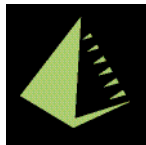




E-Government, Federalism and Democracy: The New Governance

Donald G. Lenihan

Centre for Collaborative Government



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Preface

This paper attempts to bring together a number of discussions that have developed over the course of our research for the Changing Government Series. It finds that at least two visions of e-government seem to be emerging. In one view, it will improve services and make government more efficient. This approach culminates in the idea of **seamless government**.

A second view is that e-government is a powerful new instrument of social and political realignment. It allows “communities-of-interest” of all sorts to form, inside and outside of government. This approach culminates in a vision of renewing democracy by **sharing governance**.

Although the two visions are not contradictory, they are in tension with one another. How are these two visions of e-government to be balanced? What impact will it have on the future of governance?

The paper considers the long-term impact of e-government on pluralism, federalism and democracy in Canada. It proposes a new vision for Canada for the 21st century and sketches a new kind of political institution to help balance these two visions by realigning some basic governance practices.

About the Author:

Donald Lenihan PhD., is Director of the Centre for Collaborative Government at Kaufman, Thomas & Associates Inc. He leads a variety of CCG initiatives that bring together elected and appointed officials, academics and members of public interest organizations to examine contemporary issues in Canadian public administration. Dr. Lenihan has over 20 years of experience as a researcher and analyst in areas ranging from Canadian federalism to business planning. He is the author of numerous articles and studies on public policy and public administration; and the co-author with Gordon Robertson and Roger Tassé of *Canada: Reclaiming the Middle Ground*, a book on Canadian federalism published by the Institute for Research on Public Policy.

About Crossing Boundaries

The Crossing Boundaries initiative explores the impact of information and communications technologies (ICTs) on government and democracy in Canada. Since 1997, it has engaged hundreds of elected and public officials from all three levels of government, members of the private and third sector, journalists and academics from across the country. Over the next year and a half, the project will focus on identifying immediate barriers to the progress of e-government and pose strategies to remove them.

More specifically, as Crossing Boundaries 1 and 2 progressed, we heard repeatedly that the e-government file is not well understood among elected representatives. We heard further that this is one of the major obstacles to progress precisely because the removal of many other barriers requires engaged political debate, support and leadership.

As a result, a central task of Crossing Boundaries 3 is to contribute to raising awareness among elected representatives by clarifying the areas and issues where political engagement would contribute to advancing the e-government agenda. To this end, the process will produce:

- A clear readable account of e-government – a storyline – that defines key challenges and opportunities along the way; and
- A three to four page appendix to the storyline containing a concise list of practical initiatives that could be championed by elected representatives and senior public servants to move the file forward.

Crossing Boundaries 3 will include a series of Ottawa-based sessions involving sponsoring departments and private organizations, a series of cross-country regional forums involving all three levels of government, international consultation by the project chair, and advisory group consultations, such as the Municipal Caucus, the Political Advisory Committee and the Information as a Public Resource Working Group. These activities will culminate in a national conference in 2003 that will bring participants and findings together into a forum where stakeholder commitment can be demonstrated and tested.

In addition, the Crossing Boundaries website provides authoritative resources on e-government issues, a clearing-house for information and a forum for developing and testing concepts and ideas. The Crossing Boundaries team publishes a regular e-newsletter and works to find innovative ways to engage a variety of e-government stakeholders to the site – especially elected officials. The site can be found at www.crossingboundaries.ca

Crossing Boundaries is organized under the auspices of the Centre for Collaborative Government and it is chaired by the Centre's Director, Donald Lenihan. The initiative is supported by 16 federal departments of the Government of Canada and three private sector organizations, and is advised by their representatives and elected officials.

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 ninth in our Changing Government series which communicates 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.

