Crossing Boundaries

OPENING THE E-GOVERNMENT FILE: Governing in the 21st Century

Results of the Crossing Boundaries Cross-Country Tour

By Reg Alcock

and

Donald G. Lenihan

Changing Government
Volume 2

January 2001

ISBN 0-9687210-1-X

Centre for Collaborative Government

The Centre for Collaborative Government is a Canadian public interest research organization. Its mission is to promote more effective management of the interdependence between government departments, levels of government or government and the private or third sectors. The Centre advances public dialogue and research on public management and governance through a Canada-wide network of associates. The Centre for Collaborative Government is a division of Kaufman, Thomas & Associates, Inc.

Centre pour la collaboration gouvernementale

Le Centre pour la collaboration gouvernementale est un organisme de recherche canadien voué à l'intérêt public. Sa mission est de promouvoir une gestion plus efficace des liens d'interdépendance entre les différents ministères d'un même gouvernement, entre les différents gouvernements d'une même fédération, et entre les gouvernements et les acteurs des secteurs privés et associatifs. À travers son réseau de partenaires partout au Canada, le Centre s'emploie à susciter la recherche et le dialogue en matière de gestion et d'administration publique. Le Centre pour la collaboration gouvernementale est une division de Kaufman, Thomas et Associés, inc.

90 rue Sparks Street, Suite/Bureau 606
Ottawa, Ontario, K1P 5B4 Canada
Tel./Tél. : (613) 594-4795
Fax : (613) 594-5925
e-mail/courriel : main@collaborativegovernment.com
web : www.collaborativegovernment.com

Opening the E-government File: Governing in the 21st Century

Results of the Crossing Boundaries Cross-Country Tour

A Discussion Paper

By

Reg Alcock

and

Donald G. Lenihan

January 2001

About the Authors

Reg Alcock is currently serving his third term as the Member of Parliament for Winnipeg South. He is a recognized authority on how information technology and tools impact government and the broader public sector and he has actively researched and consulted on this subject for over 10 years. He holds a Masters of Public Administration from Harvard University and is a member of the Harvard Policy Group at John F. Kennedy School of Government.

Donald G. Lenihan is the Director of the Centre for Collaborative Government and has over 20 years experience as a researcher and analyst on public administration and government. Formerly the Director of Research at the Institute for Public Administration of Canada, he is also the author of numerous publications on contemporary issues in Canadian public administration.

Changing Government

Since its formation in 1999, the Centre for Collaborative Government has coordinated several national partnership initiatives to research and advance understanding on a variety of leading issues in governance and public sector management.

This is the second in our new Changing Government series which communicates the ideas and research to people working at all levels of government, the private sector and other public sector institutions. Future releases in the series will develop contemporary themes in public sector management and governance and will report on the outcomes of specific action-research projects.

This publication is available at no cost and can be ordered by contacting the Centre for Collaborative Government or by visiting: www.collaborativegovernment.com
Telephone: (613) 594-4795 Fax: (613) 594-5925 or email:
main@collaborativegovernment.com

Gouvernements en mutation

Depuis sa création en 1999, le Centre pour la collaboration gouvernementale a mis en œuvre, avec de nombreux partenaires, toute une série d'initiatives nationales de recherche afin d'approfondir certains des enjeux majeurs qui confrontent les gestionnaires du secteur public.

Il s'agit du second volume de notre nouvelle série Gouvernements en mutation, dont l'objectif est de transmettre ces idées et ces résultats de recherche à un auditoire plus large à tous les paliers de gouvernement, ainsi qu'au sein des sociétés privées et parapubliques. Les prochaines parutions porteront sur les enjeux contemporains de la gestion publique et rendra compte des conclusions de projet de recherche précis.

On peut se procurer Gouvernements en mutation gratuitement par l'entremise du Centre pour la collaboration gouvernementale. Il est aussi disponible sur notre site Web: www.collaborativegovernement.com. Téléphone: : (613) 594-4795. Télécopieur : (613) 594-5925. Courriel : main@collaborativegovernment.com

Contents

Introduction

The Project

In the Crossing Boundaries project, we set out to examine the impact of information technology on government. Advocates of electronic-government ("e-government") say that it will make government **faster and smarter**. They are probably right. But, for all the talk, there has been remarkably little clear discussion of how it will change government and, more specifically, how it will change governance. If we take "governance" here to refer to the ways that governments make decisions, "democratic governance" is about government decision-making that is open or public, accountable, transparent, fair, and respectful of individual privacy. This paper considers what e-government is, how it may change government, what that may mean for Canadians, and what must be done to ensure that e-government is not only faster, smarter government but also more open, accountable, transparent, fair, and respectful of individual privacy.

Democratic governance is about government decision-making that is open or public, accountable, ransparent, fair, and respectful of individual privacy.

The paper is a primer for the Crossing Boundaries conference, to be held March 28-30, 2001, in Ottawa. That event will unite elected officials, public servants, academics, journalists, and representatives of public-interest organizations to discuss ways to ensure that service delivery, governance and democracy are all strengthened within a single system of e-government. It will be the concluding stage in the Crossing Boundaries project, which aims at creating a more informed discussion of e-government in Canada.[1]

The Process

In the spring of 2000, four roundtable sessions were held in Ottawa, involving MPs, senior public servants, journalists, academics and representatives of public-interest organizations. These were followed in the fall by a cross-country tour to provincial capitals, where the paper's co-authors met with senior provincial and municipal officials, elected members of the legislatures, and other informed and interested individuals. In all, over 250 people participated. This paper is the result of those discussions.

Although much of what we heard in the roundtable discussions is reflected here, the paper's contents are the result of many discussions that we, as co-authors, had with each other, with individuals we encountered, and, of course, with participants during the project. We have systematized, organized, combined, elaborated and edited the views we heard at will. The document is a "think piece" rather than a report. Our intent was to frame some key issues in what we hoped would be a stimulating discussion paper that would provide the basis for an informed discussion at the national conference. Although we have drawn freely on the experience and ideas of many people, we cannot claim to speak for any of them. The views expressed here are the responsibility of the co-authors.

[1] The Crossing Boundaries 2 project is sponsored in part by 10 federal departments, including: Canada Customs and Revenue Agency, Department of Canadian Heritage, Department of Citizenship and Immigration, Health Canada, Human Resources Development Canada, Department of Finance, Industry Canada, Department of Intergovernmental Affairs, Department of Justice, and the Treasury Board Secretariat of Canada.

Framing the E-government Discussion: 1

What is Electronic Government

1.1 Some Views of E-government

The phrase "electronic government" has only recently come into common usage within government. What does it mean to those who use it?

Although no participant at the roundtables could provide a single, authoritative definition of e-government, more than a few seemed content to begin the discussion by saying that it is a way of making the delivery of government services more efficient by "integrating" or perhaps "clustering" them, and making them available through a single point of access on the Internet: the so-called **"single window"** that provides **"one-stop shopping."**

In places like Ontario, we were told, citizens have been able to renew licences, pay fees, and access information online for some time. Now the Government of Canada plans to have all federal services online (through the "Government On-Line" initiative) and accessible through a single electronic portal by 2004. The governments of Singapore, Australia, the United States and the United Kingdom have embarked on similar initiatives.

Although this vision of e-government sounded simple enough, as we examined the idea of **integrated services**, the complexity and richness of the e-government concept began to emerge.

A common example of integrated service involves entering a notice of change of address. If services were fully integrated, citizens would have to submit this to government only once. Government would assume the responsibility for distributing the information to all points in the system where it was needed. The more this was discussed, however, the more it seemed that meeting this condition would require the creation of a single, government-wide information system that crisscrossed internal departmental boundaries. As one participant noted, this would require the creation of a kind of "information super-system" that would transform government as we know it.

