STRATEGIC FORESIGHT FOR MORE RESILIENT PUBLIC POLICY

Insights and experiences from the OECD

Dexter Docherty

OECD Strategic Foresight Unit

Dexter.docherty@oecd.org

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BETTER POLICIES FOR BETTER LIVES

Overview

- **Background on OECD SFU**: who we are

- **Foundations**: Definitions and purpose of foresight

- **Toolkit**: OECD Strategic Foresight Toolkit for Resilient Public Policies

- **Approach**: Reflections on how to think like a futurist

What is the Organisation for Economic Co-operation and Development (OECD)?

- Forum of 38 Member Countries and EU with 8 Accession Candidate Countries
- **Goal:** "better policies for better lives"
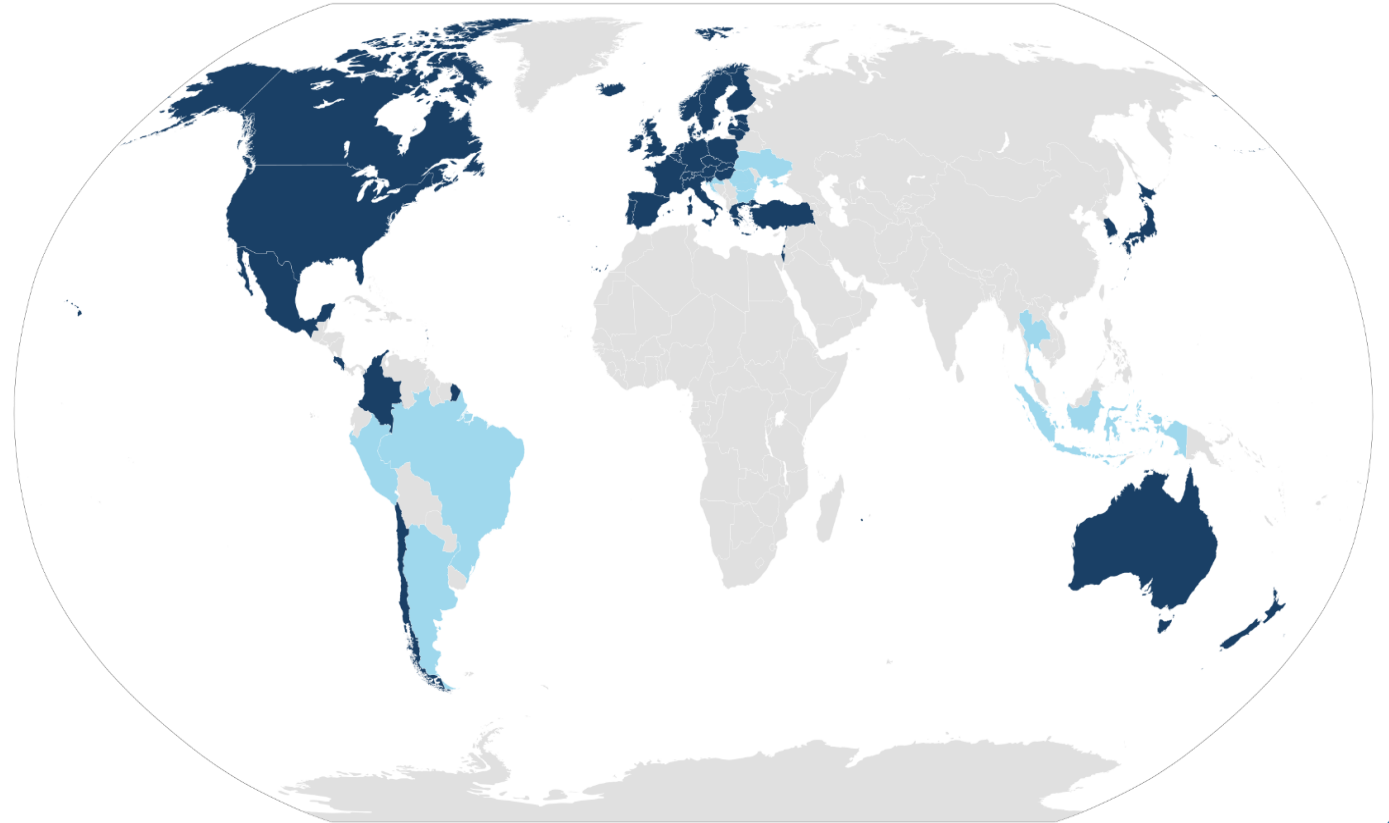
Government Foresight Community

About the Strategic Foresight Unit (SFU)

Objectives:

- Strengthen foresight capacity and practice within the OECD in order to improve policy analysis and advice.

