



Crossing Channels

Interdisciplinary answers to today's challenging questions

A Podcast series hosted by
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Season 3 - Episode 1

HOW BIG A PROBLEM IS SHORT-TERMISM IN GOVERNMENT?

With

Anne Degrave (IAST)
Dennis Grube (Bennett Institute)
Halima Khan (Bennett Institute)





How big a problem is short-termism in government?

HOST

Rory Cellan-Jones (former BBC correspondent)

SPEAKERS

Dennis Grube (Bennett Institute), Halima Khan (Bennett Institute) and Anne Degrave (IAST)

Rory Cellan-Jones 00:07

Hello and welcome back to a new season of Crossing Channels. I'm Rory Cellan-Jones. How big a problem is short-termism in government? That's the subject of the latest in this podcast collaboration between Cambridge University's Bennett Institute for Public Policy and the Institute for Advanced Study in Toulouse. As ever, we're going to use the interdisciplinary strengths of both institutions to explore a complex challenge. Why are governments trapped in shorter-term thinking? Is short-termism the price we pay for a democratic system, where politicians always have an eye on the next election? And what mechanisms are needed to embed longer-term decision-making?

To explore these issues today, we have Anne Degrave from the Institute for Advanced Study in Toulouse. Anne, start us off, what does your research focus on?

Anne Degrave 01:08

Well, I'm a political scientist. I'm interested in the historical development of the state, of state institutions. And my work so far has been mainly on the development of the French state, mostly in the 18th and 19th century.

Rory Cellan-Jones 01:23

Excellent. Joining us from the Bennett Institute, we have Dennis Grube and Halima Khan. Dennis, remind us of your main research interests.

Dennis Grube 01:31

Thanks, Rory. Yes. So look, I'm interested in the interlinking factors that influence decision-making in government. So I'm interested in institutional memory, the politics behind policy decisions, the narrative and the framing of policy decisions. And the extent to which the civil service has a public face to communicate policy settings.

Rory Cellan-Jones 01:53

Excellent. And Halima, what does your work focus on?

Halima Khan 01:56

So my work focuses on public services, and in particular, how they can be designed in ways that work better for both citizens and the frontline staff.

Rory Cellan-Jones 02:07

Well, what a great panel we've got for this first subject for our new series. So let's start by getting a sense of the scale of the problem. Is short-termism having a damaging effect on government? And is there anything new about that? Dennis, why don't you kick us off? Is this a huge problem and is it a new problem?

Dennis Grube 02:25

There is a tendency, you know, when we look at current governments wherever we are, for a bit of Golden Ageism to settle upon us because we get this sort of underlying sense that there must have been a time when government was done better and there was uniform mid- to long-term thinking. So as a start to the conversation, let's try and dismiss the Golden Ageism. If we look back through the 20th century and before, the sense of dispute, the sense of short-term as well as long-term decision-making is everywhere to be seen. And I know we can bring Anne in on this later on as well because of her historical lens. None of that is to say that short-termism isn't problematic, and that there aren't factors in our governance now that are

making it more prevalent. So I think there is something about the speed of decision-making and the 24/7 news media that is having an impact on the creation of short-termism.

Rory Cellan-Jones 03:26

Well let's bring in Anne, are we being Golden Ageist? Your research looks at, I think you said the 18th and 19th centuries, what's your perspective?

Anne Degrave 03:34

Well, I completely agree with Dennis that there was no Golden Age, even before the 18th century. And like in the antiquity, like political theorists, like political philosophers, their main criticism of democracies was that it could be captured by demagogues, people who would influence the masses towards like short-term solution at the expense of the common good. Now, if we look, let's say like until the 20th century, so before democracy became so widespread, it was even a challenge to get political elites to invest in any kind of state capacity, as we see now. Most regimes today are, if not democratic, at least electoral, the focus is more on the influence of the electoral cycle, on political decision-making. This is definitely an issue for public policy. The best example usually is taxation, like you choose to do tax cuts just before a new election, or things like that.