Some participants were inclined to embrace this vision, agreeing that e-government is about more than just the delivery of services. It is **information-based** government. In this view, e-government involves creating a series of overlapping information networks and encouraging the practice of information networking. It uses Internet technologies to connect the internal parts of government far more efficiently than ever before. Through such networks officials communicate across departmental or intergovernmental boundaries, exchanging ideas, sharing information, and providing expert advice to other parts of a public super-system, in ways and at speeds that far exceed what was possible even a few years ago. In short, e-government is **smart** government. It is government that is organized around the management and use of information. Smart government is essential in a society where information has become a cardinal resource.

E-government is smart government. It is government that is organized around the management and use of information. Smart government is essential in a society where information has become a cardinal resource.

Another participant expanded the vision, adding that smart government also implies a major increase in the **quality of information** that is available. Through most of the last century, she noted, governments tracked broad economic and social trends to help them develop better policies and programs. New high-powered communications and information technologies are vastly improving data collection, processing and integration. As a result, the quality and quantity of the data will improve exponentially in the coming years. This, in turn, should significantly improve government's capacity to track and predict trends, making it much smarter.

Another theme in the 'What is e-government?' discussion had to do with concepts such as transparency and openness. Because it makes information far more accessible to ordinary citizens, many

participants argued that e-government strengthens transparency and accountability. They concluded that e-government is therefore **democratically empowering**.

A variation on this theme was that e-government would strengthen direct democracy by allowing citizens to participate more directly in decision making through a variety of Internet-based tools, ranging from direct voting on issues to deliberative polling exercises in government chat rooms.

Participants also discussed the difference between **data and information**. According to one, data are the "bits" of information. On their own, they may be little more than numbers. Information, on the other hand, is data that has been organized in a way that makes it meaningful. Governments already have huge quantities of data, and dramatic increases are anticipated in the near future. 'At what stage will data and information be made available to citizens?' participants wondered. 'Who will do the job of integration? What will this mean for monitoring or understanding the work of government?'

In addition, participants more than once reminded us that, although single-window service delivery is the sexiest sibling spawned by the new technology, we should be alert to the massive though **less-visible changes it is bringing to other aspects of government**, including policy development, reporting, and program evaluation. Over the next decade, the new technology will transform all facets of government, from how it registers a change of address to how economic or social policy is made.

Although single-window service delivery is the sexiest sibling spawned by the new echnology, we should be alert to the massive though less-visible changes it is bringing to other aspects of government, including policy development, reporting, and program evaluation.

Finally, discussion of the relationship between e-government and democracy led some participants to speculate that we may be passing through an historical watershed. In this view, the Internet is a "transformational technology" on the scale of the printing press, steam engine or electricity. If so, e-government is about more than a change in service delivery, governance or even democracy. It is part of a fundamental change in the nature of society. **We are moving from the Industrial Age to the Information Age**.

1.2 Sorting the Issues

In confronting the diversity and scope of these views, it is hard to avoid the conclusion that, whatever e-government is, it is more than a tool for making government operations more effective or efficient. Our first task was to put some order to the views expressed. As we crossed the country, it became clear that four distinct but connected themes were winding their way through our efforts to understand and define e-government:

1. Getting to e-government involves more than changes to service delivery. It involves major changes to the **internal** organizational structure of government.

2. E-government will make vast quantities of new information available to citizens. It will also create powerful new tools to engage citizens more directly in governance. To the extent that this becomes so, e-government implies more than major changes to the internal organizational structure of government. It also implies major changes to the **external** part: its relationship with citizens and the practice of democracy.

3. The combined effect of these internal and external changes seems to be moving government toward a new **networking model** that does not conform to the old departmental one.

4. If a new model of government is emerging, the transition to e-government may be about more than just changes to the structure of government or the practice of democracy; it may be **part of a larger transformation in the nature of Canadian society**.

In confronting the diversity and scope of these views, it is hard to avoid the conclusion that, whatever e-government is, it is more than a tool for making government operations more effective or efficient.

These four themes surfaced repeatedly. So much so that we have organized both the conference and this discussion paper around them. Each provides a useful way of clustering many of the issues that were raised in the meetings.

The first theme groups together **internal governance issues** raised by the move to e-government. Effectively, it focuses attention on how to ensure that, if e-government requires a reorganization of the internal structure of government, the result will be government that is more transparent, accountable, open, fair, and respectful of privacy, while, for example, improving services by putting them online through a single window, or improving policy development by making it more horizontal.

The second theme launches what we call the **democracy discussion**, comprising external governance issues. It considers the implications for democracy of: (1) vastly increasing the amount and availability of information; and (2) the opportunities that the Internet creates for new or strengthened forms of citizen involvement in the political process.

The third set might be called **strategic issues**. These arise when we try to get a clearer answer to such questions as: 'Where is all this taking modern governments?' and 'What should we be doing to ensure the smoothest possible transition to a new kind of government involving new governance practices?'

Finally, the fourth theme challenges us to define what might be called a **post-industrial vision of a democratic society**. It results from taking seriously the claim that the Internet is a transformational technology on the scale of the printing press, steam engine or electricity.

2.1 Integration and the Problem of Boundaries

At one session, participants mused that the "citizen-in-the-street" might imagine a single window for government services as follows. The window opens on a large room that contains many people, all of whom have a designated job. The "client" goes to the window and speaks to the attendant, who then locates the person whose service is sought. The person appears and provides it. In the metaphor, the window is the electronic portal, the attendant is the government server, the large room is government, and the people are the services.

Participants agreed that, if this is anything like the popular understanding of a single window, it misleads in several respects. First, the idea of integrating or clustering services implies more than being able to access them all through a single window. A **single window should be more than a large directory**—a telephone book—of government services. For example, it should also minimize or eliminate duplication. Suppose that a citizen changes residences. He or she will need to communicate the new address to government. 'Why,' the person may ask, 'must I send this information to a number of different government sources, some of whom may even be housed in the same department? Why can't it be sent to a central place in government, which will then communicate it to the rest as needed?'

Integrated service delivery should seek to bring relevant services together—"cluster" them—around key needs so that citizens encounter government as a single, integrated whole, rather than a maze of programs and departments through which they must find their way.

Integrated service delivery should tackle such problems. It should seek to bring relevant services together—"cluster" them—around key needs so that citizens encounter government as a single, integrated whole, rather than a maze of programs and departments through which they must find their way.

Probably no one in the project would disagree that, in principle, this is a laudable goal. And most believe that Information and Communications Technologies (ICTs) could make more integrated services possible. But nearly everyone working on the e-government file also regards integration as a major challenge. The basic problem involves boundaries—those separating departments, governments and even the public sector from the third sector (non-government, not-for-profit organizations).

Modern government can be viewed as a complex machine composed of distinct parts. Although the parts are separate, they make up a single system in which **each part has its own role to play**. When all roles are played properly, the machine runs smoothly. This separation of roles and responsibilities is essential to preserving transparency, accountability and personal privacy. The information needs of every government program or service must be linked to specific responsibilities and supported by specific authorities. For example, if a person changes residences, the fact that Revenue Canada must have their new address is linked to its responsibility for administering income tax. This is unrelated to the fact that Foreign Affairs may also need the address so that it can mail out a passport.

In such a system, transparency is defined as being able to say how the parts are connected—what each role involves. Accountability is being able to say who did what, when, where and why. And privacy—as the federal Privacy Commissioner eloquently pointed out in one of our meetings—is protected by ensuring that personal information can be collected or accessed only by those whose roles require it and only insofar as their roles require it.

Fully integrating a range of services so that an individual only has to send a piece of information (such as a change of address) once, breaks down the separation of roles and responsibilities. It requires that there be an agent who receives the information, is connected to all those points where

the information is required, is aware of their needs, and finally, has the authority to supply information when appropriate. By definition, such an agent transcends traditional departmental boundaries. It involves the creation of a kind of information super-system.

Insofar as integration requires that boundaries be broken down in order to create a super-system, it raises questions about the kind of government that will result. On the other hand, as these boundaries continue to exist, they represent a significant challenge to improving services through e-government.

