

ON THE PROSPECTS FOR POLICY LEARNING IN POST-DEVOLUTION SCOTLAND

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Summary In a context of increasingly complex and difficult policy challenges, serious questions are being raised about the effectiveness of governments. Recent work on the attributes of 'good government' has emphasized the importance of a capacity for learning. In a conception of 'intelligent government' based on Deweyan pragmatism, the capacities of experimentation, learning and inclusive, deliberative policy making are central. The relevance of Deweyan pragmatism to contemporary thinking about reform and improvement of policy making can be seen in Sabel's conception of 'democratic experimentalism'. This article discusses recent developments in government and policy making in Scotland, especially under the SNP administration, to assess the extent to which there are moves towards this pragmatic model, with a focus on recent changes in the relationship with local government and on modes of performance management, scrutiny and 'regulation'.

Keywords policy learning, Scotland, pragmatism, democratic experimentalism

Introduction

There is growing discomfort with existing arrangements of government. Citizens demand greater democracy and transparency. Communities seek more autonomy. Business leaders point an accusing finger at the lazy pace of governments. Interest groups are prodigious in showing displeasure with the way governments resolve their disputes and issues. The

media are eager to report dissent and nurture mistrust. The lack of effective governance ranks high on the list of major societal concerns. (Carneiro, 1999: 3-4)

There is perennial controversy and debate about the extent to which the state should intervene in social and economic processes and in the individuals' lives in order to 'improve' social conditions and people's welfare. The key justi-

fication for intervention, of course, employs the concept of 'market failure' and maintains that the development of social and individual 'pathologies' is unacceptable and cannot be resolved without public policy intervention. From this perspective, then, there is clearly a requirement to ensure that intervention 'does good'. But again we meet controversy: what constitutes 'good government'? Mulgan (2007) argues that this question has been the central issue of political philosophy for well over two thousand years. Nevertheless, he maintains, there are certain key arguments: that "... good government depends on the best people with the best policies being put in charge" (*ibid.*: 3); that rulers should have moral virtues; and that there should be 'rule of law' to protect the citizens' wider interests (*ibid.*: 3-4). The notion of 'good' therefore has an important moral dimension – governments should be 'virtuous' as well as effective.

Lodge and Kalitowski have argued that: "Societies are more complex and less governable than ever before" (2007: 7), and that these trends are undermining the legitimacy of governments. Indeed, Chapman (2004: 23) has argued that there is "a perceived crisis in the ability of government to deliver improved performance in key areas of public service". Much has been written by the OECD about the pressures faced by governments in meeting the challenges posed by contemporary society and their efforts at reform (OECD, 2005, 2010). It is clear that such reform efforts have not been unambiguously successful; they may have produced efficiency gains, but "have not automatically led to better government" (OECD, 2003: 2).

So what constitutes 'better government'? This paper reflects on recent

changes in devolved government in Scotland, particularly with the advent in May 2007 of a Scottish Nationalist administration, and focuses on the role of learning in promoting 'intelligent government'. This notion is based upon ideas from pragmatist philosophy, in particular the work of John Dewey, and the paper elaborates a framework of underpinning ideas drawing on Dewey's version of pragmatist philosophy. It is argued that the central themes emerging from this framework are the key role of processes of experimentation, reflective practice and learning, inclusive public deliberation, and a capacity for adaptation and improvement. This framework of ideas is also evident in Charles Sabel's work on 'democratic experimentalism'. The second part of the paper discusses recent developments in the approach to government and policy making in Scotland, in particular the potential for the development of processes of experimentation and learning within both central and local government, and assesses the extent to which movement towards a model of 'intelligent policy making' can be discerned.

The Role of Learning in 'Good Government'

In prosaic terms, good government can be seen as a matter of 'getting it right' in terms of three elements – people, processes and performance: the right people, doing the right things and getting the right results. From this perspective, it is interesting to reflect on the recent report of the House of Commons Public Administration Select Committee on *Good Government* (House of Commons, 2009a). They argue that good government is a function of five elements: good people (ministers and civil servants);

good process (administration, policy making and legislation); good accountability (individual and organizational); good performance (capacity for assessment and learning); and good standards (transparency and ethical regulation). What is notable here is the focus on people and processes with relatively little emphasis on performance in substantive terms, i.e. achieving the right outcomes. The implications for the approach to policy making are discussed under 'good process', with reference to the need for effective and informed policy deliberation, improved parliamentary scrutiny, more trialling and piloting of policies, and more learning from experience in other countries. Under 'good performance', considerable emphasis is given to the improvement of government's capacity to evaluate performance effectively and to learn from past experience:

There must be the right frameworks in place to encourage good organizational performance in government. This means making sure that mechanisms for assessing performance do actually evaluate the results of governmental activity, including how well organizations are achieving their objectives, and can pinpoint what organizations need to do to improve their performance. It will include learning from past performance: successes as well as mistakes or failures. (*ibid.*: 34)