- Support government foresight capacity

- Bring foresight to bear on OECD priorities and global poli

FOUNDATIONS

OF STRATEGIC FORESIGHT

STRATEGIC FORESIGHT

- ✓ An approach to think systematically about the future to inform decision making today

- ✗ Not about forecasting or predicting *a single* future

- ✓ Exploring alternative plausible futures and revealing/reflecting on underlying assumptions

WHY FORESIGHT *NOW?*

In times of great uncertainty, responsible decision making requires preparing for the unexpected.

To fail to prepare is to prepare to fail.

WHY FORESIGHT FOR
PUBLIC POLICY?

Identify new opportunities, challenges and innovative solutions.

01

'Future-proofing' policies and strategies.

02

Carefully challenging the status quo.

03

Cultivating humility and creativity.

04

Conventional approaches are necessary not sufficient

- Limits of evidence-based policy
  - Linear projection
  - Bias towards continuity over change
  - Highly specialised, likely narrowly defined, overly objective & certain
    - Big name experts often have big time egos and low awareness of blind spots

- Most pressing issues are:
  - Hard to model
  - Exponential, discontinuous or unprecedented
  - Irrational, emotional or fundamentally uncertain
  - Require multidisciplinary and multistakeholder solutions
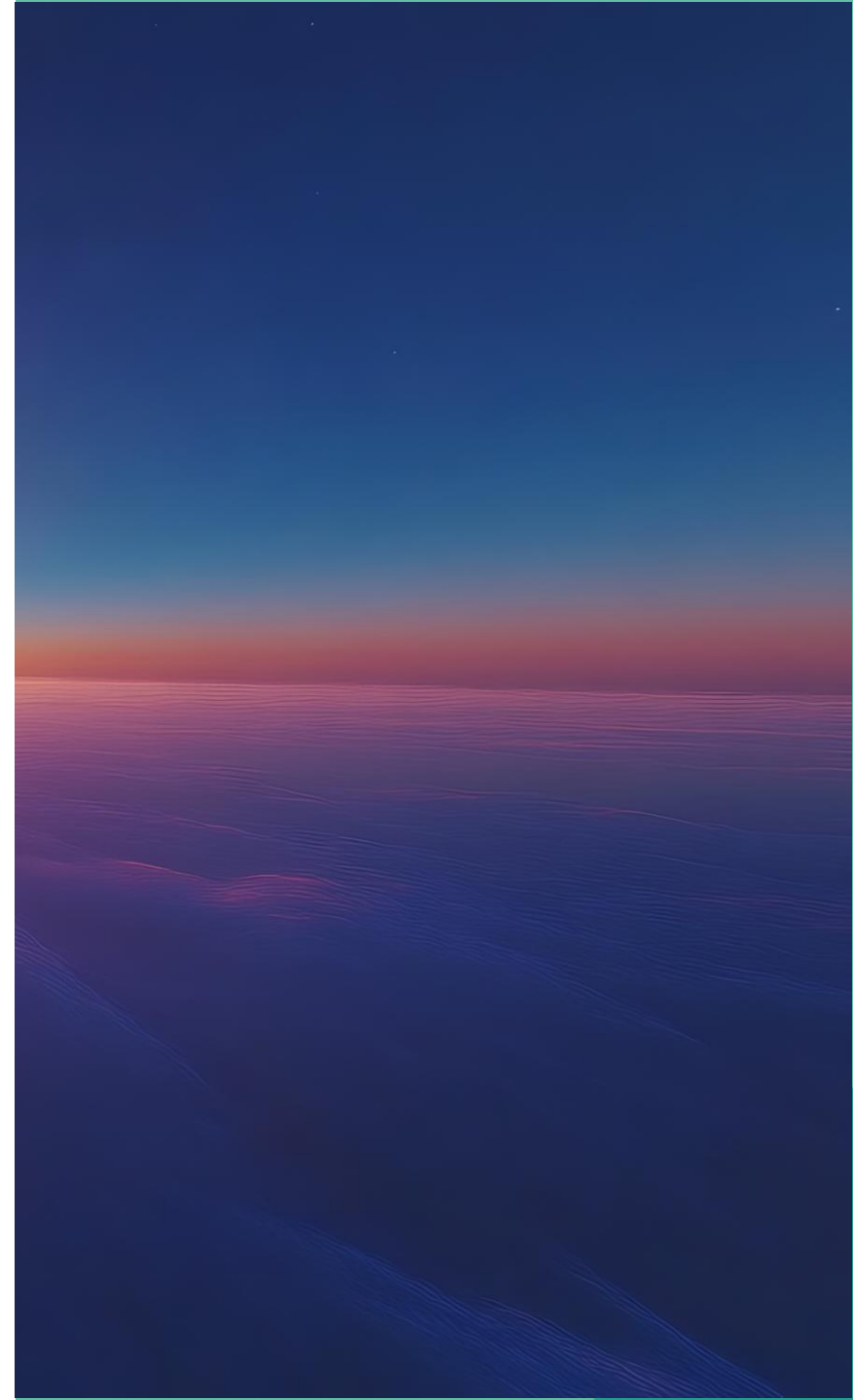
KEYS