Insofar as integration requires that boundaries be broken down in order to create a super-system, it raises questions about the kind of government that will result. On the other hand, as these boundaries continue to exist, they represent a significant challenge to improving services through e-government.

2.2 From Service Delivery to Governance

This tension was widely discussed in the roundtables. Participants recognized that modern democratic governments have evolved a complex set of structures, practices and arrangements to ensure that their decision making and operations are **open, transparent, accountable, fair, and respectful of personal privacy**. Most agreed that the move to e-government was already having a major impact on these systems and practices.

Most notably, the new technology is making information about government operations and decision making more available. Governments have less and less control over who knows what and when. Participants generally agreed that this makes government more open.

On the other hand, participants worried that huge **new databases** resulting from integration may make government more efficient and effective in service delivery or policy development but at a **possible cost to individual privacy**. Almost everyone treated this as a serious concern. Nevertheless, most felt that citizens would support the creation of such databases if: (a) they understood the benefits that might flow from integrated government; and (b) they felt confident that personal information was secure.

In a similar vein, participants did not see any obvious reason to conclude that ICTs will automatically lead to fairer government. This is certainly a possible result. But ensuring that e-government is fair will require vigilance when designing the systems and practices on which it rests.

Ensuring that e-government is fair will require vigilance when designing the systems and practices on which it rests.

By contrast, participants seemed divided on whether ICTs are making government more transparent or accountable. On one hand, **some thought that greater openness or availability of information implies greater transparency and accountability. Others disagreed**. They pointed out that transparency assumes that the rationale behind a decision is clear. Although the information associated with a decision or resulting from it may be available, this does not yet ensure transparency. It may still be unclear why the decision was made or by whom. Similarly, the fact that information may be available, and someone (such as a minister) can be called to account regarding it, does not ensure that such a person actually can provide an account of what happened. That will be the case only if the system is transparent enough to determine what happened.

In our discussions it quickly became clear that, although e-government began as an initiative to improve service delivery, for most it now appears that this will include a major reorganization of internal governance arrangements. As one observer summed it up, integrated service delivery is the thin edge of a large governance wedge.

Some participants resisted this conclusion, questioning whether it exaggerates the consequences of an initiative like Government On-Line (GOL). 'Does e-government really challenge traditional approaches to transparency, accountability or personal privacy?' they wondered. Roles and responsibilities—whether of departments or their subparts—have always been interdependent to some degree. Nevertheless, the fuzziness between them can be managed. At the departmental level this is usually done by central agencies. Within departments it is done by arranging the parts

hierarchically so that there is always someone above who is responsible for coordinating the movement of the parts below. Why can't we continue as we have always done?

Many participants thought that the combined effect of all these changes would be to make the parts of government far more interdependent than anything we have seen in the past.

If only a few services were at issue, the impact on systems that support governance might be marginal enough to be ignored. However, initiatives such as GOL aim at putting **the whole of government services online**. This is happening at the same time as exponential growth in the use of ICTs in other key areas of government activity besides service delivery. Indeed, some of the most important changes under way lie elsewhere. The fact that they may be less visible does not mean that they are less important in the evolution of e-government. Many participants thought that the combined effect of all these changes would be to make the parts of government far more interdependent than anything we have seen in the past.

2.3 How ICTs are Changing What Governments Do

We can sketch a broader context for assessing the impact of ICTs on government by considering ways that they are affecting government management cycle. The management cycle is composed of four stages:

- planning
- implementing
- reporting
- evaluating

It begins with reflection about what needs to be done—some planning. At some point, a decision is made. Priorities and objectives are set, new policies defined. Step two is to implement the policy decisions, perhaps by creating a program or service or enacting a law or regulation. This too requires decision making as there is usually more than one way that a policy goal can be pursued. The third stage in the cycle is reporting. Again, choices must be made. There are many different ways to report on an activity. Finally, an assessment of the effectiveness and the value of the program, service or measure must be made. Usually, this is based in part on the reporting stage. Evaluation should terminate with a decision whether the program, service or measure is a good one or whether and how it might be improved.

Taken together, the four stages constitute a cycle because completion of the evaluation stage returns us to the planning stage—and the beginning of a new cycle. If everything has gone well, we should be more informed than the first time around. Some learning will have occurred. This means that the various stages of the last cycle can be improved, thereby improving the process. For example, we may sharpen goals set at the planning stage, adopt new approaches to implementation, or refine how we report or evaluate. Ideally, every time the cycle is repeated, learning occurs and the succession of cycles becomes an upward spiral of **continuous learning and improvement**.

Notoriously, however, governments have not been very good at perfecting the upward spiral. Nevertheless, many of our participants expressed the hope that ICTs will not only make government faster but will also improve its capacity to learn, thereby making it smarter. To see why this might be true, let's briefly examine how ICTs are changing what goes on within the cycle.

PLANNING: Perhaps the biggest change at the planning stage involves the shift to a more horizontal or government-wide approach to policy development. The field of health policy provides a convenient example. Traditionally, health policy was largely reactive and tended to focus on curing illness. In recent years, the focus has widened; health policy in most governments now aims at promoting wellness or well-being. Saskatchewan provides a good example. We heard from participants there that, although wellness includes curing illness, it is a much richer concept that also includes a proactive approach to being and remaining healthy. This involves identifying so-called "health

determinants" or the conditions that bring about and sustain good health. These can include environmental factors, sports and recreation, diet, stress levels, education, etc. As should be evident, these go beyond the traditional areas of action and expertise in health departments. Promoting well-being assumes an interdepartmental approach that requires coordination, collaboration and sharing of information and knowledge across government.

Current ICT networks make such an approach much easier and more effective than it was even a decade ago. In addition, the remarkable processing power of current and emerging technologies allows huge amounts of data to be integrated and mined. This enhances government's capacity to identify and monitor longer-term social trends that may contribute to or challenge the promotion of overall wellness in a community. Such developments are radically changing the way governments plan and make policy.

IMPLEMENTING: From the viewpoint of citizens, perhaps the most obvious way that ICTs are changing government is in the way that it delivers services. The federal government's current Government On-Line initiative is one example. As earlier noted, by 2004 Canadians are supposed to be able to access all government services through a single electronic portal. Service New Brunswick is another example of online services. Of course, this is not the only way that ICTs may change implementation. For example, the idea of creating a national health information system may involve integrating a patient's entire health record within a single data source and storing it on a "smart card." In principle, this means any doctor treating the patient could be given access to the patient's complete medical history, including a record of all prescription drugs purchased, a list of all other physicians consulted, etc. Making such knowledge available to doctors could significantly change the way they provide health services.

REPORTING: ICTs are revolutionizing the way governments report. This is not just a matter of putting reports online. For one thing, in recent years, most governments have shifted to so-called results-based management and reporting. This means that a basic task of managing, for example, a program is: (a) to define the objective it is supposed to achieve; and (b) to select some measures or indicators that will allow the manager to evaluate whether the program has achieved the outcome. Accordingly, reporting is increasingly about the degree of success in achieving the outcome. The richer and more reliable are the data sources available, the more sophisticated the measures can be. With high-powered data machines, we can expect performance measurement to become far more reliable in coming years.

Secondly, governments and citizens seem to agree that exponential growth in government's capacity to collect, integrate and transmit information implies a responsibility to make information more available to citizens, and to do so in a variety of forms. Within government, there is much discussion about how to use the new technology to make policy and program information more accessible and transparent in order to make government more accountable and open. Discussion ranges from proposals to design powerful new search engines that would allow citizens to mine and integrate vast ranges of government data according to their own interests, to sophisticated new approaches to "horizontal" reporting.

The latter is particularly important to the management cycle. The more governments plan horizontally, the more they must be able to report horizontally. This requires coordination of data and information from a wide variety of sources across government. ICTs are a critical tool for integrating and managing large, diverse data sources. An example of such an initiative was provided at the Alberta roundtable where officials told us of their government's Long Range Planning System. In that system, a number of long-term, government-wide goals have been identified. Shorter-term program goals are supposed to be chosen and assessed partly in terms of their capacity to contribute to the longer-term ones. This is supposed to ensure that the broader, longer-term goals remain a

constant and clear focus of government policies and programs. Tracking progress on the government-wide goals requires the collection and integration of data from across government.

