

EMBARGOED TILL 13 OCT 08, 7.30PM

**SPEECH BY MR PETER HO, HEAD CIVIL SERVICE, AT THE
WELCOME DINNER FOR THE 2ND INTERNATIONAL RISK ASSESSMENT
AND HORIZON SCANNING SYMPOSIUM
ON 13 OCT 08, 7 PM AT MARINA MANDARIN SINGAPORE**

At last year's Symposium, I told the story of RAHS. I will not bore you with repeating the story tonight, as many of you would have heard it before. At any rate, the full account is contained in the book *Thinking about the Future: Strategic Anticipation and RAHS*, which all of you have.

2 But I would like to emphasise that RAHS did not start off as a well-defined concept. Instead, there were several strands of ideas that connected back to individuals I had met over the years. I should acknowledge those who are here with us tonight - Dave Snowden and John Petersen. There were others like Peter Schwartz, John Poindexter and Jeff Jonas, whom we continue to work with and receive advice from. We pulled these strands together, and formed a new thread of ideas related to anticipating surprise and managing in complexity. This eventually became the RAHS project.

3 I hope that more threads will be spun over these two days of discussion and hot-housing so that we will have new ideas and insights that will contribute towards our shared interests in horizon scanning and strategic anticipation.

4 Tonight, I would like to share with you (a) Singapore's approach to strategic anticipation and RAHS, (b) their connection and importance to good governance, (c) the necessary elements to making steady progress and, (d) finally some of my thoughts on the next chapter of the RAHS story.

The Genesis of RAHS

5 Michael Charlton-Weedy spoke this morning about the painful experiences of the UK with mad cow disease, floods and the transport workers strike. Not wanting to be surprised again, the UK Government took a whole-of-government approach and adopted horizon scanning to better prepare itself for future shocks and unanticipated consequences.

6 Here in Singapore, our own experience with the uncovering of the Jemaah Islamiyah in 2001 and SARS in 2003 convinced me that we had entered a period of rapid change and great complexity. Our principal tool in government for planning for the future - scenario planning - was not enough because it cannot cope adequately with surprise and non-linearities. In the face of more unknown

unknowns, I felt that we needed other complementary yet diverse approaches and tools. We needed a coherent and systematic framework to manage strategic surprise. This led to the RAHS project.

7 When we completed the two-year project to deliver a baseline RAHS capability in 2007, it was clear to me that we had only taken a first baby step. There was a lot that we still did not understand about strategic anticipation and managing in complexity. We had only just begun to discover the potential of RAHS. But even back then, I sensed that there were other strategic advantages to RAHS. It could be applied to understand a range of problems, not just security issues like terrorism. It could be applied to identify and analyse opportunities as well as to anticipate threats. We could also exploit an important characteristic of RAHS - the process depended on horizontal flow of information - to develop and strengthen the instinct of taking a whole-of-government approach in dealing with strategic issues. Another important insight was that we should not rely exclusively on just one approach to thinking about the future, like our dependence on scenario planning. So RAHS was an important addition to the larger strategic planning toolkit.

Governance at the Leading Edge

8 I believe that the world has entered a period that is highly unpredictable and complex. Today we are operating in either the complex or chaotic quadrants of Dave Snowden's Cynefin diagram. We will see more black swans, and be surprised by more wild cards, and stumped by more wicked problems.

9 In Singapore, we continue to grapple with seemingly mundane challenges such as a low birth rate, a greying population, the environment, and affordable healthcare to name a few. But the reality is that these challenges are neither mundane nor simple.

10 I believe that a perfect storm is gathering. The contagion from the US financial crisis is spreading. It is leading to a crisis of confidence in the financial markets that has begun to affect the real economy around the world. Already, the Chinese economy is showing clear signs of slowing down, as is the EU. The Japanese economy is teetering on the verge of another recession. With the US economy in trouble, four of the main engines of global economic growth look like they are heading for troubled waters all at the same time. Indeed, the ongoing financial crisis has easily eclipsed the issue of surging oil and commodity prices, which unfortunately remains a challenge for most countries.

11 With all these troubles piled one on top of the other, when the dust settles, who will be still standing?

12 Uncertainty and unpredictability produce enormous challenges for governments, societies and nations. But there are also opportunities.

13 The key is how to identify black swans and wild cards, and then how to deal with their consequences - the wicked problems. In this regard, we will use RAHS to help manage complexity and disruptive change.

14 As a shared platform, the RAHS system connects organisational silos because it demands the horizontal movement and sharing of information. This has the effect of promoting collaboration between agencies, facilitating a more whole-of-government, networked approach to strategic planning and thinking about the future.