TO EFFECTIVE FORESIGHT INSTITUTIONS

- **Diversity**: engage with a lot of people because good foresight emerges from connection across domains and perspectives

- **Independence**: essential innovative challenge function

- **High-level champions**: top cover enabling growth and protecting independence

- **Embedded into core functions**: weaved into the most important discussions and processes

STRATEGIC FORESIGHT TOOLKIT FOR RESILIENT PUBLIC POLICY

Strategic Foresight Toolkit for Resilient Public Policy

- ✓ Resource for foresight teams to bolster their design and/or research capacity.

- ✓ Discusses potential future disruptions identified through extensive research, expert consultations, and workshops.

- ✓ Helps anticipate challenges and opportunities that could reshape the policy landscape between 2030 and 2050.

- ✓ Features a five-step foresight process, guiding users to challenge assumptions, create scenarios, stress-test strategies, and develop actionable plans.

- ✓ Includes facilitation guides and case studies to support effective implementation.

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STRATEGIC FORESIGHT
TOOLKIT
FOR RESILIENT
PUBLIC POLICY

A Comprehensive Foresight Methodology to Support Sustainable and Future-Ready Public Policy

25 disruptions that could reshape the policy landscape

GREEN TECH

GREEN TECH FAILURE
Technological progress on green tech disappoints, placing greater pressure on behaviour changes to address climate crisis

TRANSPARENT ENVIRONMENT
Large volumes of environmental data from real-time sensors are made publicly available globally, enabling far reaching oversight

CAPTURED CARBON
Carbon capture, use and storage technology advances faster than expected, changing carbon reduction dynamics

GEOPOLITICS

TECH TITANS
A small number of global technology companies function as one-stop shops for every aspect of life and play a central role in global governance

REGIONAL CONFLICTS
Several regional conflicts flare up on multiple continents simultaneously and require urgent global action to resolve

DIVIDED WORLD
West-China tensions accelerate dramatically and split the world into two separate digital and economic ecosystems forcing the rest of the world to choose a side

MULTITRACK WORLD
Several parallel country clusters emerge each with their own digital, social, and economic ecosystems leading to a large-scale movement away from globalisation

RISING AUTHORITARIANISM
Popular anxiety at the state of the world, exacerbated by social media, sees authoritarians rise to power in multiple Western democracies

ECONOMY

WELL-BEING ECONOMIES
Development models focusing on psychological well-being supplant those based on material consumption while youth select life paths that prioritise fulfilment over personal profit