EVALUATING: As with reporting, ICTs are extremely important in the evaluation phase of the management cycle. Good performance measurement requires sophisticated data, which is often drawn from a number of sources. Integration and processing of this data is only possible with high-powered communication and information technology. Moreover, as we saw with Alberta's Long Range Planning System, governments are increasingly tracking progress on broader government-wide or "societal outcomes" such as cleaner air, a healthier population or safer communities, to assess the value and effectiveness of programs that are supposed to contribute to such outcomes. Tracking the movement of Canadian society toward (or away from) these outcomes is a complex affair that requires powerful and sophisticated information systems. Over the last 50 years, data sources like Statistics Canada have become vital sources of information for program analysis and evaluation. The new ICTs can be expected to make agencies such as Stats Can incomparably more sophisticated and important.

If there is an overarching theme in this brief account of the impact of ICTs on the management cycle, it is that they are **making government more "horizontal" or holistic in the way it thinks and acts**. As should be clear from the comments, however, ICTs are not solely responsible for this. The application of the new technology to the various tasks described is closely linked to a recent change in the management philosophy of government. At bottom, this involves a shift in emphasis away from process and onto results.

2.3 Accountability and Transparency through Results

ICTs are making government more "horizontal" or holistic in the way it thinks and acts.

In recent years, many governments in OECD countries have adopted a **results-based approach** to planning, implementing, reporting and evaluating. This requires that departments identify the strategic objectives they want to achieve, organize policies and programs into core business lines that support strategic objectives, set clear sub-objectives for policies and programs, and adopt performance measures to assess their effectiveness. The new approach is supposed to:

- clarify the purpose of a department's programs and services;
- ensure that they reflect and are responsive to client or citizen needs;
- ensure that they support the department's strategic directions;
- provide feedback to management and staff on the quality and effectiveness of programs and services, thus allowing for adjustment and improvements;
- ensure that they are delivered as efficiently and effectively as possible; and
- strengthen government accountability to legislatures through improved reporting.

The shift to a results-based approach affects more than management practices. It is also having a major impact on the understanding of concepts like accountability and transparency. Where the traditional approach views government as a complex machine made up of distinct parts, the results-based approach puts less emphasis on clearly defining and separating specific roles. Instead, agents are assigned responsibility for producing outcomes or results. Progress toward the **outcomes** is assessed using a set of performance indicators, which also must be assigned.

Focusing on the achievement of results rather than the playing of roles leaves the individual freer to make choices about how to achieve the goals. Accordingly, roles are regarded as more flexible. This does not mean agents can act in any way they wish, as long as they achieve outcomes. Results-based approaches do not dispense with roles, rather roles and outcomes are viewed as opposite ends of a single performance continuum. A results-based approach shifts the emphasis more toward results

and away from roles, on the assumption that traditional views of government are too focused on process—the performance of roles—and not focused enough on the achievement of results.

Organizing around results suggests new ways of thinking about the transparency and accountability of governance systems that may be helpful in dealing with the deepening interdependence of separate parts of government brought on by ICTs. **Results-based transparency** shifts the emphasis away from how the parts are connected—how each role is defined—and focuses instead on the contribution that a particular set of outcomes makes to larger department- or government-wide goals, usually defined in a strategic plan. **Results-based accountability** is less about being able to say what, where and why someone did something in the performance of a role, and more about saying whether their overall performance has contributed to the larger strategic goals. This will be determined by appealing to the agreed-upon measures.

2.4 What Sort of Government is Emerging?

Our discussion of new results-based tools with participants provoked some interesting observations about how transparency and accountability should be secured in e-government. Repeatedly we heard stories of officials at all levels that engage in joint planning, implementing, reporting and evaluating exercises with colleagues in other departments, supported by ICT networks. Such networks, we were told, are usually organized around common commitments to a shared outcome. Most everyone seemed to agree that the proliferation of such arrangements was making the parts of government more and more interdependent.

The picture of government that emerged from the discussions is one in which boundaries that separate departments, governments and sectors are already far more diffuse and unclear than a decade ago.

This interdependence is spreading to include levels of government as well as the private and third sectors. Provincial officials across the country told us of discussions with federal counterparts to identify service areas where collaboration might be possible. Similarly, municipal representatives at many meetings spoke matter-of-factly about major service delivery partnerships with provincial counterparts at the same table. As a result, the picture of government that emerged from the discussions is one in which boundaries that separate departments, governments and sectors are already far more diffuse and unclear than a decade ago—a trend that all agreed will continue.

Despite this, few if any participants saw an obvious reason to conclude that a choice must be made between more efficient and effective government, on one hand, and meeting traditional governance commitments, on the other. Even the federal Privacy Commissioner—a cautious overseer of integrated service delivery—was optimistic about the prospects of greatly improving services while protecting governance values such as privacy. Most accepted that, even if it is true that ICTs put in question the traditional systems supporting transparence and accountability, it doesn't follow that the values themselves must be abandoned. As our sketch of results-based approaches shows, there are other ways of realizing them.

Properly designed and implemented, e-government can be a huge opportunity to strengthen commitments to values like transparency, openness or accountability.

Although everyone agreed that more reflection, discussion and debate are needed here, most also felt that much progress had already been made on the development and use of alternative governance arrangements. Many participants were convinced that, properly designed and implemented, e-government was in fact a huge opportunity to strengthen commitments to values like transparency, openness or accountability.

The External Impact of E-government

3.1 Launching the Democracy Discussion

So far, discussion has focused on how e-government creates pressure on governments to reorganize to meet particular challenges for strengthening transparency, openness, accountability, fairness, and personal privacy. Important as this theme is, however, it leaves a huge part of the e-government equation unresolved. What about citizens? Where do they fit into these calculations? How might ICTs affect their role in democratic decision making?

This theme surfaced many times and even during more arcane discussions of, for example, transparency in government, it was never far from the surface. Recent "direct democracy" experiences with the Internet, ranging from chat rooms to the near-spontaneous emergence of political demonstrations and coalitions, were of particular interest to our participants. Over the course of the project, a wide-ranging discussion of ICTs and direct democracy has taken place. We give here only a summary account of some key issues raised.

3.2 The Digital Divide

One concern expressed by participants regarding the impact of ICTs on democracy rests on the so-called "digital divide." At present, demographic and socio-economic factors are contributing to a worrying gap between those who are familiar with and have access to the new technology and those who do not. Insofar as governance becomes more dependent upon information available on the Internet, and participation in Internet-based networks or technology-based interaction with government, the voices of those who do not have access to or familiarity with the new technology may be increasingly marginalized in public debate.

As governance becomes more dependent upon information available on the Internet, and participation in Internet-based networks or technology-based interaction with government, the voices of those who do not have access to or familiarity with the new technology may be increasingly marginalized in public debate.

As a number of participants remarked, members of this group tend to share a particular demographic profile as older citizens or to be among the lower-income, lower-educated and more economically dependent members of society. These latter in particular are members of a group whose voices are already marginalized. Participants worried about the extent to which the digital divide might deepen. Initiatives such as the federal government's SchoolNet program, which aims at wiring schools and public libraries, were seen as positive responses, but many wondered whether that would be sufficient to erase the digital divide.

3.3 Mobilizing Citizens through the Internet

In the Ottawa roundtables, participants were intrigued by one presenter's story. She had helped orchestrate an Internet-based, citizen-led campaign against the Government of Ontario's proposed amalgamation of a number of Greater Toronto Area municipalities. The campaign ended in an unofficial referendum involving tens of thousands of residents that rejected the government's plan. Participants debated whether such political mobilization was likely to increase in the future and, if so, what it might mean for the future of representative democracy.