Rory Cellan-Jones 04:36

That is the great cliché, isn't it? The pre-election giveaway. Halima, Halima Khan, what is driving, if there is any increase in short-termism, and we've already speculated that it's always been around but if there is any increase in that short-termism right now, what is driving that? Is it the fact that we're all online all the time, 24/7, and there's just so much more pressure on politicians to make decisions in a hurry?

Halima Khan 05:05

I think that is a very significant factor, absolutely. When we're in a 24/7 news cycle, and as you say, a sort of second by second social media cycle, I think that does change things. And I think it does put additional pressure and it does focus minds on the here and now in a way that perhaps previous generations of politicians didn't have to face.

Rory Cellan-Jones 05:30

And can we measure any damaging impacts of this? If politicians, for instance, are putting off decisions about long-term saving, for example, or major infrastructure projects that they won't see a payback for many years, have we got evidence that it's causing damage?

Halima Khan 05:48

I think we do, yes. I think we do across a number of areas, as you say, whether it's our sort of relatively low investment in the early years of people's lives, despite clear evidence that actually, investment at that time of life pays enormous positive dividends. Yes, there are many, many examples of where the focus on

short-termism is having a sort of a detrimental impact. Another example that people often point to is the huge churn in policies and the instability that that creates. And one example of that is our industrial strategy over the past few decades, where there's been enormous numbers of replacements of new strategies. And, you know, when businesses need long-term, sort of investment decisions to be made, that's very, very hard when the policy environment is at such a high degree of churn.

Rory Cellan-Jones 06:43

Dennis, what's your view on whether there's concrete evidence of harm caused by any short-termism?

Dennis Grube 06:49

Look, concrete evidence is a good way of putting it really. You know, if we think about the debate we've had here in the UK in the last sort of two or three weeks about RAAC, concrete in schools, and, you know, is a problem that government's been aware of for a while, but then hasn't addressed because it hasn't risen to the top of the really urgent policy agenda. Until now, when suddenly there is a real fear about the stability of the building materials in some of our schools, leading to instant, sort of, need for short-term response to their policy challenge that could have been foreseen and was foreseeable. You know, I think there is definitely damage associated with short-termism. But at the same time we need to understand the rationale, if you like, for our politicians in engaging in short-termism. They wouldn't be doing it if there weren't sound political reasons for them doing so.

Rory Cellan-Jones 07:46

And the sound political reasons are the oncoming election?

Dennis Grube 07:50

I mean, yes, there is always an oncoming election, which undoubtedly sways things. But then as we've spoken about a little bit already, there is this sort of constant feedback loop built in now with social media, with the 24/7 news media, which means you get the feedback so quickly, that if you were then to ignore it, the sense that you sort of undermining democratic trust starts to creep in. The people are always right. The people are entitled to change their minds. And it's a brave politician who then says, Well, I'm not listening to that at all. So there is that constant interplay, that constant tension there, between the political benefit of being seen to listen and being seen to change and the policy benefit of perhaps holding on to something a little bit longer.

Rory Cellan-Jones 08:42

Well, Liz Truss, I'm sure would argue that her problem was that she was thinking longer term, she was thinking about growth in the longer term. And the pesky markets were too short-term. Halima, is that a problem? Is that another issue? Even if politicians want to be longer-term, the financial markets won't let them be?

Halima Khan 09:03

Well, I guess I wouldn't want to extrapolate too far from there from the Lizz Truss administration's interplay with the markets. I think, what she was proposing and how the markets responded was quite specific, I'd say. I wouldn't go first to point at the markets on a general basis. I think what we're talking about here, isn't it, it's the balance between change and continuity. As Dennis said, you know, this is democracy in action, change is rightly built into a democratic system. But what does that balance look like? And what's the nature of the change? Is it change for changes sake? Is it for political point scoring? Is it chasing tomorrow's deadlines at the expense of the longer term? Or is it change that has a sort of a deeper grounding? And I think what we probably want to do is shift the balance away from those probably unwarranted types of change, and get a little bit more balanced towards the longer term.

Rory Cellan-Jones 10:06

And is this actually specifically a problem of democracies with politicians or with over-responding to voters? If we look back over history, is there any evidence that authoritarian regimes or monarchies and so on, had any greater tendency towards longer-term thinking?