The capacity for learning in government is seen as central to the development of a more strategic and focused approach – of a 'smarter state' – and it is argued that "... the ability of government to learn effectively from past experience will become more important in the future..." (*ibid.*: 51). This echoes the message from a range of other recent work

on contemporary challenges facing government. Thus, a joint programme of work on the 'smarter state' by IPPR and PWC (2009) was premised on the argument that "... the state needed to adapt and respond to a number of long-term challenges arising from social, economic, environmental, and technological change" (*ibid.*: 7). What was needed was "... a smarter and more effective state... acting as a locus for sharing knowledge and learning; fostering and incentivising innovation; empowering professionals and users; and providing leadership" (*ibid.*: 11). In the House of Commons Public Accounts Committee (2009b: 9) report on 'Learning and Innovation in Government', it was argued:

The size and complexity of Government initiatives, along with the pressures of, for example, the economic downturn, the ageing population and climate change, mean that the public sector's ability to learn from past experience and to innovate is more important than ever.

In his commentary on the need to reform the state, Rawnsley (2009) also talks about the 'smarter state' and also introduces the concept of the 'intelligent state'. Some 30 years ago, Etheredge (1981) discussed the notion of 'intelligent government' emphasizing the moral dimension as well as effectiveness, which is consistent with Mulgan's position on 'good government' referred to above. Moore's (1995) discussion of 'public value' emphasizes two key propositions about the conditions for good government: first, the importance of healthy democratic political processes through which citizens can express a shared moral aspiration for a better society; and, second, the importance of knowledge, intelligence and learning as the basis for confidence

that government is doing the best it can to deliver on that aspiration.

Amongst the conditions for good, 'intelligent government', the approach to policy making is central. This is emphasized in Chapman's (2004: 23) critique of "... traditional mechanistic command-and-control approaches..." in government which, he argues, are inadequate for dealing with the implications of increasing complexity, interconnectedness and globalization; rather "... a new intellectual underpinning for policy is required" (*ibid.*: 31). Chapman argues that this underpinning can be provided by systems thinking and practice, in particular an understanding of complex adaptive systems and the need to adopt an evolutionary approach to system improvement and policy development, which "... involves encouraging diversity and experimentation and subsequently discovering what leads to the best combination of desirable and robust improvement" (Chapman, 2004: 68). Moreover, this evolutionary process of improvement needs to be inclusive of all stakeholders and interests, to be truly participative in developing "... deliberative strategies for innovation, evaluation, learning and reflection" (*ibid.*: 87):

Systems practice does involve generating new insights, new approaches, new procedures and so on, but it is critical... that they emerge from a learning process in which as many stakeholders, end-users and delivery agents are involved as possible. It is only by integrating their different perspectives and values into the learning process that the resulting actions will deal effectively with inherent complexity, including multiplicity of views and aspirations. (*ibid.*: 89)

There is now quite a substantial literature on the implications of work on complex systems for contemporary policy making (Geyer and Rihani, 2010; Sanderson, 2006, 2009). Three key themes that emerge from this work are, first, the limitations on our ability to predict the future course of social systems, to specify in advance definitive courses of action to achieve defined goals and the importance of unintended consequences; second, the need for caution in intervening in such social systems – what Elliot and Kiel (1997: 73) call 'gentle policy action' – and advocacy of 'trial-and-error' experimentation as a basis for a learning model of policy making; and, third, the need to involve all stakeholders and interests in deliberation and debate around policy issues, both in defining the nature of problems and issues to be addressed and in identifying potential courses of action to try out.

A Pragmatic Conception of 'Intelligent Government'

The salience of these themes has been reinforced by recent increasing recognition of the potential value of pragmatist philosophy in providing a framework for thinking about contemporary policy making (Biesta and Burbules, 2003; Marsh and Spies-Butcher, 2009). Elsewhere, I have argued that John Dewey's version of pragmatism complements ideas from work on complex systems to underpin a 'neo-modernist' conception of policy making that avoids both the 'instrumental rationality' that reduces policy making to a technical exercise of application of scientific evidence and expertise, and the postmodernist rejection of any foundation in reason as the basis for enlightened social change (reference anonymised).

There are three key elements to Dewey's pragmatism that contribute to this conception of policy making. The first is Dewey's account of knowledge, which he developed within the framework of a philosophy of action, in which knowledge develops through our transactions with our environment in our efforts to change and improve the world and to resolve problematical situations. Dewey rejected both the foundationalist conception of knowledge that mirrors an objective reality and the subjectivist relativism that has subsequently been advocated in his name by Richard Rorty (1980, 1999). He argued that the route to knowledge was through the scientific method of experimentation applied in the solution of problems, whereby we test our ideas in practice, and if they are successful in terms of consequences, we are warranted in asserting their validity:

The test of ideas, of thinking generally, is found in the consequences of the acts to which the ideas lead, that is in the new arrangement of things which are brought into existence. Such is the unequivocal evidence as to the worth of ideas which is derived from observing their position and role in experimental knowing. (Dewey, 1984: 109)