Parallels between the Toronto campaign and recent demonstrations against the World Trade Organization in Seattle and Washington were drawn. Some wondered how widespread such Internet-based, networking systems were, how spontaneously they arose, whether such use of the Internet would grow quickly, and whether there might be a natural limit on the number of interested citizens that could be enlisted in a cause in this way.

In the end, participants were uncertain about what lessons should be drawn from such experiences; or what, if anything, they suggested about the future. Some argued that the Internet would become a major new avenue for direct democracy; others disagreed or felt that it was simply too early to

decide. Almost all agreed that greater attention should be trained on this side of the Internet and its potential impact on democracy.

3.4 Other Internet-based Opportunities

The issue of **"push-button democracy"** also spurred discussion. Almost no one took the unqualified view that widespread use of electronic voting on public policy issues would strengthen democracy. By and large, participants felt that complex public policy issues require a more deliberative approach. Asking people to provide a simple yes or no on many issues would be unlikely to lead to good governance.

Nevertheless, if participants saw in this a reaffirmation of the role of elected officials (whose job it is to represent their constituents in such debates), most also believed that the new technology holds much promise for involving the public more directly in governance. For example, government-sponsored Internet chat rooms or discussion forums might be designed to involve citizens in interactive policy discussions that would contribute to the formation of public policy.

At least one elected official felt that the tendency to dismiss electronic voting as "too populist" was itself a kind of paternalistic elitism. Although this official did not condone simple "push-button democracy," he insisted that, as the technology to provide such responses becomes universally accessible, democratic societies such as Canada are unlikely to be able to resist pressures to introduce it. In his view, however, citizens can be expected to rise to the challenge more readily than most participants suggested. A combination of rational self-interest and civic mindedness will encourage them to take their new role in decision making seriously and to inform themselves more completely than in the past. At the same time, if political leaders were to use the new technology to promote more deliberate ways of involving the public in policy debate, the overall result might be to strengthen democracy. However, according to this same official, this raises another issue concerning the respective roles of public servants and parliamentarians in engaging the public.

If political leaders were to use the new technology to promote more deliberate ways of involving the public in policy debate, the overall result might be to strengthen democracy.

3.5 Citizen Engagement: Direct vs. Representative Democracy

Public-involvement processes have always played a role in government planning. They serve a variety of purposes, such as testing ideas or building awareness. In recent years, public involvement has become a higher priority for many governments. This reflects their recognition that citizens are more educated and aware, and that they desire a more meaningful role in governance.

In addition, in recent years a variety of new tools and methods for facilitating public involvement have been introduced. These include, for example, new communications and Internet technologies, sophisticated new methods of **"deliberative polling,"** and the use of community-based partnerships in which citizens become directly involved in the design and delivery of programs and services. In terms of public involvement, the remarkable thing about these new **management tools** is that they can also serve as **instruments of governance**. For example, by vastly increasing government's capacity to dialogue with citizens, ICTs create new opportunities for involving citizens in deliberative exercises that influence the policy process and ultimately decision making.

New tools such as these extend the range and scope of traditional public involvement processes. This can be expected to affect the relationship between parliamentarians, ministers and the public. Traditionally, this relationship was viewed rather simply: ministers conferred with parliamentarians on the direction and shape of policy; parliamentarians represented their constituents' views to the minister who, ultimately, made a decision. The administrative side was then supposed to implement such decisions through the development of programs, services and regulations.

Although this division of labour is still basic to our system of government, the new tools may lead to greater public-service involvement in the first part of the policy process. Some parliamentarians

in the Ottawa sessions expressed concern over this development. They recalled that they had been elected to represent Canadians (their constituents) in such discussions. They worried that, if public servants directly engage Canadians on these issues, their role could be reduced. At the same time, they acknowledged that their relatively small numbers and hectic schedules limited their ability to respond directly to Cabinet's need for informed representation of the public's views.

An open and informed discussion between MPs and public servants on roles and responsibilities might build understanding and trust, and help identify issues that should be addressed.

Innovative uses of ICTs, combined with a growing desire on the part of citizens for a more direct role in governance, suggest that public involvement in governance is likely to increase. Participants felt that it is important to consider what impact these changes may have on the future relationship between the elected and appointed arms of government, and how these processes might be used to support the role of elected officials. 'Could parliamentarians lead such public-service initiatives?' wondered one participant. Many participants felt that an open and informed discussion between MPs and public servants on roles and responsibilities might build understanding and trust, and help identify issues that should be addressed.

3.6 Crossing the Boundary Between Government and Citizens

Some participants thought there was a more fundamental level on which ICTs may have an impact on the practice of democracy. Basically, they argued that a vast increase in the availability of information would introduce a new dynamic into government decision-making.

In this view, existing commitments to openness, transparency, accountability and fairness are less than complete. Many key decision-making processes within government remain beyond public scrutiny. By increasing the amount of available information on government, ICTs will result in new light being shed on these still-dark corners. As internal processes are uncovered, citizens will demand greater accountability from government, and greater participation in decision making. In one session, discussion of this issue raised an interesting and far-reaching point.

We have already seen that most officials working on the e-government file now recognize that integrated service delivery requires a reorganization of internal governance arrangements. Interestingly, however, much discussion around this issue suggests that more than a few fail to fully appreciate the consequences of a major increase in citizens' awareness of, and desire to be involved in, governance processes. These officials assume that the "boundary question" applies mainly to departments and, perhaps, other levels of government.

In the same way that e-government tends to dissolve the boundaries within government, it may also dissolve the boundaries between government and citizens.

But insofar as citizens view the increased availability of information as an invitation to play a greater role in governance, they will be putting new pressure on government to dissolve the boundary that separates the inside and outside of government, or government from citizens. To the extent that they are successful, a unilateral effort to reorganize will no longer be a viable response to the internal challenges posed by integration; citizens will insist on a greater voice in the new arrangements as well as in the process of reorganization. In the same way that e-government tends to dissolve the boundaries within government, it may also dissolve the boundaries between government and citizens.

Is the Departmental Model a Relic of the Past?

4.1 Looking for the Big Picture

If the combined result of the internal and external impact of ICTs on government is leading to dissolution of its internal and external boundaries, how should we imagine the end result? Is there a "big picture" that helps put things in focus?

In an effort to answer such questions, we tried the following storyline in a number of sessions. Future historians, we speculated, will look back on the current period as one of intense change for modern governments. A key driver of that change, they will likely say, was information technology. Perhaps they will also say that by 2005 it was clear that ICTs had caused a fundamental change in the organizational structure of government. Indeed, the centre of gravity within governments had shifted away from the old departmental model, a relic of the Industrial Age, to a new networking model, a product of the Information Age. We concluded these sessions by challenging participants to imagine what such a government might look like.

A very stimulating exchange on this topic occurred in Alberta, where the use of results-based tools is well established. In that government, not only are outcomes defined at the program level, but the Province has also established a set of government-wide indicators through a program entitled Alberta Measures Up. Participants at the roundtable ventured into new territory by expanding this approach and speculating what a government without departments might look like.

Such a government, it was suggested, might be organized around government-wide outcomes instead of departments. These might include wellness, sustainable development and a highly educated workforce. Insofar as members of the government network all shared a commitment to common goals, they could engage one another through partnerships promoting these goals. Insofar as they had a particular responsibility for promoting one goal, they could focus on it. Democratic governance values such as transparency could be preserved in such an arrangement through a focus on results and results measures.

'How would such a government work?' we wondered. 'How different would it be from the existing one? Would it amount to a government without borders?'

4.2 Two Models of Government

Information-based networks are fast becoming an organizational structure within an organizational structure, a system within a system.

Modern government is organized into a system of departments and agencies with well-defined boundaries. By contrast, e-government is a system of information networks. In Canada, these networks are growing at an exponential rate. As they proliferate, they are creating a new kind of infrastructure, one that conforms less and less to existing government boundaries. Indeed, information-based networks are fast becoming an organizational structure within an organizational structure, a system within a system. Old and new have co-existed reasonably well so far, but countries such as Canada may be passing through a threshold where the government's centre of gravity is shifting from the old **departmental** model to a new **networking** model.