Anne Degrave 10:25

Well, I think if we look at monarchies, for instance, short-termism manifests itself in different forms. For instance, during the 17th century, the kings were always starting wars and needed funds very fast. So what they would do is they would sell public positions. So basically, you could become a state official just by paying some money. But then like because the primary goal was not to build a coherent bureaucracy, it was just like getting the funds fast, then the state after the wars, they had too many officers in some way, who then were kind of independent from the crown, because the crown could not really dismiss them, because the king would have to refund them. These officers ended up being against the king in the civil wars front, in the 17th century. So you had these short-term needs for funds to wage war that had negative consequences for state building down the line.

Rory Cellan-Jones 11:40

If you look at big infrastructure projects, for example, if you think about the development of the railways in the 19th century, and how easy it seemed to be to do that then, as compared to now, doesn't that say that a time when policymakers had to think less about how the public would react, made it easier to make those long-term investments?

Anne Degrave 12:03

Sometimes long-term thinking doesn't necessarily like have desired outcomes. In one of my projects, I looked at the development of the land registry, the Napoleonic cadastre. And this was something that was supposed to be the typical investment in fiscal capacity that would make the collection of flood taxation much easier. I mean, the cadastre was done but at the end of the day, it took 50 years, it had to be updated once it was finished, and it ended up being a big investment, but not being that useful.

Rory Cellan-Jones 12:38

Dennis, we assumed don't we, that long-term decision-making is good. If that's the right way, does it always lead to better policies? Are there cases where actually it's an excuse for just thinking in ivory towers and not getting on with it not actually taking action?

Dennis Grube 12:52

I think it's a question well worth asking, because we assume short-term bad, long-term good. And I mean, there are elements there, if you look at you talked earlier on about some of the big infrastructure projects. Something like HS2 here in the UK, the length of time that it takes to build these infrastructure projects, creates a sort of a path dependency towards continuing to build them. Some inefficiencies can get built into the system. And it's difficult if governments do want to change direction to then do so. And especially with the speed of technological change now, who's to say, what the world will look like, in 10 years time, if I'm now starting a new nuclear plant, let's say for generating electricity. And in 10 years time, it turns out that is then been sort of completely superseded.

Rory Cellan-Jones 12:48

Like you're riding the wrong horse, you're backing Sony Betamax rather than VHS or whatever.

Dennis Grube 13:55

I think it's certainly possible. And there are, you know, examples of governments doing that. And I think what's happened here, and that perhaps one way of analysing it or unpacking it, is the difference between a policy goal and the actual policies you choose to get there. That's where the politics of the moment has come in. Because let's say with something like climate change, very few mainstream political parties would deny that climate change is happening, and most will agree that it's human made. But translating that into specific policies has been difficult. And I think both sides of politics have discovered in the way politics is done recently that there is real power in withholding consensus by shrinking the centre ground where there is policy consensus, you can then create political discussion that will bring electoral benefit for you. So if you think about the debate we're having we recently had in London around whether to tax emissions on older cars at a particular rate forward for driving into the city. Very few people will disagree with the policy goal that we want cleaner air. All the political disagreement is around, have you chosen the right policy to deliver that? There is always a discussion then to be had around that individual policy even if there is political agreement around the actual goal.

Rory Cellan-Jones 15:26

Halima, you've worked in national, regional and local government. Are some levels of government better suited to apply long-term thinking in policymaking?

Halima Khan 15:35

It's a very good question, and I really liked Dennis' reflections on the previous one. And I very much agree. At the level of national government, my experience there was in the Prime Minister's Strategy Unit, which was created roughly in about 2000 by Tony Blair, specifically to be a longer-term strategic capacity at the heart of government. When I started there, our time horizon for the work that we did was roughly 10 to 15 years. By the time I left, though, closer to 2010, when it was shut down by the incoming conservative administration, by that point, our time horizon was about 10 to 15 hours. So that long-termism didn't last. I think there's a few sort of lessons from that. And I think there were very many strengths from having a bunch of teams who did take that longer-term view, the 10 to 15-year view, looking at the evidence, talking to lots of different stakeholders beyond Whitehall, doing the analysis and the policy development. But the time horizons on which we worked, were a little out of step with what ministers needed on more of a kind of month-to-month basis. So I think over a period of a few years, there became a little bit of a disconnect between the longer term work that the Strategy Unit was doing, and the work that departments needed to meet those slightly shorter-term requirements. So I think that was one factor that sort of accounted for that shift from 10 to 15 years to 10 to 15 hours.