However, this warrant is always provisional; Dewey's is a fallibilist position in which all knowledge is open to further interpretation, revision and criticism. Moreover, and this takes us to the second element, Dewey insisted that this process of 'experimental knowing' was not a technical exercise, but rather a form of practical directed inquiry, and he refers to the 'method of intelligence' to indicate the importance of practical judgment in a context which cannot be isolated from consideration of the ends,

values and interests embodied in the problematical situations we are seeking to resolve. For Dewey, then, science did not have a unique status apart from other forms of directed inquiry, but what was crucial was 'effective and organized inquiry' employing the experimental method and the application of intelligence:

(T)he recognition that intelligence is a method operating within the world... affords a sure foundation for other more specialized forms of knowing... There is no kind of inquiry which has a monopoly of the honorable title of knowledge. The engineer, the artist, the historian, the man of affairs attain knowledge in the degree they employ methods that enable them to solve the problems which develop in the subject matter they are concerned with. As philosophy framed upon the patterns of experimental inquiry does away with all wholesale skepticism, so it eliminates all invidious monopolies of the idea of science. By their fruits we shall know them. (*ibid.*: 176)

Therefore, in Dewey's pragmatist account of thought and action as problem solving, the process of inquiry involves reciprocal determination and revision of both ends and means in the attempt to address problems. However, consideration of ends – of what is desirable to seek to achieve – requires the process of inquiry to be opened up for wider public debate and deliberation; this is the third key element of Dewey's account. Sleeper (2001) points to the key role of communication in Dewey's 'transformational ontology'; Dewey believed that the resolution of social problems required free and open communication: "The essential need... is the improvement in the

methods and conditions of debate, discussion and persuasion” (Dewey, 1954: 208), and he was passionately committed to the ideal of participatory democracy as the political expression of the functioning of the experimental method, whereby differences and conflicts over ends and values and over means to achieve them can be resolved through the application of creative intelligence (Dewey, 2000: 81).

Democracy will come into its own, for democracy is a name for a life of free and enriching communion... It will have its consummation when free social inquiry is indissolubly wedded to the art of full and moving communication. (Dewey, 1954: 184)

Dewey’s pragmatism provides a normative basis for an approach to policy making that emphasizes the role of experimentation and learning and of inclusive public participation and deliberation, and embodies a form of ‘practical rationality’ that rejects the technocratic privileging of ‘scientific evidence’ but insists on the validity of a range of forms of knowledge and the rationality of debate about ends and values. These themes have been developed in more recent seminal contributions to ideas about policy making. Thus, Donald Campbell’s vision of the ‘experimenting society’, founded upon a commitment to innovation, ‘social reality-testing’, learning and democratic participation (Campbell and Russo, 1999) owes a clear (if under-acknowledged) debt to Deweyan pragmatism with “... commitment to science as a systematic and skeptical search for usable knowledge... combined with an American liberalism that assumes an informed and reasonable public debating its differences and concerns in a democratic fashion, desir-

ous of improving the quality of life for all...” (Beauregard, 1998: 213). Majone’s (1989) analysis of policy making as ‘argumentation’ – a communicative, practical activity undertaken in complex and ambiguous institutional and moral contexts – emphasizes the importance of a capacity for learning and the role of public deliberation in clarifying the institutional, social and moral issues raised by policy choices. More recent literature on deliberative policy making emphasizes the need for free and open dialogue between all stakeholders in policy issues to reach negotiated and agreed solutions and to build the trust relationships required for collaboration, learning and creativity (Hajer and Wagenaar, 2003; Fischer, 2009). Fischer draws explicitly on Dewey’s work in his discussion of ‘deliberative-analytic’ policy inquiry in which public deliberation is democratized by new forms of collaboration between experts and citizens.

‘Democratic Experimentalism’ as Pragmatic Intelligent Government

The relevance of Deweyan pragmatism to contemporary thinking about reform and improvement of government and policy making can be seen in Charles Sabel’s conception of ‘democratic experimentalism’ (Dorf and Sabel, 1998; Sabel and O’Donnell, 2000; Sabel, 2004; Sabel and Zeitlin, 2008). Sabel’s concern is to develop “... a new model of institutionalized democratic deliberation that responds to the conditions of modern life” (Dorf and Sabel, 1998: 283) and, in particular, avoids the limitations of reform models such as the ‘new public management’ and ‘interactive governance’ that are based upon the principal-agent separation with its attendant barriers to coordination and learning (Sabel, 2004).

The proposed new model of democratic experimentalism draws on innovations in the private sector "... that suggest institutional devices for applying the basic principles of pragmatism to the master problem of organizing decentralized, collaborative design and development under conditions of volatility and diversity" (Dorf and Sabel, 1998: 286). These innovations, inspired from Japan, involve the use of benchmarking to challenge existing practice and suggest new potential solutions and a decentralized, collaborative approach to product design, development and production with continuous monitoring and error correction as a basis for learning.

