on pressing day-to-day concerns. But despite their best efforts, neither advisory group survived. The PRS fell victim to the change of government at the end of 1975, while the CPRS was eventually abolished by a subsequent Conservative Prime Minister, Margaret Thatcher.

The EAG, by contrast, faced no similar 'intertemporal challenges': it was essentially a short-term think tank and day-to-day 'fire-fighter'. It was not designed to undertake major policy reviews or publish detailed reports. And, unsurprisingly, it has survived, albeit with a change of name in the early 1980s to 'Advisory Group'. It remains a vital part of Wellington's policy community and bureaucratic structure.

There is a pertinent footnote to this story. When Geoffrey Palmer became New Zealand's Prime Minister in 1989 he was keen, among other things, to ensure that his Department had the capability to undertake in-depth long-term policy thinking as well as the provision of high-quality short-term advice. By then I had completed my doctoral studies and joined the staff of the Public Policy Group at Victoria University of Wellington. With several others I was asked to join a small team established by the State Services Commission to advise the government on how the Department of Prime Minister and Cabinet (DPMC) should be restructured. Following some hasty deliberations, the team proposed a series of structural changes. One of these was to separate the provision of 'political' advice to the Prime Minister from the provision of 'official', non-partisan advice from government officials. The former, it was argued, should be located in the Office of the Prime Minister, separate institutionally from DPMC. Additionally, it was recommended that there should be two advisory bodies within DPMC, one to advise the Prime Minister on short-term issues and the other to provide 'strategic advice' on major medium-to-long-term issues. A separate Strategic Policy Advisory Group was duly constituted to supplement the existing Advisory Group. The new entity identified a series of important issues on which to focus, but it struggled during its brief life to secure influence or traction. The Labour government was by then in terminal decline and the long term was not high among the Prime

Minister's priorities – nor that of most of his cabinet colleagues. In the event, the new group enjoyed an even shorter shelf-life than the PRS and CPRS: it was abolished barely a year after its formation by the incoming Prime Minister, Jim Bolger. Since then no high-level advisory body with a specific long-term policy mandate has been created in New Zealand.

The difficulties facing those charged with advising governments on major long-term issues are not unique to Australia, Britain, and New Zealand. They are replicated across the democratic world, and no doubt beyond. Moreover, bringing the long-term into short-term political focus is not merely a challenge for think tanks and policy advisers; it is a problem for democratic governance more generally. If governments give inadequate attention to looming problems or make policy choices that unduly favour short-term interests, citizens' future well-being will be put at risk.

During my life as an academic I have undertaken research on many policy issues where elected officials have been unwilling, often for short-term electoral reasons, to take a long view and invest well for the future (see Appendix). Two issues that have occupied much of my time during the past decade – and which successive governments have failed to tackle effectively – immediately come to mind: child poverty and climate change. In pursuing research on these topics, several questions have often dominated discussions. How can democratically elected governments be persuaded to promote the long-term public interest? How can the political salience of long-term risks and vulnerabilities be enhanced? Are there ways of reforming democratic institutions and processes that will increase the likelihood of governments taking better care of tomorrow today? How, in short, can the presentist bias in policy-making be mitigated? Such questions lie at the heart of this inquiry.

Such an undertaking would not have been possible without substantial assistance from numerous individuals and organizations. I would particularly like to thank Fulbright New Zealand and the Fulbright Program in the United States for the generous support I enjoyed as a recipient of a Fulbright New Zealand Scholar Award in 2014. The Award provided numerous opportunities and opened many doors, enabling me to attend high-level events in Washington D.C. and meet leading thinkers and policy-makers.

I am also indebted to my colleagues in the School of Government at Victoria University of Wellington for their strong support and steadfast encouragement, especially the Head of School, Professor Brad Jackson, Professor Evan Berman, Dr Jakai Desai, Dr Chris Eichbaum,

Associate Professor Michael Macaulay, Dr Verna Smith, Lyne Todd, and Dr Amanda Wolf. Tom Stuart provided invaluable research assistance during the early stages of the project, and I am very grateful for his ongoing interest in the project and his deep concern for the issues of governance and public policy it traverses. Particular thanks must also go to Professor Martin Lodge at the London School of Economics for hosting me in London during July and August 2014; to Professor Pertti Ahonen and Dr Paula Tiihonen for their warm hospitality and for kindly arranging interviews and discussions with officials and researchers in Helsinki during late August and early September 2014; and to Professor Dan Fiorino and Dr Karen Baehler for hosting me in the School of Public Affairs at American University in Washington D.C. during the remainder of 2014. Their kindness, advice, and wisdom was of tremendous help.

