

## A Civic Caucus Discussion: Unified strategy needed for action on redesign proposals

An Internal Civic Caucus Discussion 2104 Girard Ave.S., Minneapolis, MN 55405 October 19, 2012

## **Notes of the Discussion**

**Present:** Verne Johnson, chair; David Broden, Audrey Clay, Janis Clay, Pat Davies (phone), Rick Dornfeld, Paul Gilje, Sallie Kemper, Dan Loritz, vice chair; Tim McDonald (phone), Jim Olson (phone), Wayne Popham (phone), John Rollwagen (phone), Dana Schroeder, and Clarence Shallbetter

**The reason for today's meeting:** Today's internal discussion was prompted by the need for the Governor and Legislature to take creative action in 2013 on issues vital to the future of the state.

**Summary of Discussion:** Positive action on redesign proposals will be vastly enhanced if non-governmental organizations of varied persuasions demonstrate unified agreement on a limited number of issues. We believe the informal Discussion Group on Redesign (DGR), which includes representatives from a broad spectrum of organizations and which explicitly concentrates on innovation, is the logical body to (1) assemble a list of existing redesign ideas, (2) rate their level of consensus, (3) select a manageable number of those ideas and (4) enlist the aid of the groups who proposed the selected ideas in coalescing support around those ideas and developing proposed legislation to implement them.

## Background.

Traditional ways of solving public problems by either (a) increasing taxes or (b) cutting services are not sufficient. Minnesotans face tight state budget conditions for the foreseeable future, based on economists' and demographers' projections, irrespective of political control of the Governor and Legislature. Moreover, the public's call for greater quality in education, health care, human services, transportation and other public services is growing.

Early projections of the state's budget for the biennium beginning July 1, 2013, reveal a shortfall of a minimum of \$1 billion, to over \$4 billion.

Traditional approaches to close a budget gap by tax increases and/or cuts in spending won't be adequate for the task of bringing revenues and expenditures into line. And doubtless such solutions don't address the problem of quality.

Services must be redesigned to maintain and improve quality in light of perennial budget constraints. An essential part of redesign, according to Ted Kolderie, is to create incentives that cause operating organizations to look for efficiency gains and quality improvements on their own initiative, in their own interest and from their own resources.

The Civic Caucus outlined the importance of redesign in its report, "Different Choices: Redesigning Public Services", December 2009, <a href="http://bit.ly/4yM7h3">http://bit.ly/4yM7h3</a>. An updated version was issued in April 2011, <a href="http://bit.ly/Pl0rgk">http://bit.ly/Pl0rgk</a>. The December 2009 report contains names of some 150 persons who signed on in support of this report.

**Discussion** . During the meeting the following points were raised:

A pessimistic outlook was expressed by many. A member observed that interviewees in Civic Caucus meetings have doubted that fundamental changes would be possible in 2013 because of strongly opposing, intransigent, views of legislators and of interest groups.

More potential consensus might be present than is realized. Meanwhile, this member said, many organizations in the state seem comparatively close in their assessment of the problems facing the state. However, they don't seem to be talking with one another and, therefore, are missing an opportunity to capitalize on the degree of agreement that already is present. Differences are inevitable, the member said, but those differences shouldn't overshadow the specific, perhaps narrower, areas where consensus exists.

Another member cited conversation just the other day with a member of the news media. The two of them agreed that significant redesign-improving services with very limited finances-is essential in the big-spending areas of health and human services, education, and transportation. The two also agreed that electoral reform is essential-changing the system by which candidates for elective office are endorsed, nominated and elected.

It is absolutely necessary for proposals to be highly specific . Some persons reminded the group that much of the reason for inaction rests upon the non-governmental sector for failure to present specific, actionable proposals, not just because of highly politically partisan differences among legislators. Legislators always are looking for ideas that are "bill-ready", that is, the advocates have specified all aspects of their proposals so details can be immediately handed to a person to draft a specific bill.

Leadership could be provided by an inter-organization group already in existence. Participants suggested that a lead role in this effort could be taken by the Discussion Group on Redesign(DGR). DGR has met since December 2009, with no website, no minutes, no officers, no budget, but only some 30 individuals who meet one evening a month to compare notes on their respective organizations' activities. The DGR includes a wide assortment of groups across political, economic, and social spectrums.