Applied to the public sector, democratic experimentalism provides "... a form of collective problem solving suited to the local diversity and volatility of problems that confound modern democracies, while maintaining the accountability of public officials and government..." (*ibid.*: 314). It is argued that local government is the basis for effective government if it has the capacity to adjust and adapt to local circumstances and achieve co-ordination between various services. Benchmarking can be used to challenge existing practices and promote learning between localities; goals are agreed and services designed in close collaboration with citizens and with reference to best practice; performance is monitored and evaluated as a basis for learning how to improve and the lessons are fed back into redesign of goals and practices. This approach to learning entails continuous collaboration between service providers and citizen users in setting goals, designing services and in monitoring and evaluation. This form of democracy is termed a 'directly deliberative polyarchy': *directly* because citi-

zens generate solutions to problems that affect them; *deliberative* because argument is used to disentrench settled practices and decisions are made by reason giving through discussion; *polyarchy* because localities learn from, discipline and set goals for each other (*ibid.*: 320; Sabel and Zeitlin, 2008: 276).

Sabel and Zeitlin (2008: 276-277) argue that this model provides "... a form of experimentalist governance in the pragmatist sense..." and is a "... machine for learning from diversity..." It provides a model of exploratory problem solving that challenges existing practices, assumptions and interests through participatory and deliberative processes and through the constant search for improvement and better solutions to problems. The pragmatist credentials of this model are indicated in Dorf and Sabel's (1998: 326) reference to "... the disruptive effects of deliberative problem solving on settled interests..." and in the following from Sabel (2004: 11-12):

In the pragmatism of Dewey and James it is the nature of our world, and our apprehension of it, that experience regularly unsettles our guiding assumptions. So we can think of these new institutions as pragmatist in that they systematically provoke doubt, in the characteristically pragmatist sense of an urgent suspicion that their own routines – habits gone hard, into dogma – are poor guides to current problem solving.

Moreover, this problem-solving model is consistent with the ideas on 'trial-and-error' experimentation and learning from the literature on complexity referred to above. Thus, Sabel (2004: 12) emphasizes the role of search networks that allow actors to find others who have experience of solving similar

problems. Such networks can cope with volatile, rapidly-changing settings because "... they are good at searching 'rugged' terrains (in which there are many hillocks and mountains, but no soaring peak that affords a panoramic view)...". There are echoes here of Stuart Kauffman's (1995) discussion of 'patching' as a process of searching 'rugged fitness landscapes' for good compromise solutions to complex problems. Kauffman (1995, ch. 11) argues that shared learning between decentralized, semi-autonomous units results in a better outcome than could be achieved through a centrally-directed process. Key assumptions are, firstly, a degree of autonomy and freedom for units to experiment to find the best local solution and, secondly, the capacity for good communication, discussion and shared learning between units to improve the collective outcome. Kauffman concludes with a reference to the benefits of open, federalist, democratic systems in promoting experimentation and learning along the lines of his 'patching' model.

Charles Sabel applied his ideas on democratic experimentalism to the post-devolution situation in Scotland at an OECD conference on devolution in Glasgow in 2000 in a paper with Rory O'Donnell (Sabel and O'Donnell, 2000). They argue that devolution occurred in a context where many governments were devolving authority to lower levels, encouraging local experimentation and direct participation by citizens in governance processes. They saw evidence of 'the new problem-solving model' in some instances of the local governance of economic development and schooling in Scotland prior to devolution, and referred to work by the Scottish Council Foundation 'think tank,' which argued

that creation of a new parliament and executive provided an opportunity to promote effective, inclusive, democratic governance, with strong participation of citizens and stakeholders in deliberative problem solving.

Sabel and O'Donnell saw potential in a post-devolution Scotland for the development of the pragmatic model of democratic experimentalism. In this model, the role of the 'framing centre' is to create and support the context for experimentation and learning:

...to create a framework for experimentation by defining broad problems, setting provisional standards, pooling measurements of local performance, aiding poor performers to correct their problems, and revising standards and overall goals according to results. (Sabel and O'Donnell, 2000: 17)

Within this framework, 'local units' do the problem solving, experimenting with cross-cutting solutions, working in networks crossing boundaries to solve problems and share results, and involving local citizens in the process. Governmental performance is then subject to scrutiny by the legislature and by citizens. Sabel and O'Donnell appeared to be optimistic about the potential for the development of this model of governance in Scotland, arguing that there were already examples to provide the basis upon which to build.

Devolution in Scotland: A Stimulus to Policy Innovation and Learning?