Over 90 people generously agreed to be interviewed for this project – politicians, civil servants, political advisers, researchers in universities and think tanks, senior business executives, and representatives of civil society organizations. I am extremely grateful for their time and the insights they provided. Likewise, during the course of my research I discussed various issues with hundreds of people informally and in seminars, workshops, and roundtables. Their feedback has been of immense help and sparked many new lines of inquiry.

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INTRODUCTION: WHAT THIS BOOK IS ABOUT – A BRIEF OVERVIEW

> Gouverner, c'est prévoir: to govern is to foresee.
>
> Pierre Mendès France (former French Prime Minister)

> The longer you can look back, the further you can look forward.
>
> Winston Churchill (former British Prime Minister)

This book is about governing well for the future. It investigates the nature of, and the conditions for, *prudent long-term democratic governance* in a dynamic, complex, and uncertain world, the reasons why such governance is politically challenging, and how such challenges can best be tackled. In particular, it addresses the problem of 'short-termism' – or a 'presentist bias' – in policy-making; that is, the risk of governments placing undue weight on near-term considerations at the expense of a society's overall long-term welfare. As such, the book traverses both normative and empirical issues. The approach is primarily qualitative rather than quantitative. This overview chapter summarizes the book's core themes, issues, and assumptions and outlines its structure and scope.

SETTING THE SCENE

Intertemporal trade-offs are an abiding and inescapable feature of governance and often pose significant ethical and political dilemmas. Governments must make choices about how to allocate various costs and benefits, resources and risks, not only between different groups or sectors here and now, but also over extended periods of time, sometimes involving multiple generations. Policy decisions must be made about whether to consume more now or invest for future benefits: whether, for example, to spend more in the near term on targeted educational, health, and social programmes to reduce future welfare dependence, whether to pre-fund some of the long-term costs of sea-level rise or population ageing, whether to adopt strong preventative measures to mitigate the future costs of obesity or natural disasters, and whether to take vigorous, pro-active steps

to limit future environmental harm, perhaps by imposing new taxes on environmental externalities and/or tighter controls on certain kinds of economic activity. In facing these intertemporal choices governments may be tempted to favour current interests ahead of future interests or powerful commercial interests over weak, diffuse non-commercial interests. They may decide, in other words, to protect or improve near-term living standards at the expense of future societal well-being. As a result, citizens may experience significant long-term losses – or at least lower aggregate welfare over lengthy periods than would otherwise have been the case.

To compound matters, there is a risk of a vicious cycle. Repeated decisions to favour current over future interests and to ignore looming policy challenges are bound to exacerbate the problems awaiting future decision-makers. Tomorrow's governments will then be faced with ever larger fiscal, social, or environmental deficits, reducing their capacity to prepare for and invest in the future. In this way, the negative cycle will continue. By contrast, prudent decisions today can ease the burdens on future policy-makers, expanding their opportunities and capacity to take a long-term view and invest for a better tomorrow. Just as there is the potential for a vicious cycle, so too there is the potential for a virtuous one.

How serious are the risks of 'short-sighted' policy decisions and what, if anything, can be done to reduce them? In exploring these questions the purpose of this book is not only to understand the nature, demands, and constraints of intertemporal governance, but also to offer realistic suggestions for innovative and effective democratic reform – in particular, initiatives that will encourage farsighted decision-making, protect future interests, and help establish and cement the foundations of a good society over multiple generations.[1] While such a goal is ambitious, the approach adopted here is thoroughly practical; it is not an exercise in utopian fantasizing.