The departmental model rests on the assumption that, for government's purposes, the world can be divided up into relatively distinct policy areas that can be approached as relatively self-contained. Health, education, justice and labour may be examples. Departments are created to manage these policy fields and to administer the policies and programs determined to fall within their jurisdictions.

Departments themselves are organized on similar logic. They are subdivided into relatively distinct policy areas within the larger area (such as post-secondary vs. primary education), as well as by functions (such as policy vs. operations). Internally, departments are arranged hierarchically with each level containing numerous subdivisions of its own. As we have already seen, the basic idea behind modern government is that the parts are relatively separable. Every person has an assigned role and every role has an assigned place.

Networks are fundamentally different kinds of organizations. They do not have tops and bottoms. Nor are they easily divisible into separate parts with assignable functions. In an information network, for example, each participant connects in a variety of ways with other members of the network, sharing and receiving information from them in ways that change easily and often.

The natural organizational model for ICTs is the network. The growth and development of information-based networks tends to be spontaneous and far less managed than departmental systems. People join, leave and rejoin for many reasons. Different networks overlap and merge as they develop.

This is not to deny that information-based networks can be planned, managed and made to conform to departmental boundaries. Participants reminded us that many began as intradepartmental systems. But the more diffuse ICT networks become, the more difficult it is to control and manage their growth. Increasingly, **they deepen interdependence** as they spread out across departments, levels of government and, ultimately, the boundaries between the public, private and third sectors as the people and information that compose them connect in new and unforeseen ways. Indeed, one of the virtues of networks is their tendency to self-organize in creative and unexpected ways.

Departments and e-networks are two fundamentally different ways of organizing people and information.

Having pieced this argument together from things we heard in some of the sessions, eventually we drew the conclusion that **departments and e-networks are two fundamentally different ways of organizing people and information**.

4.3 Transition Between the Two Models: The Need for a Strategy?

Everything we heard suggests that increasingly governments can be expected to operate through networks and that they will become more and more committed to a horizontal approach. Yet as long as the departmental model remains the official one, officials must continue to speak, plan and implement on the basis of that model. This raised a serious question: 'How long can the two structures co-exist?'

An obvious issue concerns jurisdictional distinctions. The division of responsibilities between the two levels of government in the 1867 Constitution, for example, was clearly designed around a departmental vision of government. Not surprisingly, the Fathers of Confederation could not have foreseen current developments. Already in Canadian history we have seen the "watertight" compartments of that approach break down. With the rise of the welfare state in the post-war period, governments became far more active in social policy areas. At the same time, Canadian society was becoming more complex and governments began to think more holistically than they had in a previous era. As a result, there was a marked increase in interdependence between levels of government. Managing that interdependence has been a preoccupation ever since.

E-government appears to ride a new wave of interdependence-this time with vastly greater complexity and depth. How should governments respond to this? Should they be developing a strategy or comprehensive plan to facilitate the transition from the departmental to a networking model of government? Will jurisdictional issues affect efforts to develop such a plan? How will it accommodate current commitments to transparency, accountability, openness or privacy as the boundaries

between governments, the private and third sectors dissolve? Who should be responsible for developing such a plan? How much should be left to the public services?

More than a few of our participants wondered about such questions. A particularly lively exchange in Regina led some to the conclusion that the old departmental model may already be a hindrance to growth and progress—a major source of inertia preventing more effective networking arrangements from developing. Over the course of the project, discussions such as this have raised a number of options and issues surrounding the possible development of a strategic plan for facilitating a transition.

4.4 Responding through Collaboration

As we heard in an Ottawa presentation, one strategy for responding to the kind of interdependence that networks create is to use **collaborative partnerships**. In effect, if two parties find that they are committed to achieving a common goal, they can join forces and work together to achieve it. Collaborative partnerships can be between departments, levels of government, government and the private or third sector, or government and communities. They are remarkable because they can be used in a networking environment both as **management tools and instruments of governance**.

Collaborative partnerships are remarkable because they can be used in a networking environment both as management tools and instruments of governance.

On one hand, partnerships are often described as management tools because they can lead to more responsive, efficient and effective program design and delivery. On the other hand, insofar as they require that decision-making authority be shared between the partners, they not only change the way programs and services are designed and delivered, they extend and deepen the results-based approach to accountability, openness and transparency.

Partnerships extend and deepen the **openness** of government by involving the two partners—other departments, governments or citizens—in joint decision making. By the same token, if both partners are genuinely engaged in decision making, they will not only understand but help determine the rationale behind it. This extends and deepens the meaning of **transparency**. Finally, because both partners are responsible for the quality of decision making, they must accept that they are **jointly accountable** for the outcomes they produce.

Creating partnership arrangements is more than a management decision about how to deliver services; it is at least implicitly a decision to opt for a new approach to governance.

Although the idea of shared decision making is unsettling—even threatening—to the modern view that government is a single machine composed of distinct parts, it is consistent with a results-based approach. Moreover, it is very much a part of recent trends in public administration. As some participants noted, not only is it central to efforts to respond to the increased horizontality within government (through interdepartmental and intergovernmental partnerships), it is also increasingly attractive as a means to respond to citizens' growing desire for a more meaningful role in governance (through community partnerships). Creating partnership arrangements is thus more than a management decision about how to deliver services; it is at least implicitly a decision to opt for a new approach to governance.

4.5 Further Issues

Although collaborative arrangements do not provide a full answer to the questions surrounding a possible transition to a networking model of government, they are very likely a central part of such an answer. What other fragments of a strategic plan exist? The Regina meeting concluded with remarks to the effect that, if a more comprehensive and articulate plan were to be developed, much discussion would be needed—particularly around a clearer identification of the impediments to change. Similar views were expressed in St. John's.

A first step might be to officially expand the discussion space around e-government. For example, many government initiatives in the ICT area define assigned tasks as improvements to "service delivery." Clearly, this is misleading. But does it prevent or constrain open debate and reflection? We received conflicting signals on this.

On one hand, some complained that the language of service delivery leaves officials in charge feeling uncomfortable about the governance implications of their work. They have an increasing awareness of the issues but no mandate to consider anything beyond improving services. As a result, we were told, discussion of the issues may be fragmented or unduly limited, may occur only in private, or may be overshadowed by the mandate's single-minded focus on improving the efficiency and effectiveness of services. On the other hand, many senior public servants involved in such initiatives seemed quite uninhibited about governance discussions, and at least one senior official thought the issue of mandates was a red herring.

In any event, even if narrow mandates are a constraint, simply providing a broader mandate is unlikely to be enough. Harvard Professor Jerry Mechling, the keynote speaker for the Ottawa roundtables, suggests that getting to e-government will involve much more than creating a single-window for service delivery. After years of research in this area, he has concerns about the prospects for success because "integrating" or "clustering" services requires a major rethinking of the organizational structure of government. This, in turn, requires strong political leadership from the centre. Such support is lacking in many governments with major ICT initiatives.

Participants echoed Mechling's concern. The more they explored the difficulties involved in integrating programs and services, the more convinced they were that realizing e-government will take strong leadership from duly-elected leaders. Ultimately, some drew the conclusion that the establishment of e-government in Canada should involve a Canada-wide initiative led by First Ministers. They are the only ones with the authority and legitimacy to effect major restructuring of governance systems across departmental or intergovernmental boundaries. For a particular government to leave this task in the hands of some other senior minister risks pitting him or her against other members of Cabinet whose authority or roles may be affected by government-wide restructuring.

Some participants drew the conclusion that the establishment of e-government in Canada should involve a Canada-wide initiative led by First Ministers. They are the only ones with the authority and legitimacy to effect major restructuring of governance systems across departmental or intergovernmental boundaries.