Devolution in Scotland was enacted in the Scotland Act 1998 which established the Scottish Parliament with powers to make laws within certain parameters and created the Scottish Exe-

cutive to provide a devolved administration answerable to the Parliament. The first elections to the new Scottish Parliament were held on 6th May 1999 and a coalition of Labour and Liberal Democrat parties formed a Government. The Parliament has the power to legislate across a wide range of 'devolved' policy areas in Scotland, including education, health, crime and justice, agriculture, environment, transport, economic development and local government, but important matters remain 'reserved' to the UK Parliament, notably defence, foreign affairs and social security. Scotland receives funding in the form of a block grant from the UK Parliament, calculated by a method called the 'Barnett Formula' (which gives Scotland a share of UK spending broadly in proportion to the population), and is free to allocate resources as decided by the Scottish Government and Parliament. Apart from some powers over local taxation, the Scottish Parliament has only a power to vary the basic rate of income tax by three per cent, but this power has not been used to date (Commission on Scottish Devolution, 2009).

In the run-up to devolution much was made of the opportunity for a 'new politics' in Scotland and the potential to provide a framework for a broader and more radical reform of government – a less partisan, less confrontational, more cooperative, participative, inclusive and consensual approach: a new relationship between governors and governed (Keating, 2010: 30-31). These aspirations were reflected in the recommendations of the Consultative Steering Group that was set up on a cross-party basis to devise the principles and processes for the new Government and Parliament: political power should be shared across

Scotland; accountability should be clear; policy making should be open, participative and responsive; and equal opportunities for all should be promoted across the Scottish governance system (Scottish Office, 1998). There was also a strong expectation that devolution would open up space for the development of more distinctive *Scottish* policy through stronger policy innovation and divergence from England, with greater potential for policy transfer and learning as the scope for experimentation innovation and divergence increased (Mooney *et al.*, 2006; Muir, 2010).

In general, devolution is widely perceived as a success. The Commission on Scottish Devolution (2009: 5) concluded that "... devolution has been a real success", found that the Scottish Parliament is popular with the Scottish people who praised its effectiveness, transparency and openness, and concluded that "... allowing domestic public policy in Scotland to reflect more effectively the views and preferences of the population is clearly an objective of devolution, and it has manifestly been achieved" (*ibid.*: 58). Keating (2002: 6) found early positive signs of a 'new politics' with stronger participation by MSPs and civil society more generally, arguing that the Scottish Parliament "... sustains a debate about public policy that was scarcely possible before devolution and draws in many more actors into the policy process", with particular reference to the more active role of committees in encouraging new policy communities.

Indeed, this strengthening of a more open, pluralist and consensual approach to policy making is perhaps the most evident outcome of devolution. Keating (2010) argues that the Scottish policy style has been more consensual in ap-

proach than in England, with a stronger involvement of interest groups and stakeholders and a more positive relationship with public service professionals; he refers to "... a willingness to negotiate with groups and stakeholders and less tendency to confrontation, whether with public sector professionals, trade unions or the poor and deprived" (*ibid.*: 98). He argues that channels of access for interest groups to the policy process have increased with devolution, especially for business and the voluntary sector, making the political system more pluralist. However, as a consequence, greater demands have been placed on such interest groups and stakeholders, and some complaints of 'consultation fatigue' have emerged together with an element of disillusionment about the degree of influence actually achieved on policy, especially from the voluntary sector. Lyall's (2007) analysis of science and innovation policy, for example, found a degree of skepticism amongst some stakeholders about the degree to which enhanced access for interest groups and the more consultative approach had actually influenced policy outcomes, and suggested that there was still a lack of an institutional framework to promote genuine dialogue and engagement and facilitate the development of policy networks within which learning could occur.

Nevertheless, it would appear that such institutional capacity has been developing since devolution and is stronger in some sectors than others – for example, social and educational policy have been highlighted for positive comment (Lyall, 2007; Birrell, 2010). Moreover, Keating (2010) argues that policy capacity within the Scottish Government has been strengthened significantly since devolution with enhanced support for

Ministers and a growth in research and analysis capacity in departments to support policy formulation and implementation. Following devolution, analytical capacity in the Scottish Executive was rather fragmented with economists and statisticians largely located in departments, but social research more centralized in a Central Research Unit. Between 2001 and 2005, new Analytical Services Divisions (ASDs) were created in departments, bringing together analysts in the three professions to provide integrated analytical support focused on Ministers' priorities and departments' policy agendas. The strengthening of analytical capacity is also indicated by the increase in the number of professional analysts from about 185 in 2002 to nearly 300 in 2008.

In terms of the contribution to a learning model of policy making, four aspects of the role of Analytical Services can be highlighted for particular emphasis. First, undertaking reviews of available evidence of 'what works' and developing the evidence base to inform new policy development; second, undertaking policy evaluation to assess effectiveness and impact and learn lessons from implementation to inform policy improvement and, again, future policy development; third, creating the space for discussion and debate of the available evidence and its implications for policy; and, fourth, working to ensure that the messages from such research, evaluation and analytical work are transmitted into the policy-making arena and actually do have an impact on policy formulation, change and improvement. In this sense, we can see Analytical Services within government as providing the 'institutional capacity' to support policy innovation and learning within government.