From a normative perspective, this inquiry briefly addresses some of the deep and enduring questions of political philosophy, especially as they relate to intertemporal governance. Among these are the moral principles that should guide governmental decisions with long-term implications, including the obligations of current generations to future generations and the requirements of intergenerational justice and solidarity. How should benefits and burdens be shared over extended periods of time? How should risks be allocated temporally? What discount rate, if any, is justified and on what basis? What does wise stewardship entail? More broadly, there are questions about the *kind* of future humanity should seek. What should be the overall goal or goals of public policy? Should the quest be for what Pope Francis (2015) calls the 'long-term common good', what Girol Karacauglu (2015) refers to

as 'collective intergenerational wellbeing', what Kenneth Arrow (2012) and his colleagues describe as 'comprehensive wealth', or something else? And however such goals are conceptualized or framed, how can they best be achieved? How, for instance, can the virtues of foresight and prudence be encouraged among policy-makers and how can intergenerational solidarity be nurtured among citizens? Further, what institutional arrangements, rules, and processes are most likely to contribute to a safe prospect for current and future generations? Posing such questions is easy. Providing persuasive, or even satisfactory, answers is hard. But grappling with such issues is essential to acquire practical wisdom for governing well for the future.

Necessarily, this inquiry focuses on the art and craft of governance, in particular the governance of advanced democracies. Governance – whether public or private, democratic or otherwise – has multiple dimensions. At the broadest level, there is the overarching challenge of setting future directions, goals, and priorities. Good governance, therefore, requires a long-term perspective. It must be future-oriented. It must confront, among other things, complicated intertemporal issues. This is not optional, but a fundamental prerequisite. Hence, a critical task of all governments is to 'navigate the future' (Dror, 2003). Their role, as Plato astutely observed long ago, is to steer the 'ship of state'. But they must do so with an indeterminate horizon, ill-defined charts, imperfect vision, limited navigational equipment, changeable conditions, and manifold constraints. Indeed, the list of encumbrances to wise and farsighted policy-making is daunting: incomplete information, disputed evidence, deep uncertainty, scarce resources, vigorous distributional conflicts, competing moral imperatives, impatient voters, powerful and well-organized interests, multiple veto points, and many unwelcome surprises. Given such conditions, negotiating an agreed direction and charting a safe course are formidable undertakings. While the ship of state cannot be fully 'future-proofed', many risks can be anticipated, ascertained, managed, and mitigated. Future vulnerabilities can be foreseen and a society's resilience boosted. Likewise, the essential requirements for intergenerational justice can be ascertained and pursued. Unquestionably, these are among the foremost responsibilities of political leaders, their advisers, and citizens.

CONFRONTING INTERTEMPORAL TRADE-OFFS

Of the many tasks of democratic governance, those involving major *intertemporal trade-offs* are among the most challenging. How should societies

allocate various benefits and costs, gains and losses, opportunities and risks over lengthy periods of time? Policy issues involving intertemporal trade-offs are common, unavoidable, take numerous forms, and arise in multiple policy domains. How should the extra costs of health care and public pensions from ageing populations be allocated between generations (Heller, 2003a, 2003b, 2006; Vanhuysse, 2013)? How much should be spent on reducing the risks of natural disasters – such as floods, fires, or seismic events – and how should such costs be spread over time (Healy & Malhotra, 2009)? Should governments encourage and enforce urban densification in order to minimize the long-term economic and environmental costs of urban sprawl (Searle & Filion, 2011)? Should extra near-term regulatory burdens be imposed on certain industries to protect irreplaceable ecosystem services and minimize species loss (Brown, Stephens, Peart, & Fedder, 2015)?

When policy problems involving intertemporal trade-offs arise, decision-makers usually have a range of options. They can often choose the temporal flow of costs and benefits. For instance, they can decide whether to impose costs now or later and how benefits should be distributed over different periods of time. In some cases they may choose to front-load the burdens disproportionately, while disproportionately back-loading the benefits – or vice versa.[2] When there is a temporal separation between the distribution or flow of costs and benefits, a *non-simultaneous exchange* occurs. Such non-simultaneous exchanges may happen over relatively short timeframes or very extended periods. In many cases the exchanges are primarily between citizens' *current selves* and their *future selves:* citizens may pay now and enjoy a benefit later. In other cases the main trade-offs are between different generations.