Rory Cellan-Jones 17:12

You've also had over the last five years, certainly in Britain, continually changing ministers, you know, something like 10 different ministers for children's policies or housing policies over a period of five or six years. That can't help, can it?

Halima Khan 17:25

Absolutely not. And I think everybody involved would agree with that. Even the ministers that keep being moved around, I mean, they don't really like it, either. They've got to learn a whole new brief and get to know a whole new department and a set of officials. So I think that's pretty clear. And actually, that's where moving to then regional and local government, that's where actually things do feel quite different. And I do think there are aspects of regional and local government that does make it somewhat easier to do policy on a longer-term basis. And that is partly because of continuity, continuity of politicians who are quite often from that place, lived there for a long time they have a connection to the place. But then also the officials working in those levels of government tend, overall, to have a longer-term relationship to the place. And I think that continuity of relationships between people at the sort of regional and local level, and that connection to place, really does ground things in a way that does genuinely feel like it does sort of make longer-term thinking and longer-term work more possible.

Rory Cellan-Jones 18:31

Anne, what lessons can we learn from the past and particularly from French history about what does work, in terms of bringing a less short-term attitude to government policymaking?

Anne Degrave 18:48

My sense is that when I look at the history of state building, we see that maybe responses to short-term crisis actually led to some things that ended up being much more long-term so that it was not like it was a specific plan.

Rory Cellan-Jones 19:04

You're saying it was accidental?

Anne Degrave 19:06

Yeah, in many ways, for instance, like, a big part of the nationalisation of the welfare state, specifically thinking about like the unemployment schemes. In France, for a long time before the 1930s economic crisis, basically everything was done at the local level and this was very basic. But then like, suddenly, at the beginning of the 1930s, like so many more people became, you know, unemployed and then there was a demand from actually local government to get funding from the state, and then this had like long-term consequences. More generally, like there's a whole tradition of scholars who have looked at state building, and I mean, in particular European state building and show that it's been driven by war, basically. And I think in France, conscription was also an example of that.

Rory Cellan-Jones 20:00

Dennis, your work focuses on institutional memory, in what ways can that facilitate or hinder better decision-making?

Dennis Grube 20:10

It's interesting, it's another case where pretty much everybody agrees that institutional memory is in decline. But we're not entirely sure what it is and we're not entirely sure what happens if it is in decline and it disappears. Part of what we're looking at is the sweet spot with institutional memory, if you like. It's having a combination of new ideas, new people coming in, and a mixture of old hands who have seen things done before. If you have nothing but old hands, you don't have fresh thinking, you just trot out the line. We tried that five years ago, that won't work, this is what will happen. If you have nothing but fresh ideas, you then have no context to help you sort of guide through what might happen with those ideas. So with institutional memory and its link to good decision-making, I think you need both of those, and some of what we see with short-termism is too much sort of new idea certainty. And sometimes what we see with long-termism is, this is the way it's always been done therefore equals good, which is also problematic.

Rory Cellan-Jones 21:24

Halima, let's bring this to an end by trying to come up with a few ideas. How can we structure government in ways to avoid short-termism? Is it possibly about participatory policymaking, for instance?