The election of the Scottish National Party (SNP) to government in May 2007 signaled a significant change in the approach to government in Scotland. The SNP Government established an explicit outcome-focused approach, an attempt to move away from micro-managing delivery, which was seen as the legacy of previous coalition administrations, towards a focus on improving performance in terms of defined outcomes, expressed in a National Performance Framework (NPF). According to Keating (2010: 121), the NPF represents “... an ambitious effort to increase policy capacity...” and an attempt “... to adopt a more pro-active, synoptic and rational policy process based on coherent objectives...” (*ibid.*: 204), part of the development of a more strategic and analytical approach. This approach has been manifested recently in the development of a number of outcome-focused strategic policy frameworks covering, for example, drugs, smoking, health inequalities, poverty and income inequality, early years and alcohol. These frameworks signal an attempt to take a joined-up, cross-cutting approach to policy development and a strengthening of the use of evidence and analysis (Sanderson, 2011).

Consequently, there are indications in recent developments within the Scottish Government on policy making and evaluation of a desire to move towards some aspects of the model of ‘intelligent policy making’, albeit tempered by the ‘realities of government’ and a recognition of the challenges involved in achieving genuinely collaborative approaches, experimentation, innovation and learning. There are some positive signs, for example, in the strategy for tackling health inequalities, which

involves a strengthening of the role of evaluation in policy learning and the piloting of ‘learning networks’ in a number of sites to encourage experimentation with new approaches (Scottish Government, 2008). The approach of the SNP Government in this strategy, in the other new strategic policy frameworks, and in developing a new, more collaborative relationship with local government can be seen as indicating a strengthening of the ‘Scottish policy style’ identified by Keating (2010: 216) as involving “partnership, stakeholder empowerment, ... consensus, and learning by doing”.

‘Localism’ and the Prospects for Learning in Scottish Local Government

The SNP Government’s attempt to develop a new relationship with local government represents an important element in their programme to devolve powers and responsibilities and establish a new ‘regulatory regime’. A new Concordat between the Scottish Government and the Convention of Scottish Local Authorities (COSLA) was agreed in November 2007 as a key element in the new SNP Government’s move towards an outcomes-based approach to governance. It affirmed the principles of localism and established Single Outcome Agreements (SOAs) between local authorities and central government as the means by which local and national priorities would be accommodated within the National Performance Framework (NPF) (Scottish Government and COSLA, 2007). Since 2009, SOAs have been agreed between the Scottish Government and Community Planning Partnerships (CPPs) in order to ensure a coherent approach within localities in which all partner and

stakeholder plans are aligned to the NPF (Scottish Government, 2011).

The Concordat was intended to signal a new approach to governance in Scotland that appears, on the face of it, to represent a move towards the principles of ‘democratic experimentalism’:

It represents a fundamental shift in the relationship between the Scottish Government and local government, based on mutual respect. Under the terms of this new partnership, the Scottish Government will set the direction of policy and the over-arching outcomes that the public sector in Scotland will be expected to achieve. The Scottish Government’s intention is to stand back from micro-managing that delivery, thus reducing bureaucracy and freeing up local authorities and their partners to get on with the job. (Scottish Government and COSLA, 2007: 7)

A key element in this new approach is the framework for regulation, inspection and scrutiny and the promise of a relaxation of the ‘top-down’, ‘audit’ approach that had developed over the years. Thus, in a major review of scrutiny arrangements undertaken for the Scottish Government, Professor Lorne Crerar referred to the “... increase in indirect supervision of public service delivery through increased inspection, audit and regulation... (due to) ... a lack of confidence in service delivery...” (Scottish Government, 2007: 2). The Scottish Government adopted Crerar’s recommendations for a simplified and more coherent approach which was more transparent, risk-based and proportionate, and relied much more on service providers taking “... greater responsibility for monitoring and evaluating their own performance and tackling poor perform-

ance when it occurs” (*ibid.*: 16). In the local government context, this was heralded as a “... fundamental shift...” that was consistent with the rationale of the Concordat (Audit Scotland, 2010).

This new framework therefore provides the potential for an approach to service development and improvement consistent with the key principles of ‘democratic experimentalism’ – based more on local experimentation and learning, with greater use of benchmarking and self-evaluation, and strong citizen engagement and partnership working, than on ‘top-down’ inspection and audit processes. However, it is evident from work by Audit Scotland (2010, 2011) that these ‘fundamentals’ of the democratic experimentalist model are not yet very well developed and that many local authorities and CPPs appear to be struggling with the transition to the new framework. Thus, in typically diplomatic language, Audit Scotland suggest that “... further work is needed by councils to develop benchmarking programmes that cover all of their services” (2011: 25); “... the maturity and effectiveness of self-evaluation is currently under-developed” (2010: 7); there is “... wide variation in councils’ approaches to engaging with citizens” (2011: 21); and “... the level and maturity of Community Planning Partnerships differs significantly from area to area” (*ibid.*: 23). In particular, Audit Scotland emphasise the importance of self-evaluation and the need to develop capacity to undertake such evaluation effectively:

The ability of councils to undertake robust and reliable self-evaluation of the effectiveness of their corporate processes, performance of services and impact on the local area, is central to a reduction in levels of exter-

nal scrutiny undertaken by all scrutiny bodies...