For policy-makers, the most difficult non-simultaneous exchanges are those where long-term gain depends on short-term pain – especially pain that imposes, or is expected to impose, *political* costs. The dilemmas are all the greater if losses must be imposed on well-organized interests and if the expected benefits will be slow to materialize and/or lack visibility. Politicians often refer to such exchanges as 'hard calls' or 'tough calls'. Alan Jacobs (2011, p. 17) employs the term 'policy investments'. As defined by Jacobs, such investments involve, first, 'the *extraction of resources in the short-term*' (e.g. via additional taxes, levies, and charges or regulatory changes that impose costs on the affected sectors or individuals), and second, 'the dedication of those resources to *a mechanism of intertemporal transfer*' designed to increase future welfare, such as greater long-term consumption possibilities or higher living standards, whether broadly or

narrowly defined. The net social returns on such investments vary: some produce large returns; others return much less.

Many contemporary policy problems – whether economic, social or environmental – cannot be mitigated, let alone solved, without 'policy investments' of this kind. One way or another, citizens must contribute over the near term for the promise of future benefits – or at least lower long-term costs. Taxes must be increased, subsidies reduced or new regulatory burdens imposed. Whatever the technical complexity of such investments, they are invariably politically inconvenient: the electoral risks are asymmetrical. Losses of votes are more likely than gains, but such losses are not inevitable.

Citizens may be reluctant to support a proposed policy investment for many reasons. Human beings have a tendency to discount or ignore problems that seem distant, remote, or abstract. The anticipated future benefits of the investment may be less certain, tangible, and direct than the expected near-term costs. Equally, citizens may question the sincerity, wisdom or durability of the government's policy commitments, all the more so in a context of low political trust or intense ideological polarization (Jacobs & Matthews, 2012; Mansbridge & Martin, 2013). In the absence of credible constraints on current and future governments, citizens may understandably fret about the problems of long-term compliance and dynamic inconsistency.[3] Alternatively, while grasping the logic of making upfront contributions for future benefits, they may have little desire to embrace the required sacrifices. Long-term virtue may be overridden by short-term vice. Enlightened self-interest may capitulate to imprudent greed. Generosity may succumb to mean-spiritedness. Patience may yield to impatience. Reasoned hope may surrender to irrational fear. And a selfish generation – or perhaps a large and relatively cohesive voting cohort – may choose to eschew, delay, or curtail desirable policy investments, thereby imposing disproportionate costs and risks on successors. As a result, vital future interests may be threatened.

Predicaments of this nature pose fundamental questions for all those who value democratic governance, desire improvement, and yearn for a better tomorrow. Under what conditions, for instance, are elected officials[4] most likely to make the policy investments required for a secure, just, prosperous, resilient, and sustainable future? What kinds of policy investments are most at risk from the vicissitudes and vagaries of democratic politics? To what extent and by what means can such risks be mitigated? More generally, how can the necessary conditions for prudent policy investments in advanced democracies be encouraged and strengthened? What specific

institutional arrangements, analytical frameworks, decision-making processes, and social norms might assist?

CRITICAL ASSUMPTIONS

Underpinning this analysis are at least two critical assumptions. Both are highly pertinent to the policy dilemmas just discussed; they are also closely inter-related. The first assumption is well-established and largely uncontroversial. Humanity faces real, non-negotiable biophysical constraints: most resources are scarce and the capacity of the Earth to absorb human impacts is limited – at multiple scales.[5] Managing distributional conflicts and living within the planet's biophysical constraints lies at the heart of the political process, democratic or otherwise. Many of the distributional conflicts that arise are inter-sectoral or cross-sectional, and focus on the here and now – or at least the near-term. The question is about which sectors, regions, groups, or individuals will gain or lose from a particular policy initiative, not at some point in the distant future but now or very soon. Yet many distributional conflicts also entail significant intertemporal dimensions. The trade-offs in such cases may be sharp and readily apparent, or more opaque. They are nonetheless real and often highly significant morally: the long-term implications of particular policy decisions (or non-decisions) can be serious and far-reaching. To compound matters, because most resources are scarce, policy-makers often face simultaneous, multiple distributional conflicts – both intratemporal and intertemporal. Conflicts of a non-distributional nature, such as those generated by ethnic, cultural, or religious differences, are also common and need to be carefully managed. Hence, the political challenge is not simply about whether to make an electorally risky yet prudent policy investment, but which of a range of possible desirable investments should have priority.