It should be mentioned here that officials from all three levels of government and from across the country expressed optimism and even enthusiasm about opportunities for intergovernmental collaboration that could significantly improve service to Canadians. Our sense is that there is much genuine goodwill among provincial and municipal colleagues, as well as a desire to work together to develop and execute a change management strategy.

Finally, it is worth singling out the reaction of elected officials, many of whom must have wondered at first how it came to pass that they found themselves shut up for half a day in a room full of bureaucrats! But once they grasped the fact that government's use of technology to improve services seems headed toward a major overhaul of governance, it was a short step to the conclusion that e-government can't but have a major impact on the practice of democracy. Making this connection rarely failed to spark their engines. A conversation they had probably expected to turn on arcane matters of administrative plumbing had landed squarely in their backyard. Once that was recognized, the body language changed and the adrenalin began to flow. Indeed, they were among the most articulate and passionate of our participants.

5.1 Three Views on the Democratic Impact of E-government

Some Internet enthusiasts maintain that, because ICTs and the Internet facilitate the flow of information and contact between individuals around the globe, they are inherently democratizing. Others say this is naïve. They reject the vision of the new technology as a great and benign connector linking humanity within a giant free-flowing information network. They oppose it with an Orwellian vision of technology as an instrument of efficient and effective control.

As should be evident, discussion in the Crossing Boundaries project fell between these extremes. With few exceptions, participants favoured a third view that most felt occupies sensible middle ground: nothing in the technology guarantees one result over the other. E-government could connect citizens and governments in ways that make government more effective and efficient at communicating its messages, monitoring social trends or meeting basic needs; but in ways which may be construed as intrusive, unresponsive and alienating, from the citizen's viewpoint. Alternatively, e-government **could** strengthen and enrich the practice of democracy at the same time that it improves government services.

Although technology may be a driver of change, the destination is undecided. Information technology is also an enabler that creates choices. The future of e-government turns on which choices are made.

From the middle-ground view, although technology may be a **driver** of change, the destination is undecided. Information technology is also an **enabler** that creates choices. The future of e-government turns on which choices are made. Reflection on this point led us to a discussion of our fourth and final theme: creating a democratic vision for a post-industrial society.

5.2 A Historical Crossroads?

Jerry Mechling, our keynote speaker for the Ottawa roundtables, provides an apt jumping-off point for this final section. According to him, we are entering a period of historical change comparable to the one that inspired Hamilton, Madison and Jay to pen the *Federalist Papers* in the late 1780s. Their task was to define a constitutional vision for a new kind of political community: a federal, democratic republic. The challenge for leaders today is to define an economic, social, cultural and political vision for a new kind of society: a knowledge-based society.

The challenge for leaders today is to define an economic, social, cultural and political vision for a new kind of society: a knowledge-based society.

In a similar vein, Lester Thurow has argued in his recent book *Building Wealth* that we are entering a period of historical change comparable to that of the Industrial Revolution. He recounts how powerful new technologies such as the steam engine allowed people to get things done in new ways and, ultimately, create new products and new markets. This in turn spawned new forms of political and economic organization to exploit the economic and social opportunities created by the new technology.

According to Thurow, the transformational power of new technologies such as the Internet will radically change some of our most fundamental economic, social, cultural and political relationships in a process similar to the transformation initiated by the advent of industrial technologies. In his words, this is a **revolution** rather than a change. Thurow recounts how powerful new technologies such as the steam engine allowed people to get things done in new ways and, ultimately, to create new products and new markets. This in turn spawned new forms of political and economic organization to exploit the economic and social opportunities created by the new technology.

What would it mean to take the claims of Mechling and Thurow seriously? What if we really are in the midst of an historical revolution? How should we think about it? Where does it put us? What should we do?

This section pursues two basic points discussed in the roundtables. First, if this really is a revolution in Thurow's sense, then it is critical to distinguish between the role that the new technology plays as the **driver** of change and the role that democratic reflection, debate, decision making and leadership should play in steering the course of change.

It is critical to distinguish between the role that the new echnology plays as the driver of change and the role that democratic reflection, debate, decision making and leadership should play in steering the course of change.

Second, democratic governments cannot legitimately plan a change-management process of this magnitude without real, meaningful public consultation. To invoke the language of the 18th century, there must be a **renewal of the social contract**, the basis for understanding the relationship between citizens and the state. Ongoing, informed discussion will be an essential part of the process. Leadership will be crucial in facilitating this. The first step is to clearly identify and frame key issues. This requires input from a number of sources, including Parliament and the provincial/territorial legislatures, the public services, academia, and public-interest organizations. The Crossing Boundaries project is a step in that direction.

5.3 Looking to the Past: Technology, Ideas and the Making of History

Thurow's storyline is a helpful one—as far as it goes. His account of the Industrial Revolution provides an historical precedent that can serve as a **useful point of reference for assessing the situation today**. But as a story, it seems incomplete. It suggests a view of the new technology not unlike the extreme views that opened this section, namely, that technology defines history. Although Thurow is not an historical determinist, his inclination is to speak as though the causal arrows shaping history run in one direction: the new technology changed the economy; which then changed society, politics and culture; which, ultimately, changed people. This understates the critical role of political debate, decision making, and leadership.

By contrast, Mechling's suggestion that western democracies need to rethink their foundations in a way comparable to the work done by Madison, Jay and Hamilton in the *Federalist Papers*, focuses attention directly on the importance of political leadership and vision. As those essays make clear, an essential part of what made the period of the late 17th and early 18th centuries **revolutionary** in the historical sense—what we now call a "paradigm shift"—was the fundamental change that occurred in people's understanding of how they belonged to their society. In particular, the concept of the individual as **private citizen**—a concept we now take for granted—evolved at this time. Nothing in the new technology of the Industrial Revolution assured this development.

A storyline that conveys the full importance of the late 17th and early 18th centuries for us today would explain the social, cultural and economic transformation of the period as the result of more than just the impact of new technologies on society; it would explain it as the combined result of new technology and new ideas about human nature and citizenship. From this viewpoint, Thurow's interest in the Industrial Revolution, and Mechling's call for a new *Federalist Papers*, are two halves of a whole. One asks us to reflect on how the new technology is changing key aspects of the world around us, such as the economy. The other asks us to reflect on how we see ourselves as communities, individuals and citizens in the face of this change. It is worth reflecting on this as it sheds light on the challenges of our time.

5.4 Lessons from the American and Industrial Revolutions

Before the American and Industrial revolutions, individuals were **subjects** beholden to a sovereign. The sovereign-subject relationship was the defining political relationship. In the modern world, individuals were redefined as **citizens** whose basic relationship was to a state. The citizen-state relationship became the new overarching relationship in terms of which the rights of individuals and the roles of institutions would be defined.

Within this new relationship, citizens were understood to be free and equal. Each citizen had a right to choose his religious beliefs according to his conscience, to speak freely to others about their political

and religious views, and to gather together, assemble and organize to achieve political and other ends. From the idea that individuals had rights came the distinction between a private and a public life. Liberalism—the philosophy of limited government—rested on a firm commitment to define the scope of the private life and to protect it by declaring the state's exclusion from it. In the old sovereign-subject paradigm, individual freedom, equality and privacy were anything but the norm.

Modern representative democracy was a natural political expression of these views. It rests on the premise that free individuals must consent to be governed and that, in such an arrangement, everyone's interests must be treated with equal concern. Representative democracy was thus underwritten by the idea that there is a **social contract** that defines the terms of the citizen-state relationship and explains the legitimacy and limits of the state's authority.

If we look at current changes only as the impact of new tools, we ignore the role we play in defining how the tools are used. We become passive agents of technology and witnesses to history.

On reflection, it should be clear that the emergence of the political and social institutions that have defined western societies since the American and Industrial Revolutions should not be explained solely by the nature of the technology that emerged during that period. Their history is also a product of how citizens chose to define themselves in the face of a changing world. Indeed, the very occurrence of public debate over what choices could be made may be the most remarkable achievement of that era. It reminds us today that other choices could have been made. Other histories were possible. The emergence of liberal democracy was no more inevitable than is its endurance.

