Can we get this right?

Power, Influence, and Motivations for Coherence

Mark A. Jamison
Director
Who controls regulation?

- Politicians
- Industry/operators
- Regulatory agency
- Media
- Bankers
- Donor organizations (e.g., World Bank)
It depends...

At start
- Politicians
- Industry/operator
- Bankers
- Donor organizations (e.g., World Bank)

Later Add
- Agency
- Consultants
- New interest groups
- Media
- Other regulators

And perspectives change!
All organizations are perfectly aligned to get the results they get

• Arthur W. Jones

But people may or may not get what they want
Normative View

• Regulation as response to market failure
  ▪ But the market system performs as designed
  ▪ Some people don’t like outcomes
Market for regulation

• Market failure for regulation?
  ▪ If some don’t like outcome
  ▪ But performs according to design

• Political trade-offs
  ▪ Size of economy
  ▪ Re-distributing output
How do we adapt our system?

Change is a continuing condition: The future holds more unknowns than it does certainties. “Reset” means that we develop fresh perspectives and knowledge about the future, while holding in trust the wisdom of the past.

1. Focus on Next practices, not Best practices.

2. Focus on Why rather than on What.

3. Focus on Leadership, not on Leading.

(Mark Jamison and Araceli Castañeda, The Electricity Journal, 2011)
What Regulators Do

What is important?
• Politics
• Negotiation
• Facilitation

What is possible?
• Engineering
• Economics
• Finance
• Law

How can we do it?
• Leading
• Management
• Administration
Leadership in Infrastructure Policy

Infrastructure Governance

Owners/Citizens

Policy Makers

Commissioners

Regulatory Agency

Operators

Board

CEO and Execs

Operator

Customers

For
Price Setting
Quality
Market Conduct

For
Financial performance

Communication
Authority
Accountability
Communication
Authority
Accountability