The DGR was created in the wake of a 2009 report by Minnesota foundations titled Minnesota's Bottom Line ( http://bit.ly/Vk4G4a )laying out several areas for redesign. Two years later the foundations issued a follow-up report, Beyond the Bottom Line, (http://bit.ly/PGJkvq).

The DGR has issued one public statement, a letter to the Governor and Legislature in 2011, expressing support for specific redesign initiatives in health, human services, and education.

Current leadership recognizes the importance of executive-legislative cooperation . Members noted that the Governor has promised to work with the Legislature in establishing a Minnesota health exchange. A significant redesign concept-helping base choice of health care providers on cost and quality-is under serious consideration.

It is vitally important for realizing change to involve redesign, not just cut services or raise taxes. It is more likely real change will occur based on initiatives that originate in the non-governmental sector, a member said. But proposals cannot be just vague expressions of hope, another member said. Proposals must be specific and address details that require in-depth understanding of the issue or problem.

Is the non-governmental sector today failing to initiate detailed proposals for change as compared to 20-40 years ago? Some persons wondered whether less innovation is evident today because non-governmental organizations are not coming forth with creative proposals, as was the case in the past. If that is true, a member said, the reason for the state's failure to come to grips with critical long-term problems might be more a fault of the non-governmental sector than of the Governor and Legislature.

Members noted that former Governor Elmer L. Andersen is quoted in the above-mentioned Civic Caucus report, "Different Choices", responding to a question about who would be a good governor:

"I don't think that's very important right now. When the public is clear about what it wants, elected officials are important. They get it done. But in a time like this, when the answers are not clear, politicians hesitate. The leaders are those who generate the new ideas."

Identify sub-components of major issues where consensus appears possible. Do important sub-components in contentious areas such as education and health care lend themselves to consensus among individuals and groups who otherwise see themselves at loggerheads, a member inquired? If so, concentrating first on areas of potential agreement might substantially improve prospects for action by the Governor and Legislature in 2013. Several persons replied that, yes, it should be possible to identify such components, and that the work of the above-mentioned DGR is a good example.

**Past calls for redesign are recalled** . Illustrating that past Minnesota leaders have recognized the importance of redesign, a member recalled a statement some 30 years ago by then-Governor Rudy Perpich:

"The leadership of Minnesota must and will find new solutions to public problems, and expanded alternatives to the strategies of cut and tax. Long-term solutions involve raising revenues through expanded economic activity, and redesigning government. We need to reconsider and restructure the

way we provide state services. The answers will not come easily. But if we bring our will and wit to bear on the problem, solutions will come from the informed pragmatism of many Minnesotans determined to create new alternatives."

Clear expressions of the problem to be solved are essential. It's one thing to present a new idea, with details, but it is quite another to be very explicit about the problem to be solved, a member said. Thus, the member suggested, that proposals are much more likely to succeed when accompanied by a clear description of what the problem is and how it will be resolved. That comment prompted memory of a quote attributed to now-deceased David Graven, when asked to evaluate a new idea: "If that is the answer, what is the question?"

Encourage the Discussion Group on Redesign (DGR) to take the lead in promoting selective proposals for redesign. Given the DGR's previous work-along with its success in bringing together groups with supposedly different outlooks and agendas-members suggested that the DGR is a good place to start. The DGR is the logical body to (1) assemble a list of existing redesign ideas, (2) rate their level of consensus, (3) select a manageable handful of those ideas and (4) enlist the aid of the groups who proposed them in coalescing support around them and developing proposed legislation to implement them.

Much more must occur than simply identifying proposals with consensus. Obviously, such statements of agreement as the DGR could initiate offer no guarantee of success, given its experience with its own proposals in 2011, members noted. An individual organization already strongly advocating for a given change could highlight DGR support. Members of the mass media will likely cover DGR recommendations. A few media representatives already are showing great interest. One possibility is that the DGR might give wide circulation to a report prior to approval, possibly inviting signatures of support.

The Civic Caucus can continue to play its role by interviewing persons about the DGR report circulating information about those interviews among 3,500 participants, inviting their response. The Civic Caucus also could invite its participants for signatures of support.

New ideas, even those that seem most laudable, inevitably encounter opposition . We shouldn't kid ourselves about the difficulties to be encountered, a member said. This member noted that high-power, bi-partisan support has been present for the last two or three legislative sessions for vastly expanding opportunities for early childhood education, which clearly represents a program of redesign. Nevertheless, little action has occurred to date.