1. INTRODUCTION

The main intention of this volume has been to advocate and to illustrate the usefulness of multiple criteria decision methods in macroeconomic planning with conflicting goals. At this point, we do not want to summarise or to evaluate the separate contributions to this volume. Instead, in this chapter, we will formulate a series of important general ideas and lessons concerning the use and operationalisation of multiple criteria decision methods in macro-economic planning. In addition, more explicit attention will be devoted to a brief listing of potentially rewarding research areas, with an emphasis on problems concerning the operationalisation of multiple criteria decision methods.

2. GENERAL IDEAS AND LESSONS

The use of multiple criteria decision methods in macro-economic planning as opposed to the use of single criteria decision methods sheds both new light on old problems and uncovers a series of new problems. In this section, we summarise a series of insights with respect to the problem of optimality, the problem of expressing and modelling preferences and the problem of selecting an appropriate multiple criteria decision method.

a) Optimality is often far away

Many analytical approaches aim at providing optimal solutions. In order to reach this target, these approaches should be able to indicate the boundaries within which policy decisions can be made, the tradeoffs inherent in choosing alternative solutions, the impacts of policy measures on a set of relevant policy objectives, the possibilities for a communication between experts or planners and decision...
makers, and the sensitivity for changes in the spatial scale, the time horizon, or the level of measurement of variables. Such methodological conditions are, however, hardly fulfilled in practice, so that the determination and the judgement of the optimal state of the system is often an illusion. Consequently, many programming approaches have only a limited validity in policy analysis. That also explains why - instead of optimality analysis - impact analyses, effectiveness analyses, and strategic choice analyses have increasingly received much attention. In such analyses, much more emphasis is placed on policy objectives, policy instruments, conflict management and compromise principles. Likewise, multiple criteria decision methods generally take for granted that modern approaches to planning and policy analysis do not necessarily require an unambiguous solution that represents once and for all the optimal state of the system concerned, but rather is directed towards the process character of planning. The primary purpose of multiple criteria decision methods is not to provide 'best' or 'optimal' solutions (although formally speaking, such solutions can be provided by these models); the major advantage of these models is that they help to structure and systematise the planning process. Multiple criteria decision analysis helps to investigate what is wanted (the preferences) and what is possible (the policy alternatives), and their mutual relationships. As such, these methods provide an important learning tool, both for policy makers and analysts. Furthermore, these methods help to investigate conflicts of interest between different policy makers and possible others involved, thus serving as a flexible means of communication and as a tool for conflict analysis and negotiation.

b) Objectives are hard to catch

Many multiple criteria decision methods are based on the assumption that a set of well-specified objectives is given. However, in most - if not all - practical applications, it turns out that no precise definitions of the objectives exist. First of all, it is not always easy to identify the policy maker(s) and all other parties and interest groups involved. And even if they can be identified, the objectives and policy constraints can still not easily be identified - and certainly not at the beginning of the planning process. Of course, notably in macro-economic planning, official reports and documents do exist which may give some indications but these are often defined in a fuzzy way and leave room for different and possibly conflicting interpretations when operational objectives and policy constraints have to