The second assumption is that democratic governments have a widespread tendency to favour near-term considerations (i.e. interests, factors, or policy consequences) over long-term considerations. For instance, to the extent that they have a choice, policy-makers prefer to front-load the benefits and back-load the costs. They also prefer options that minimize the upfront costs imposed on citizens, taxpayers or sectors, even though this is likely to reduce overall societal payoffs. The second assumption is less well-established than the first and requires rigorous scrutiny. Nevertheless, it is widely held across advanced democracies. References abound, whether in

popular,[6] political, or academic discourse, or among the reports of legislative committees and policy think tanks.[7] The phenomenon is variously described as 'short-termism', 'political myopia', a 'presentist bias',[8] or more broadly as 'poor anticipatory governance'. It is generally regarded as a 'disorder', and represents a systemic governance problem, not simply a policy problem. Manifestations include, among other things, a deliberate failure to exercise proper foresight, inadequate or delayed governmental measures to mitigate and manage well-established risks, and the retention of policies that are demonstrably unsustainable, whether economically, socially, or environmentally.

While political short-termism is not new, many believe it has become more common over recent decades – or that its *consequences* have become more serious. One reason is the growing mismatch between the time required to tackle complex social ills and the imperatives of electoral politics. Another is the intense pressures on politicians generated by media demands and public expectations for them to respond almost instantly to events. Yet another is the growing capacity of humanity, through rapid technological advances, to cause not only more widespread and severe harm but also harm that is persistent, if not irreversible. Both the *scale* and *duration* of human impacts have increased.[9] Consider, for instance, the capacity to destroy species and ecosystems, change the planet's climate, and damage critical life-support systems. If governments fail to foresee such biophysical harms or if they choose not to prevent them because of short-term electoral pressures, then the long-term impacts will be grave. Humanity's future will be permanently blighted.

Concerns about short-termist thinking and myopic policy-making are not, of course, limited to *democratic* governments. Non-democratic regimes are widely perceived to perform even worse: their intertemporal policy choices often reveal even less concern for the long-term interests of their citizens. Similarly, there is no suggestion that a presentist bias is confined to *politics* or *governmental* decision-making. On the contrary, there is evidence that it afflicts most, if not all, fields of human endeavour, most notably the world of business.[10] To quote Jo Guldi and David Armitage (2014):

> … almost every aspect of human life is plotted and judged, packaged and paid for, on time-scales of a few months or years …. In the age of the permanent campaign, politicians plan only as far as their next bid for election. They invoke children and grandchildren in public speeches, but electoral cycles of two to seven years determine which issues prevail. The result is less money for crumbling infrastructure and schools and more for any initiative that promises jobs right now. The same short horizons govern the way most corporate boards organise their futures …. No one, it seems, from

bureaucrats to board members, or voters and recipients of international aid, can escape the ever-present threat of short-termism.

The assumption that policy-making in advanced democracies displays a presentist bias – that is, a systemic tendency for short-term interests to be prioritized over long-term interests – poses numerous questions:

1. How should the problem be defined, conceptualized, and diagnosed? On what grounds, for instance, can policy choices be regarded as temporally biased?
2. What evidence is there to support the claim that there is a presentist bias in policy-making and how convincing is it?
3. What is the strength (i.e. pervasiveness and intensity) and persistence of the bias? To what extent does it vary across jurisdictions or between policy domains, and what implications can be drawn from any such differences?
4. How serious is the problem in terms of the scale, scope, and duration of the harm inflicted on societies?
5. What are the causes of the presentist bias and which are the most important?
6. What options are available to mitigate the presentist bias? Which of these are likely to be most feasible, effective, and desirable? Put differently, how can the long term be brought into sharper short-term political focus such that the risks of intergenerational buck-passing are reduced?
7. More generally, if and when intertemporal trade-offs arise in policy-making, how should they be handled? What ethical principles should be applied and what decision-rules should be employed?