ACCELERATED CONVERGENCE
The diffusion of technological infrastructure leads to global upskilling and significant leap frogging by low and middle-income countries, closing the gap in incomes with the developed world

ENVIRONMENTAL-INDUSTRIAL COMPLEX
The global economy becomes inseparably linked to green technology companies, which have become the world's largest

CRYPTO CENTURY
Digital technologies like AI and blockchain break down the advantages of large organisations enabling highly decentralised forms of governance and value chains

ENVIRONMENT

HOTHOUSE EARTH
Multiple cascading environmental tipping points are crossed, shifting the focus from climate mitigation to emergency adaptation

SILENT SPRING
Large-scale species loss drives ecosystem collapse

SEA-LEVEL RISE
Runaway ice sheet collapse leads to significant sea-level rise and the displacement of millions of coastal and island residents.

HEAT WAVES
Hundreds of millions of people experience deadly heatwaves on a nearly annual basis, making some regions uninhabitable

CLIMATE DESPAIR
Concern about climate change creates a global mental health crisis

SOCIAL

CONSPIRACY CHAOS
Conspiracy theories grow substantially in uptake, undermining democratic functioning

CRUELTY-FREE SOCIETY
A major ethical shift in humanity's relationship to animals occurs, leading to large-scale shifts in food consumption, production, and land use

INDIGENOUS REIMAGINING
Indigenous-led social movements change philosophical paradigms in several countries, including giving nature equal status to humans under law

GREEN RADICALISATION
Disenchanted environmental activists undertake escalating disruptive actions globally, including targeted destruction of property and occasional violence

TECHNOLOGY

BIOTECH BREAKTHROUGH
Advances in biotechnology alter scarcity dynamics, means of production and dependence on fossil fuels

CYBER SLOWDOWN
Cyberattacks and other factors lead to a general distrust and rejection of technology

ARTIFICIAL INTELLIGENCE LEAP
More rapid than expected advances in AI lead to transformational new capabilities with impacts across all elements of society

VIRTUAL WORLDS
The metaverse goes mainstream and most people's waking lives now take place in virtual reality

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TECH TITANS
Private companies displace governments

POSSIBLE 2030-50 DISRUPTION

A small number of global technology companies envelop consumer... satisfy a large share of their needs, such as socialising, obtaining in... health, providing entertainment, and acquiring goods and services... collect so much behavioural data and to benefit customers so extensi... and scope and network effects that they can no longer be threatened... innovative and more efficient in some specific domains. This unrivall... tech titans can impose high and/or discriminatory prices and can fo... these companies can influence working conditions, tax revenues... extent that they have incredible leverage over policy direction in mos... "market" and political power of these companies has become so entr... not have the necessary political capital or technological understandi... or prevent abuses of their dominant power over markets, consumers...

CONTEXT

With growing market concentration (Figure 2.21), a small number of technology firms,... have gained considerable global influence as driving forces of digitalisation. Whet... grow, plateau or be replaced – including by new competitors from outside OECD cou... among experts about whether the concept of market power needs to be adapted... addressing issues related to digital platforms acting as intermediaries or even gat... in many countries are making efforts to curtail the perceived harmful practices an...

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tech firms, both through ex-post competition-policy interventions imposing fines and behavioural remedies (European Commission, 2017[268]), and through regulatory interventions such as the Service Market Act and the Digital Market Act in the European Union, the Act on Improving Transparency and Fairness of Digital Platforms in Japan and the Digital Markets, Competition and Consumers Act 2024 in the United Kingdom. At the same time, these companies are well positioned to attract top talent, and fully utilise their ability both to collect large amounts of consumer data and exploit network effects to increase their market dominance and influence.

EMERGING EVIDENCE

» Tech giants have signed multi-billion-dollar contracts with militaries to provide cloud services (Novet, 2021[270]) and augmented reality (Farrell, 2022[271]).

» The largest technology companies have appointed former political leaders to senior roles (Culliford, 2022[272]), spent tens of millions on lobbyists in the United States (Zakrzewski, 2022[273]) while also being the top spenders on lobbyists in Europe (Chee, 2021[274]), and named representatives to work with the United Nations (Microsoft, 2020[275]).