Halima Khan 21:36

I think there are strong arguments really for looking to participation as being one element of what might help further sort of mitigate the pressures to short-termism. And by participatory policymaking, I guess we're talking about anything from a kind of a citizen panel or a citizen assembly, perhaps to a, you know, there at the Poverty Truth Commissions in which politicians and people living in poverty spend time together and kind of discuss and deliberate. So there are all kinds of different shapes and sizes of participation. But I think what's interesting about them really is the extent to which they can provide a space away from the kinds of 24/7 pressures that we've been talking about. They can, I think, provide a space in which you're sort of protected a bit from those pressures and have time and support to consider issues differently, to take on knowledge and evidence. And the extent to which they have an element of deliberation, there's a real sense in which people are coming together and talking through with one another often quite difficult and polarising issues. And obviously one high profile example of participatory policymaking recently was the Citizen Assembly on abortion in Ireland, which broke through to new ground. And I think that does show how these sorts of approaches can provide a different way forward, which takes us away from the kind of partisan shouting at one another across the House of Commons. And I think they can and should play a greater role.

Rory Cellan-Jones 23:14

Anne, have you got any thoughts on what might make things better? What might improve decision-making, make it more long-term?

Anne Degrave 23:22

I agree with what Halima just said, like, on the usefulness of having more participation. More generally, I think if we see a kind of contradiction between like short-term actions and long-term goals, it seems that it must be that at some level, there is some disagreement or lack of addition of maybe the long-term goal itself, or at least a means to get to it. And to me, like the only way to remedy it is to improve political debate so that these issues are actually addressed and discussed. And especially like there must be discussion of, at some point, of, for example for climate change, there are obviously like distributive consequences of what kind of means you adopt to address it. These things cannot be, you know, just summarised by an opposition between short-term versus long-term. Because we've seen it also, I think, with the gilets jaunes protests that were that were started with, well, you could say pro-environmental policies that would work, you know, in theory towards your long-term goal, but that we've had distributive implication that were just felt as unacceptable for many citizens.

Rory Cellan-Jones 24:39

Dennis, is there any evidence that different electoral systems promote more short-termism? Is electoral reform one of the answers?

Dennis Grube 24:48

I mean, I think electoral reform is one of the questions. You know that if you were looking for evidence, you could look towards some of the sort of more coalition-based proportional representation based systems that they have in Northern Europe, and make arguments that that has led to perhaps more consistent policymaking by comparison to the sort of First Past the Post Westminster system of government where you sweep out the old and you sweep in the new. We come back to some fairly sort of fundamental questions here, which is one that we need to be looking towards the long-term. And so to give you an example, New Zealand at the moment, have brought in something called long-term insights briefings, every department in the New Zealand government has to produce one of these once a term, as in once an electoral term, specifically not government policy. It's explicitly there to look into the medium and long-term future and discuss what might happen in their policy area. And that's also being piloted in Australia.

So that's one example of how you can build things into the system more. We also have to grasp the nettle of the politics, as Anne was saying. We have to accept, I think, that political debate is a part and parcel of what happens in a democracy. It's the sign in many ways of a flourishing democracy. So it's up to governments to communicate clearly enough and to select the right policy intervention, so that they are able to embed something which is then not easily overturned. So to give a couple of very quick examples, if we think about so-called Obamacare, the health care package in the US, that was an enormously contentious piece of policymaking when it was brought in, it's been a contentious piece of policymaking for the last decade on whether it will stay or not. But as we speak, it's still there. You know, you could probably make a similar argument about the introduction of Universal Credit here in the UK. But the task is to bring the people along with you. I think there is no real alternative in our democratic systems to say, well, this is for the long-term good, you just have to cope with it. Because you know, the political consequences will be the government's who don't listen, get voted out of office.

Rory Cellan-Jones 27:12

Well, that seems a good point on which to wrap up. That's all we've got time for on this episode. Thanks to Anne Degraeve from the Institute for Advanced Study in Toulouse, and Halima Khan and Dennis Grube from the Bennett Institute. Let us know what you think of this latest episode of Crossing Channels. You can contact us via Twitter, as I still insist on calling it. The Bennett Institute is [@BennettInst](#) - the Institute for Advanced Study is [@IAS Toulouse](#) and I am [@ruskin147](#). If you enjoyed this episode, then do listen to our other Crossing Channels editions, notably our latest one on the future of religion. And please join us next month for the next edition where we will be looking at the challenges of conducting interdisciplinary research.