These are but some of the many difficult, yet fascinating, questions that arise when wrestling with the dilemmas and challenges of long-term democratic governance. Yet wrestle we must. For democratic policy-makers, and the societies they lead, intertemporal trade-offs are a constant companion. They are unavoidable: they cannot be side-stepped or ignored; there is no option but to confront them. Yet in confronting them there remain pressing and enduring challenges. How to protect future interests adequately against the tyranny of the present? And how, in the context of multiple biophysical, economic, and political constraints, should policy investments be prioritized? A core objective of this book is to reflect on such problems and offer some constructive – and hopeful – answers.

THE STRUCTURE AND SCOPE OF THE BOOK

The book is structured as follows. Part 1 clarifies the focus, contours, and parameters of this inquiry, including the nature, causes, and policy implications of the presentist bias. Chapter 1 explores the challenge of governing well for the future and discusses the politics of intertemporal decision-making. In so doing, it outlines the main features of what can be referred to as 'the long-term governance problem', including the complexities of 'navigating the future', giving particular attention to the risk of a presentist bias in democratic decision-making. It also identifies various objections to the notion of such a bias and offers some brief responses. Following this, Chapter 2 investigates different ways of conceptualizing the short-termist tendencies of democratic governments and evaluates the strength and variability of the presentist bias. Chapter 3 investigates the causes of the bias. It highlights their multiple and varied nature, including the role played by deeply ingrained aspects of the human condition, the impact of uncertainty on policy-making, and the contribution of a wide range of constitutional, institutional, and political factors. Chapter 4 considers the extent to which a presentist bias varies across policy domains, the reasons for such variability, and the implications of this analysis for democratic policy-making.

Part 2 explores two separate but related matters. Chapter 5 examines some of the normative issues surrounding intertemporal trade-offs and outlines the ethical principles that should inform policy decisions over the temporal allocation of benefits and burdens. Chapter 6 addresses how the presentist bias in democratic decision-making can be mitigated. It identifies a wide range of proposed 'remedies', some of which have been implemented, while others remain untested. Altogether, over 60 distinct proposals, grouped into 14 'solution types', are documented. These cover many different kinds of constitutional, institutional, procedural, and analytical reforms. Some focus on the demand-side of the political process, others on the supply-side. Some are comprehensive and radical, while others are incremental or piecemeal. Likewise, while many of these reform proposals have been advanced with the presentist bias explicitly in mind, some are primarily designed to achieve other policy objectives, but are also likely to influence intertemporal decision-making in positive ways.

Each of the proposed 'solutions' rests on an explicit or implicit underlying rationale. Such rationales constitute 'intervention logics', 'programme logics', or 'theories of change'. In reviewing the many reasons why the different 'solutions' might be expected to alter intertemporal decision-making,

six distinct intervention logics can be identified. Each relies on changing some aspect of the *decision context* or *choice architecture* facing democratic policy-makers.

Specifically, the various 'solutions' are assumed to mitigate the presentist bias in one or more of the following six ways:

1. By changing the *motives* of policy-makers (i.e. values, norms, preferences, and priorities) and activating future-oriented interests and concerns – or what might be regarded as 'internal drivers';
2. By *incentivizing* policy-makers to give greater weight to long-term considerations (e.g. via changes to public opinion/preferences, political culture, the balance of political forces, accountability mechanisms, outcome-based performance measures, etc.) – or what might be regarded as 'external drivers';
3. By enhancing the *capacity* of policy-makers to plan for the long term and exercise foresight (e.g. via better information, analytical resources, horizon scanning, and more holistic policy frameworks);
4. By *constraining* the formal decision-rights and discretionary powers of policy-makers, especially in relation to issues with significant long-term impacts (e.g. via constitutional rules, procedural rules, and substantive policy rules);
5. By *insulating* policy-makers from short-term political pressures; and
6. By establishing new *coordinating* mechanisms to enable decisions that would otherwise not be possible (e.g. via new and/or stronger international agencies and instruments).

Many, if not most, of the proposed 'solutions' identified in Chapter 6 rely on multiple logics. In each case, however, the validity of such logics is open to question.