» In response to public fears about AI, the White House convened seven leading companies (Amazon, Anthropic, Google, Inflection, Meta, Microsoft and OpenAI) to agree on voluntary commitments to manage AI risks (White House, 2023[276]). This move highlights the central role played by these companies in regulating rapidly evolving technologies, at a time when governments often struggle to keep pace with these evolutions, though governments are playing an active role and working with key industrial players.

» There is emerging literature showing evidence of a link between market power and increased lobbying (Cowgill, Prat and Valletti, 2021[277]), while others cast doubt on these claims (McCarty and Shahshahani, 2023[278]).

FIGURE 2.21. *Mergers and acquisitions in high digital-intensive sectors have increased substantially*
Mergers and acquisitions deals by digital intensity of the acquirer firm for euro area countries, percentage, 2016-2020

● Low digital intensity   ● High digital intensity
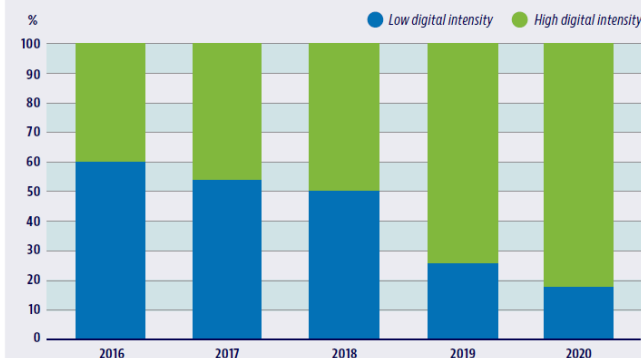
Source: (Criscuolo, 2021[279]), Productivity and business dynamics through the lens of COVID-19: the shock, risks and opportunities, https://www.ecb.europa.eu/pub/conferences/ecbforum/shared/pdf/2021/Criscuolo_paper.en.pdf

TECH TITANS
REGIONAL CONFLICTS
DIVIDED WORLD
MULTITRACK WORLD
RISING AUTHORITARIANISM

Foresight process to stress-test public policy

EXPLORE DISRUPTIONS

Examine key assumptions and identify possible disruptions in the global, regional and national context

IMAGINE INTERACTIONS

Explore possible implications that would occur if two or more disruptions occur simultaneously

CREATE SCENARIOS

Develop alternative future scenarios based on selected disruptions from the workshops

ENVISION AND STRATEGISE

Develop strategies for successful public policy under each alternative scenario

RECOMMEND POLICIES

Identify cross-cutting implications and develop scenario-agnostic actions to strengthen current policies

MODULE 1 MODULE 2 MODULE 3 MODULE 4 MODULE 5

Facilitation Guides

MODULE ONE: EXPLORING DISRUPTIONS

The OECD has identified 25 possible disruptive changes that could emerge over 2030-50, with implications for long-term public policies. In this module, participants will examine two disruptions each in a modified futures-wheel or influence-cascade exercise, which are brainstorming exercises in which people think through the downstream consequences of a particular change or multiple changes.

FACILITATION GUIDES: MODULE ONE

EXPLORE

FACILITATION GUIDES: MODULE TWO

Agenda item	Contents and discussion questions
ASSUMPTIONS EXERCISE (IN PLENARY)	» **Present the preliminary list of assumption to all participants.** · Give them each 3-5 minutes to read the list and propose amendments to i · Is there a better way to phrase these assumptions? · What else should be added to this list? Are there any important core assun missing?
CLUSTERING EXERCISE (IN PLENARY)	» **Place the list of disruptions and the final agreed upon list of assumptio side.** · Go through the list of assumptions one by one and have participants iden of the disruptions could undermine it. · These will be the story elements in a scenarios exercise in module 3.
WRAP-UP	» **Conclusions, reflections and next steps (including logistics about where when).**