There is an important lesson here. "Transformational" technologies—those that bring about major historical change—such as the printing press, steam engine, electricity or the Internet, play a huge role in shaping the historical period that follows them. But they needn't define it. Who we are and the tools we possess should be regarded as two ends of a continuum. Each shapes the other. If we concentrate too hard on one side, we will get a different and perhaps distorted picture of the other. More specifically, if we look at current changes only as the **impact of new tools**, we ignore the role we play in defining **how the tools are used**. We become passive agents of technology and witnesses to history.

What gets lost in this scenario is the recognition that transformational moments in history are like a crossroads. The extraordinary power of new technologies such as the Internet to drive change, virtually assures that our lives and our society will be redefined—perhaps radically. But various futures are possible. On one hand, the technology can be harnessed and used to create and support new kinds of social, cultural and economic relationships. On the other, failure to recognize this, or to rise to the challenge, results in the new tools being used in ways that are largely determined by exogenous forces already in play, some random, some not; some constructive, some not. Either way, a road will be taken. It can be through reflection, decision, commitment, effort and investment or through inertia. Nothing in the technology guarantees one over the other.

5.5 Toward a Vision of Canada as a Learning Society

Democratic governments cannot legitimately plan a change-management process of this magnitude without real, meaningful public consultation. There must be a renewal of the social contract, the basis for understanding the relationship between citizens and the state.

What we heard from many roundtable participants is that, if we are at such a moment in history, democratic leaders and governments wanting to fulfill their legitimate roles should turn to the citizens for direction. The social contract must be renewed. This will require public reflection and debate. Governments have a vital leadership role to play here. They must help citizens identify key social, cultural and economic needs and aspirations, and arrive at a vision of who and what they wish to be in a changed world. Governments can then work to create the institutions, policies and programs that will help realize that vision.

What might that vision encompass? In exploring this topic the roundtables raised what may be seminal questions. Many participants felt that ICTs were fundamentally changing the nature of Canadian society. For one thing, they are accelerating the pace of change. It is now a constant. As a result, private- and public-sector managers can no longer plan or implement as they have in the

past. They must build a kind of "openness" to change into their planning and management practices. This requires a cultural shift in how people and organizations think and work. It requires that they be constantly aware of, looking for, and responding to new ideas and opportunities; that individuals are allowed to make errors and learn from them; that they can experiment; and that they are open to new and different ways of looking at things. Individuals and organizations must be able to learn from past experiences and new situations.

Smart government must be about more than having information. It must also be about using information creatively and effectively. That requires more than electronic infrastructure; it also requires continuous learning.

The more we listened to officials telling us about the need for "smart government," the more convinced we were that it is a key part of the infrastructure of a knowledge-based economy. But if it is to perform well, smart government must be about more than having information. It must also be about using information creatively and effectively. That requires more than electronic infrastructure; it also requires **continuous learning**. We found ourselves pondering the following question:

> **What should Canadian governments do to ensure that the institutions and structures that support Canada's participation in the new knowledge-based economy are themselves supported by a learning culture?**

Learning is both a collective and individual skill that must be cultivated and developed. Canada, we concluded, must take steps to transform itself from an **educated** to a **learning** society. An educated society is one that promotes learning as **a state or level of achievement**—usually attained in the first quarter of life. A learning society is one that fosters learning as a **way of life**, an activity that continues from birth to old age.

5.6 Understanding the Revolution: Between Technology and Learning

It is useful to recall here that, following the American and Industrial revolutions the challenge facing governments was to establish political institutions based on the recognition that citizens are free and equal, and to purge society of the less-visible but ubiquitous boundaries of class upon which the old system rested. The transition was not a smooth one—particularly in Europe, where the cultural outlook of the previous era remained strong. Conservatives objected strenuously that "commoners" were unfit for government. Sustaining and accomplishing the liberal-democratic vision took leadership, commitment and, indeed, more than one bloody revolution. There was nothing inevitable about its triumph.

With hindsight, however, it appears that the most important driver behind the liberal-democratic revolution may not have been technology at all but rather education. If technology was the motor of economic, political, social and cultural change, it was education that increased citizens' control over the outcome. By the mid 20th century, education's role had been secured as the key tool of social evolution, transformation and renewal in liberal societies. This reflects a monumental shift in the prevailing views of human nature. In the old aristocratic regime, both stock and station were defined by blood. While some men were born to rule, others simply were not.

By contrast, in the now-orthodox liberal-democratic view, human nature is a more malleable thing, making class a more malleable thing. Education and learning can change and improve who one is. Citizens can progress and learn. They can become what they were not. It would be difficult to exaggerate the historical significance of this change in outlook. Indeed, at the end of the 20th century, the existence of an educated, liberal-democratic citizenry in such states ranks among their highest achievements.

It also ranks among their most important assets—especially given the challenges they now face for reform and renewal. If the first phase of liberal democracy was ushered in by bloody political revolutions, this next one calls for a cultural revolution. The old values and institutions appropriate to a

19th century nation-state must be transformed into ones appropriate to the needs of a 21st century learning society.

A learning society requires that a new emphasis be placed on the importance of innovation and creativity, and on the capacity to use information and knowledge in new and transformative ways. Such a society is by definition a very dynamic and changing one. Diversity, complexity, interdependence, collaboration and change are its fundamental characteristics.

Learning societies are necessarily less culturally and socially homogeneous than nation-states. In the theory of the old nation-state, citizens were supposedly united by their participation in a common, homogeneous national identity. In a learning society, citizens are connected to one another in diverse and complex ways, through participation in dynamic social, cultural and economic networks. Each individual is like a small electrical charge that energizes a series of unpredictable and frequently changing economic, social and cultural connections.

A learning society requires that a new emphasis be placed on the importance of innovation and creativity, and on the capacity to use information and knowledge in new and transformative ways. Although it rests on the same liberal-democratic foundations as the nation-state it aims to replace, it builds upon these, deepening and extending the idea that citizens are not only enriched but also transformed by learning. Such a society is by definition a very dynamic and changing one. Diversity, complexity, interdependence, collaboration and change are its fundamental characteristics.

Creating a learning society is about far more than responding to the needs of a changing economy. It is about how citizens view their society and their place in it. The challenge facing governments as they move into the post-industrial era, will be to create institutions, policies and programs that foster creativity and innovation, while ensuring social and political cohesion in the more diffuse and decentralized environment that networked societies create.

Conclusion

We have alluded to the intellectual spiritedness with which Madison, Jay and Hamilton addressed the issues of their day in the *Federalist Papers*. Energized by the idea that a different kind of government was essential to America's success, they became champions of a new and controversial vision of liberal politics and government. It is worth recalling that opponents regarded the idea of shared sovereignty—federalism—as unworkable and even incoherent. The vigor and boldness with which the authors confronted the critics carries many lessons. It encourages us here to close on a high note, inviting Canadians to reflect on what we see as the most exhilarating result of an exhilarating experience.

As we crossed the country, we were often startled by the remarkable degree of convergence on the issues surrounding e-government. And we were inspired by the enthusiasm and desire of provincial and municipal colleagues to seize the opportunity to make it work for Canadians. In a country as large, regionally and culturally diverse, and sparsely populated as Canada, it is rare that an idea moves and energizes so many people in virtually every government it touches. E-government may be such an idea. We believe it has the power to galvanize and unite, if only Canadians can see in it an invitation to make history.

Other publications in the Changing Government series:

Volume1 – Collaborative Government in the Post-Industrial Age: Five Discussion Pieces

Available on our website at www.collaborativegovernment.com

Division of Kaufman, Thomas + Associates Inc ◣ Une division de Kaufman, Thomas et associés

606 – 90 rue Sparks Street, Ottawa, ON K1P 5B4

tel: 613.594.4795 ◣ fax: 613.594.5925 ◣ e-mail: main@collaborativegovernment.com ◣ web site: www.collaborativegovernment.com