Having surveyed the possible options for mitigating the presentist bias in Chapter 6, Part 3 systematically analyses a selection of the most promising and widely recommended approaches. The various proposals and their related intervention logics are assessed against three main criteria: their feasibility (both technical and political), their effectiveness, and their overall desirability. Chapter 7 explores the use of various constitutional mechanisms to enhance the protection of future interests. Chapter 8 assesses a range of non-constitutional 'commitment devices' designed to reduce the problems of long-term compliance and dynamic inconsistency. Chapter 9 investigates the extent to which important policy decisions in democracies can, and should, be insulated from short-term political pressures. Chapter 10 examines the establishment of independent public agencies to

serve as guardians for future interests. Chapter 11 explores whether the bias might be mitigated through improvements to the structures, systems, and frameworks of policy advice, including the ways in which nations assess their performance and value different kinds of 'goods'. Chapter 12 focuses on how advanced democracies can enhance their 'anticipatory governance' by improving the quality of their strategic planning and embedding foresight techniques more firmly into their policy-making processes. Lastly, Chapter 13 investigates a range of options for enhancing the political conditions for prudent policy investments, in particular by increasing the level of political trust and agreement on societal goals. Among other things, the question is how to nurture a democratic political culture that is forward-looking, collaborative, and hopeful – one that strives for advancement, welcomes anticipatory governance, rewards farsighted leadership, encourages shared values, embraces intergenerational solidarity, endorses international cooperation, and is alert to the perils of short-termism.

Part 4 weaves together the threads of the arguments advanced in Part 3, identifies some of the key conditions and institutional mechanisms that contribute to farsighted policies, and charts the way forward. In particular, it highlights which of the many proposals to mitigate the presentist bias have the most to offer and which are best avoided. No single set of reforms, of course, is universally applicable across all advanced democracies. Much depends on the national context – constitutional, institutional, political, cultural, and socio-economic. Any reform agenda, therefore, must be principled yet pragmatic: it must satisfy relevant normative and evidential tests, but also have regard to political feasibility.

A FOCUS ON ADVANCED DEMOCRACIES

For various reasons, the analysis is confined to *democratic* political systems. This includes federal and unitary states, whether presidential, semi-presidential, or parliamentary systems. While the main focus is on national-level decision-making, issues of relevance to sub-national government are also discussed when appropriate. The lack of attention to non-democratic regimes does not imply that they are immune to a presentist bias. Indeed, the available evidence suggests they tend to manage intertemporal trade-offs more poorly than democracies and give even less weight to the interests of future generations, especially in relation to environmental sustainability (Burnell, 2012; Congleton, 1992).[11] This is not to suggest that democracies

have nothing to learn from authoritarian regimes, like China, or quasi-democratic regimes, like Singapore. But in exploring possible 'solutions' to political short-termism, the concern here is to identify approaches that are broadly compatible with democratic principles and can be expected to enhance the quality, integrity, and vitality of democratic governance. Advocating illiberal or anti-democratic 'solutions' is not part of the agenda. Aside from this, non-democratic regimes face distinctive challenges, and these deserve separate, detailed, and specific attention. To give proper consideration to such challenges would necessitate a different book.

Likewise, this study focuses primarily on the problems facing *advanced* democracies; little attention is given to developing countries, whether democratic or otherwise. Again, the reason for narrowing the scope of this analysis lies in the fact that developing countries encounter a number of distinctive political challenges, not least in terms of greater resource constraints, starker policy choices, higher levels of corruption, and less effective public bureaucracies. Many of the challenges of intertemporal governance in developing countries have been identified and scrutinized by William Ascher (2009). Nevertheless, some of the proposals canvassed in later chapters are pertinent to policy-makers in a range of political systems, including those that lack the critical features of advanced democracies, such as free and fair elections, representative institutions, the protection of basic human rights, the rule of law, and relatively comprehensive welfare states. Hence, despite the restricted scope of the book, its relevance is arguably broader.