MILESTONES

The purpose of this module is to introduce participants to building skills in systems thinking and tak approach. Participants will explore prevailing indicators of change that have the potential to reshape some of which may have eluded their attention. Through a structured exercise, participants a corroborative evidence of these transformative shifts and envision their future implications on the b fabric. This process stimulates participants' creativity and prompts them to critically examine key p have been ingrained consciously or unconsciously. While capturing noteworthy insights on policy deliberations is encouraged, extensive notetaking during this module is not necessary for final report

1. FACILITATION SCRIPT IN PLENARY

» **GIVE A BRIEF SUMMARY OF THE FIRST SESSION** and a reminder about the purpose of the exerc

» **REMIND PARTICIPANTS THERE ARE (ALMOST) NO WRONG ANSWERS IN THESE TYPES OF** is inherently speculative. All forms of contribution are welcome, from traditional expertise to perso Getting everyone comfortable with engaging in the exercise is a top priority.

» **REMIND PARTICIPANTS THAT THE SESSION IS FULLY EXPECTED TO RAISE CONFLICTING IDEA** exercise, in which opposite implications may be imagined from the same disruption. All are possibl none – ever comes to pass. Highlighting this uncertainty and the diversity of possible implication of the exercise.

» **REMIND PARTICIPANTS THEY ARE FREE TO ANSWER FROM A PROFESSIONAL OR PERSONAL** immediate thought that enters their mind about a given disruption pair is how it could impact their social circle, that should be encouraged. Including emotions and personal experience provid foresight processes.

» **BRIEFLY INTRODUCE EACH OF THE SELECTED DISRUPTIONS** at the beginning of the session.

» **ASK INDIVIDUAL PARTICIPANTS TO SELECT THE DISRUPTION PAIR THEY ARE MOST INTERE** and join a breakout group based on that.
· *This helps ensure active participation among participants.*
· *If groups are imbalanced, ask some participants in the largest group(s) to switch to one of the smal*

FACILITATION GUIDES: MODULE FOUR

NOTE TAKING TEMPLATE

Strategic focus area	Challenges	Opportunities	Actions
FOCUS AREA 1			
FOCUS AREA 2			
FOCUS AREA 3			
FOCUS AREA 4			
FOCUS AREA 5			

MANAGING POLARITIES

- "The test of a first-rate intelligence is the ability to hold two opposing ideas in mind at the same time and still retain the ability to function."

- ~ F Scott Fitzgerald, "The Crack-up", 1936

TIME IS A TOOL

OUR TIMELINES VARY BY CONTEXT

- "There are decades where nothing happens; and there are weeks where decades happen"
- Sometimes it is best to set scenarios way in the future
  - *Creating distance from today to imagine large amounts of change*
- Sometimes it is best to deal with shorter timelines
  - *Fast moving issues and crisis management [War in Ukraine]*
- Sometimes we deliberately avoid putting dates on scenarios (e.g. with AI)
  - *Overcome disagreements about when to have more perspectives on what could happen*

PSYCHOLOGICAL SAFETY

- Humility and creativity are cultivated through psychological safety
- Our work is emotional as well as analytical/intellectual
- People need to feel safe to think about change and uncertainty, which is uncomfortable for many people
- Working with people's cognitive biases (e.g. confirmation bias)
  - *First workshop question to participants: what evidence supports this scenario?*

DATA AND GROUNDING OUR WORK

- Some audiences like graphs and quantification

- Some audiences work well with narratives and stories

- The more transformative the scenario, the harder to quantify

- The less quantified and grounded the scenario, the less *plausible* it feels to many policy makers

- All forms of data analysis are tools for effective storytelling to broaden people's thinking

DEPLOYING STRATEGIC AMBIGUITY

- When do you imply things and when do you let audiences infer them?
- Our job is about asking questions that are being ignored or avoided
- Our tools are about ways of getting people to internalise and reflect on these questions
- Sometimes you need highly detailed questions to ensure engagement
- Sometimes you want audiences to fill in the story themselves and ask their own questions

BE A CATALYST FOR CHANGING MINDS

- Our impact does not exist in isolation—our work is inherently collaborative

- Collaborative work requires building trusting relationships

- Trusting relationships are built with patience

- You cannot force people to change their mind—they must acquire wisdom for themselves through experiences we curate

THANK YOU

Contact:
Dexter.docherty@oecd.org