There is a need for substantial improvements in the quality of self-evaluation processes and information in individual councils and services, in order to achieve further reductions in the amount of scrutiny activity required to provide public assurance. (Audit Scotland, 2010: 7-8)

Recognising the importance of self-evaluation to this scrutiny reform agenda, local authorities and CPP member organizations are being encouraged to adopt a Public Service Improvement Framework (PSIF), which is based upon four quality improvement frameworks – the European Foundation for Quality Management (EFQM) model, the Investors in People (IiP) framework, the Customer Service Excellence Standard, and the Best Value framework. A leading role in promoting the PSIF is being played by the Improvement Service (2011), which is an organization created to support local authorities and their partners in building capacity for continuous improvement. Key elements include identifying good practice and promoting sharing and learning across the local government community, promoting collaborative working and a 'learning culture' (Improvement Service, 2011). A majority of local authorities in Scotland now use the PSIF as a basis for self-evaluation, and it is being rolled out to CPPs during 2011.

The role of the Improvement Service in supporting this capacity for learning and improvement that is crucial to the success of the Scottish Government's agenda, has been reinforced by devolving ownership and responsibility to local government – to local councils, COSLA and SOLACE (Society of Local Autho-

rity Chief Executives). This has helped to shift the emphasis away from 'top-down' scrutiny based on inspection and audit towards an approach whereby the local government community in Scotland takes responsibility for assuring effective performance and improvement. From the Scottish Government's perspective, there remains an ongoing need for external scrutiny:

A degree of challenge of a council's self-evaluation will always be required to provide strong, independent public assurance. ... Credible public assurance relies on clear, evidence-based, independent evaluations and accessible public reports. (Audit Scotland, 2010: 8)

It is evident, therefore, that the Scottish Government is pursuing a rather cautious process of seeking to devolve power and responsibility to local government, but subject to assurances that the local government community can 'step up' and develop the required capacity to deliver services at the required standards and to achieve performance improvement based on self-evaluation and effective public reporting and accountability. There is evidence at present, as we have seen, that although progress is being made, the level of capacity that is perceived as required for this model of 'self-regulation' to operate effectively has not yet been achieved, and that there is an ongoing need for capacity building. Consequently, there will be continued 'top-down' pressure from the Scottish Government and Audit Scotland to push forward the development of such capacity, but the role of the Improvement Service will be increasingly important.

This balance between 'top-down' and 'bottom-up' approaches is manifested, on the one hand, in the operation

of the Best Value audit system by Audit Scotland and, on the other hand, by the role of the Improvement Service in helping local authorities develop self-evaluation and performance improvement processes. The duty of Best Value is a statutory duty of continuous performance improvement deriving from the Local Government in Scotland Act 2003 and requires Audit Scotland to undertake periodic audits of local authorities to assess the effectiveness of corporate strategy, partnership working, community engagement, performance management and use of resources, achievement of service standards and local and national outcomes and National Performance Framework indicators, and equalities and sustainability. A review of the first round of Best Value audits (Grace *et al.*, 2007) concluded that the system was broadly credible and effective, but raised some concerns about the extent to which the process supported continuous improvement.

Based on these findings, the Accounts Commission revised the Best Value framework and launched a number of 'Best Value 2' (BV2) pilots to test the revised approach (Accounts Commission, undated). A subsequent evaluation of these pilots identified some disagreements about the role of Audit Scotland in supporting performance improvement. Some felt that Audit Scotland was not doing enough and should do more to share good practice and support improvement; whereas others felt that this responsibility should not lie with Audit Scotland, as it could potentially undermine the quality of its core scrutiny activity, but rather with the Improvement Service (Ipsos MORI, 2010: 31). This difference of view is interesting in that it highlights the tension between the scru-

tiny and improvement agendas – between, on the one hand, the 'top-down' interest in audit and accountability and, on the other hand, the need to encourage local authorities' interest in learning how to perform better.

This debate over the role of Audit Scotland and the Improvement Service indicates that the approach to developing an appropriate model of regulation is still evolving over time through a process of learning and adaptation, which again illustrates the principles of pragmatic problem solving through 'trial-and-error' – through successive cycles of implementation, review, piloting and evaluation. Again, it conveys a sense of the 'patching' model discussed by Stuart Kauffman (1995) as an approach to seeking compromise solutions to complex problems. It provides another dimension to illustrate the way in which a form of 'experimentalist governance' may be developing in Scotland. Turning to the role of the Improvement Service, the way in which it is strengthening its support for local authorities to implement the PSIF self-evaluation framework and fostering the development of 'communities of practice' (COPs) around knowledge management and for those leading self-evaluation in councils, indicates a strengthening of the 'bottom-up' element in the regulatory framework. In particular, work on knowledge management and COPs are seen as a key element in the drive to strengthen the capacity for learning across local government and Community Planning Partnerships: COPs provide a forum ('space') for people to discuss current challenges, explore new ideas, share experiences and identify good practice as a basis for learning (Improvement Service, 2011). COPs have been developed for knowledge

management and the PSIF, but there is no evidence as yet as to their effectiveness in promoting learning.