Additionally, this study concentrates almost exclusively on the governance of nation-states, rather than global governance or the governance of international organizations. Admittedly, in many critical policy arenas – be it the management of systemic financial risks, the stewardship of the global commons, or the handling of other trans-boundary problems – national and international governance is inextricably linked. Prudent long-term management of the planet's resources and humanity's 'comprehensive wealth' (however precisely conceived) depends on successful international cooperation and agreement (Stern, 2006, 2009; Ward, 2011; World Commission on Environment and Development, 1987). Hence, without effective global institutions the capacity to protect vital future interests is necessarily constrained. Be that as it may, it is not possible here to address all the complex issues of global governance or the reform of international organizations, such as the United Nations, the International Monetary Fund or the World Bank.[12] Moreover, the forces that drive global institutions and international relations often differ markedly from those that influence domestic policy-making. The pressures and constraints on

decision-makers are therefore different. Having said this, it must be reiterated that individual states cannot ensure prudent long-term governance or safeguard the interests of future generations by acting alone. In an interdependent world, collective action by groups of nations – or, in some cases, the whole international community – will also be essential.

NOTES

1. The nature of 'generations' is discussed in Chapter 5. It is important to recognize that generations do not comprise completely separate or distinct groups of people; they coincide and overlap, and constantly evolve as some people die and others are born.

2. An example of a non-simultaneous exchange where the benefits are front-loaded while the costs are back-loaded would be large and unsustainable tax cuts. In such cases, citizens/taxpayers will enjoy a temporarily higher level of consumption possibilities, but at the expense of a growing public debt and reduced future consumption possibilities. As public debt accumulates, so too will the cost of debt servicing. As a result, future citizens/taxpayers will be forced to pay higher taxes and/or receive a lower level of publicly funded goods and services.

3. Dynamic inconsistency (or time inconsistency) involves a person's preferences in Time 1 diverging from their preferences in Time 2 or subsequently. As a result, their future actions may undermine or jeopardize their previous goals. Alternatively, their goals may be undermined by other decision-makers with divergent preferences (see, for instance, Kydland & Prescott, 1977).

4. For the purposes of this study the term 'elected officials' refers to all those who are elected to public office at all levels of government, including legislators and those elected to positions within the executive branch. It also includes those *selected* to serve as members of a cabinet or in other ministerial roles, whether or not such individuals are currently (or previously served as) members of a legislature.

5. See Chapman, Boston, and Schwass (2006), Hansen (2009), IPCC (2007, 2013), Millennium Ecosystem Assessment (2005), Reynolds (2011), Richardson et al. (2009), Rockström et al. (2009a, 2009b), Steffen et al. (2015), Stern (2006, 2009).

6. To give but one example: Eleanor Catton (the author of *The Luminaries*, which won the Man Booker Prize in 2013) told an audience at a literary festival in Jaipur in early 2015 that New Zealand politicians are 'profit obsessed' and 'money-hungry'. 'They care' she said, 'about short-term gains. They would destroy the planet in order to be able to have the life they want' (Quoted in Dean, 2016, p. 23).

7. See, for instance, Binder (2006), Blinder (1997), Guldi and Armitage (2014), Boston (2014), Boston, Wanna, Lipski, and Pritchard (2014), Boston and Lempp (2011), Caney (2016), Congleton (1992), Debrun (2011), Dror (2003), Fuerth and Faber (2012, 2013), Gardiner (2009), Garri (2010), González-Ricoy and Gosseries (2016b), House of Commons Public Administration Select Committee (2007, 2015), Jacobs (2008, 2011, 2016), Jacobs and Matthews (2012), Jávor and Rácz (2006), MacKenzie (2013, 2016a, 2016b), MacKenzie and Caluwaerts (2015), Oxford

Martin Commission (2013), Read (2012), Thompson (2005, 2010), Tremmel (2015), Ward (2011).

8. It is important to distinguish the 'presentist bias' from the literary and philosophical ideas associated with 'presentism' (see Chapter 1).

9. See, for instance, Brown et al. (2015), IPCC (2013), Rockström et al. (2009a, 2009b).

10. See, for instance, Barton (2011), Curran and Chapple (2011), Ernst & Young (2014), Galston and Kamarck (2015), Gleeson-White (2014), Haldane (2010, 2015), Kay (2012), Oxford Martin Commission (2013).

11. It must be acknowledged, however, as Burnell (2012) points out in relation to climate change, that there has been much variation in policy approaches and performance among democratic countries and also among non-democratic countries. The overall picture, in other words, is complex.

12. See United Nations (2013a, 2013b), Vestergaard and Wade (2012), World Future Council (2010a, 2010b, 2012, 2014).