15 As part of a toolkit, RAHS combines different concepts and methods to provide a range of insights and perspectives to issues, so that decision-makers have access to a number of possible options for decision, action and response.

Progress of RAHS – Necessary Elements

16 RAHS is still evolving. We continue to discover new applications, and find new things we can do with RAHS. So I see RAHS as a long-term project that requires long-term commitment and investment. Research into RAHS concepts and technologies needs to be sustained and institutionalised. I announced last year the setting up of the RAHS Experimentation Centre. It has just completed its first year of operations and it has already conducted a series of experiments with several international agencies such as the US Joint Forces Command, Office of Naval Research, Carnegie Mellon University and the Swedish Defence Research Agency. We hope this collaboration will help lay the foundation for an effective community of practice.

17 The baseline capability of the RAHS system is also evolving. You can see version 1.5 at the technology showcase. The RAHS team will be releasing a tender for version 2.0. Along with other new capabilities, we are looking at deep web harvesting, tracking blogs and forums, and sentiment analysis. In fact, we are taking a long-term view and have started talking about the vision for RAHS version X, taking an analyst's Point of View as the critical reference.

18 The Horizon Scanning Centre leads the effort to scan for weak signals, trends and wild cards. It has a range of information services which reach the research and strategic planning departments of all government agencies through the RAHS Portal. The Horizon Scanning Centre also works with these agencies to build models that best describe their operating environment, the possible scenarios that could be relevant in the near future and the strategies that could be adopted. I must add here that all these efforts must count for something; that at the end of the day, they must feed into the national strategic planning process

and have an impact on resource prioritisation, resource allocation and capability development.

19 RAHS also benefits from the diversity that comes with an active outreach programme. The RAHS system is in use in all three local universities. It has been used by students at the Singapore Management University to analyse the supply chain for agricultural commodities, at the National University of Singapore to understand the Asian Financial Crisis, and at the Nanyang Technological University to investigate possible futures relating to China, and global food and multi-lateral security issues.

20 Last year we said that we would start a Strategic Foresight course for Masters students. We have launched the programme at the S Rajaratnam School of International Studies. The motivation for this is clear: we want a younger generation to learn the different approaches and concepts to strategic anticipation, and develop a true appreciation for the value of strategic planning.

21 I should stress that these outreach efforts should extend to a wider community. We should look at the potential value of establishing links to domain experts in academia, private sector and industry, and with our friends from abroad. Diversity of views and perspectives is critical in horizon scanning and we should develop the capability to harness the diverse expertise and experience of a heterogeneous network.

22 The RAHS team has informed me that there have been a number of requests to establish some sort of collaboration with our Horizon Scanning Centre, from exchange of environmental scanning products to the conduct of joint experiments. I understand there will be some discussions taking place at the sidelines of the RAHS Symposium and I gladly support these efforts. As the Deputy Prime Minister said this morning, it is critical that we work towards forging an international community for risk assessment and horizon scanning.

23 If we get it right, the three elements I spoke about - sustained research into concepts and technologies, systematic operational scanning and active outreach - will contribute effectively to our shared efforts at strategic anticipation.

The RAHS Story – the next chapter

24 Going forward, what is the next chapter in the RAHS story? Most would have expected us, three years after the inception of the RAHS project, to start thinking about consolidating our various efforts. In fact, we are giving RAHS a good, hard look and asking ourselves some difficult questions. How do we make it more effective in horizon scanning, that is, in picking up those elusive weak warning signs of major change? How do we get more agencies to come onboard and to work with others in a networked horizon scanning enterprise? How do we

get individual analysts to really try something new? How do we weave new methods and processes into existing ones? We have not found the answers yet but we know these challenges are common to the business of horizon scanning, and therefore, it would be just as important to share lessons learnt and best practices as it is to share information on weak signals, trends and wild cards.

25 Preventing strategic surprise is very difficult to do. In the next chapter of the RAHS story, experimentation with new horizon scanning concepts and technologies will continue. Among other things, we will look to the frontiers of the semantic web, social networking technologies and serious games. We will focus on designing systems that meet the needs of analysts. These include an all-source system, one that accommodates different models working on the same intractable issue, and one that can collect narratives and diverse perspectives in stimulating ways. These new horizon scanning tools must be part of a seamless work process and as easy, ubiquitous and interesting as the day-to-day internet tools we use today.

26 In short, we would have to continue to push the boundaries with minds open to possibilities and opportunities. And if we do meet each other at the next RAHS Symposium, we should exchange notes on the progress we have made. I hope you have a rewarding second day at the symposium and I look forward to meeting as many of you as possible.

Thank you and enjoy your dinner.

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