Conclusion

It remains to be seen whether local government in Scotland can develop the capacity for experimentation, learning and improvement and achieve the degree of direct citizen engagement and participation that would indicate progress towards 'democratic experimentalism' and, more generally, the pragmatic model of 'intelligent government'. There are clearly moves in this direction, not least due to the ostensible commitment of the Scottish Government to devolve power and responsibility to local government through the Concordat agreement within the context of the National Performance Framework, which links performance expectations to the achievement of outcomes. However, this shift away from the traditional 'top-down' model of regulation based on audit and inspection will require time for capacity to develop in local authorities and local bodies to play an effective role in 'self-regulation' processes, and there is evidence that key processes of citizen engagement and self-evaluation do require strengthening. The process of change in the approach to regulation and governance appears to be evolving through a classic pragmatic 'trial-and-error' model, seeking out compromise moves forward to an appropriate solution – an appropriate balance of central scrutiny and local self-regulation.

As regards developments within the Scottish Government, I have argued that there are indications in the work that is progressing on policy making and evaluation of a desire to move towards some aspects of the model of 'intelligent po-

licy making', albeit tempered by the 'realities of government' and a recognition of the challenges involved in achieving genuinely collaborative approaches, experimentation, innovation and learning. There are some positive signs, for example, in the review of policy making, in the new strategy for tackling health inequalities and in the approach to developing new strategic policy frameworks. This approach clearly seeks to achieve a balance between different 'interests' in the policy process, combining evidence of effectiveness with practitioner views on feasibility and public and interest group perspectives on desirability.

In relation to the potential for learning from policy divergence and differentiation across the UK due to devolution, it is evident that the promise of strong innovation in a 'policy laboratory' has not (yet) been realized, although examples of divergence are increasing following the election of the SNP Government. This may have sharpened the political and ideological drivers of divergence, but arguably has not strengthened processes of learning. Indeed, political differences between England and Scotland may actually be a hindrance to learning on this level and a spur to the motivation to 'do things differently' – thus promoting the search for innovative policies within the Scottish Government. And this may be strengthened following the re-election of a majority SNP Government in May 2011 with a renewed focus on achieving independence. More generally, the relationship between innovation and learning is not straightforward; thus, a focus on 'learning' that involves emulating what appears to have worked elsewhere may suppress new, innovative thinking (as well as being risky if due regard is not given to the influence of contextual circumstances).

In conclusion, it remains to be seen whether or not a new approach more consistent with the tenets of 'intelligent government' will succeed in becoming established in Scotland, given the previous disappointments in the post-devolution period and the acknowledged difficulties associated with developing experimentation, a 'learning culture' and deliberative politics. It is evident that there are two particular challenges: first, the development of deliberative forums that are inclusive of the range of interests and knowledge salient to the discussion of policy issues and which can articulate and clarify values and issues of

ethical-moral concern as well as issues of substantive dispute; and, second, the need for a stronger emphasis on the 'trial-and-error' model of policy making – on the role of experimentation and piloting and on how evaluation can be a more effective driver of learning and improvement. A genuine commitment to open deliberation, experimentation and learning would constitute a key pillar of a model of good government, with a robust ethical foundation sustained by real openness and transparency, that could provide a much-needed exemplar in our troubled times.

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O izgledima učenja politika u post-devolucijskoj Škotskoj

SAŽETAK U kontekstu sve kompleksnijih i teških izazova s kojima se suočavaju javne politike sve više se postavljaju ozbiljna pitanja o djelotvornosti vlada. Novija istraživanja o značajkama 'dobrog upravljanja' naglasila su značaj kapaciteta za učenje politika. U koncepciji 'pametne vlade', zasnovanoj na Deweyevom pragmatizmu ključni su kapaciteti mogućnosti eksperimentiranja, učenja i inkluzivne, deliberativne politike. Relevantnost Deweyevog pragmatizma na suvremeno mišljenje o reformi i unapređenju kreiranja politika može se vidjeti u Sabelovoj koncepciji 'demokratskog ekperimentalizma'. Članak razmatra najnoviji razvoj vlasti i kreiranja javnih politika u Škotskoj, i to prije svega tijekom administracije Škotske nacionalne stranke (SNP), kako bi se ocijenilo u kojem se opsegu događa spomenuti pomak u smjeru pragmatičnog modela. S time da je fokus rada usmjeren na promjene do kojih je u posljednje vrijeme došlo u odnosima prema lokalnoj samoupravi, te na promjene vezane uz menadžment zasnovan na uspješnosti, pažljivom istraživanju i 'regulaciji'.

KLJUČNE RIJEČI učenje politika, Škotska, pragmatizam, demokratski ekperimentalizam