

How to Treat Policy Whiplash

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Election day approaches, and conversations around Wellington are turning to what I will call policy whiplash. Opinion polls indicate that New Zealand voters may replace their current centre-left coalition government with a new centre-right government, in which case public servants would be asked to reverse policy direction once again in areas such as employment relations, resource management, the bulk funding of schools, school zoning, and work-for-the-dole. Over the last two decades, New Zealand has become known for its frequent changes in policy direction, epitomes of which include four major health sector restructurings, alternating models of public and private accident compensation, and alternating approaches to housing assistance based on income-related v market-based rents.

Policy whiplash refers to the effects of sudden policy starts, stops, and reversals. These effects, which include organisational instability, staff fatigue, high transition costs, and potential loss of trust in government, to name just a few, are borne by the public agencies charged with implementing change as well as the relevant sectors, such as schools, health care providers, and housing markets, which absorb the changes. In addition to producing these stresses, the habit of reverting to previous policies rather than advancing new ideas may indicate stale policy thinking and a lack of continuous improvement in policy formulation. New Zealand's multi-member proportional electoral system was designed partly to slow the pace of whiplash-like change by forcing decision makers to work in coalitions where a diversity of views and experiences must be accommodated and agendas negotiated. Slowing the pace of change does not, however, address the quality of policy thinking.

Reducing the incidence and severity of policy whiplash may depend as much on renewing the practice of policy advice within governments as it does on reengineering the electoral systems that produce those governments. The public argument approach to policy advising proposed in the accompanying article could help by encouraging advisers to be familiar with the broadest possible spectrum of acceptable arguments and ideas within their policy areas and developing their own big picture map of the ideological and evidence-based terrain, including lessons learned from past policies. Advisers with this kind of catholic perspective are less likely to become trapped in ideological stereotypes and the blunt policy instruments that these stereotypes peddle: e.g., devolve/centralise, privatise/nationalise, regulate/deregulate, universal services/targeted services. They are also less likely to be dazzled by the next new policy fashion being marketed as best practice. They are more likely to spot interesting cross-cutting policy ideas and new hybrid combinations of liberal, social-democratic, conservative, communitarian and other schools of thought.

As old problems wax, wane, and change form, and as new problems emerge, policies must continually evolve to keep pace. This does not mean that new and innovative ideas are always good ideas. On the contrary, they are often impractical, dangerous, or silly. But the process of continually scanning the full range of old and new ideas, looking for smart combinations, and cultivating hybrids may improve final policy choices and reduce the aches and pains of policy whiplash.