All publications in this series are available at no cost and can be ordered by contacting the Centre for Collaborative Government or by visiting: www.crossingboundaries.ca
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Gouvernements en mutation

Depuis sa création en 1999, le Centre pour la collaboration gouvernementale a mis en oeuvre, 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 neuvième volume de notre 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.crossingboundaries.ca. Téléphone: : (613) 594-4795. Télécopieur : (613) 594-5925. Courriel : main@crossingboundaries.ca

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1.1 Some of the big questions facing Canadians have common roots

Canada is in transition. It is entering the Information Age. New social, economic and technological forces are making the institutions and practices that once served it well seem anachronistic. They are the products of another era—a time when the world was a slower, simpler place. Populations were more homogenous, most people lived and worked in the countryside, and citizens were not as informed about public-policy issues. The transition poses serious questions for us today:

- What are the respective roles of municipal, provincial and federal governments in the 21st century? What can be done to encourage them to work together more effectively to serve citizens?
- Why have citizens become distrustful of government? Can they be re-engaged in the political process?
- What is Canada's place in the Global Village? Should Canada exist at all?

This paper takes a positive view of Canada's future. While the questions pose real challenges, there are solutions. To find them, we must examine two basic relationships that define Canada as a particular kind of political community: **the government-to-government relationship** through federalism, and the **citizen-government relationship** through democracy. The transition to the Information Age is affecting these relationships and they both need to be adjusted for the future.

The paper proposes to respond through the establishment of a new kind of political institution that would realign some basic governance practices. It combines the new idea of a **digital commons**—an electronic “town square” where Canadians could meet, discuss and debate issues of concern—with the somewhat older idea that Canada needs a **council of the federation** to manage the growing interdependence between governments more effectively. Why does Canada need this new political institution now?

1.2 The impact of new technologies on federalism and democracy

Regarding federalism, electronic networks are replacing the bricks, mortar and filing cabinets that served as the infrastructure of government in the 19th and 20th centuries. As a consequence, the organizational boundaries that separate the three levels of government (as well as countries) are becoming less clear in key areas, as are their respective roles and responsibilities. As “electronic-” or “e-government” spreads, it will make governments far more interdependent—more “seamless”—and far less free to plan or act unilaterally. In the 21st century, **managing interdependence will be among the most important challenges facing Canadian governments.**

The new technology will vastly increase the capacity of individuals to organize, to communicate with one another, and to collect, integrate and use data and information.

Regarding democracy, societies such as Canada will see exponential growth in the number of new groups, associations, organizations and communities of all kinds in what is now commonly referred to as “civil society.” The new technology will vastly increase the capacity of individuals to organize, to communicate with one another, and to collect, integrate and use data and information. While in the past political parties were the principal vehicles through which citizens participated in public-policy debate, in the future civil society will assume increasing importance, competing with—and in some cases even replacing—political parties. Many citizens will join such organizations

in order to play a more direct and influential role in decision-making. **A key challenge will be to ensure, on one hand, that public space permits these voices to be heard and, on the other hand, that they do not overshadow those of ordinary citizens or other kinds of organizations, such as political parties, or undermine the ability of government to govern effectively.**

These two sets of relationships—federalism and democracy—are fundamental to understanding what Canada is as a political community. If they are changing, Canadians need to know how and why. This paper explores what the changes mean, where they are leading, and what can be done to respond to them.

1.3 A practical proposal to modify governance

In the closing section, the paper sketches out new political institutions to realign governance at the intergovernmental and citizen-government levels. The proposal has three parts:

- principles to guide the thinking about new models of governance;
- a vision of Canada that reflects the changing relationships; and
- a new two-part institution designed to strengthen governance at both the intergovernmental and citizen-government levels.

Although the proposed changes set out here are significant, it is worth saying at the outset what they do **not** do.

The Council of the Federation aims at improving governments' ability to work together in areas of high interdependence.

Insofar as they affect federalism, they do not assume or require a major redistribution of intergovernmental powers or a reassignment of roles and responsibilities. As outlined here, the Council of the Federation aims at improving governments' ability to work together in areas of high interdependence. In particular, it treats the rise of e-government as an opportunity to establish new mechanisms of **collaboration**.

Insofar as these changes affect democracy, they do not assume or require that decision-making simply be turned over to citizens in a new forum, say, through e-voting. Although a digital commons is consistent with the use of e-voting and could incorporate it, there is no requirement that it do so. It can accommodate various degrees of citizen involvement in the policy process. First and foremost, the Digital Commons aims at **strengthening citizens' involvement and role in the public debate that influences decision-making**. This paper leaves open the question of if, when or where e-voting should be used.

Finally, neither the Council nor the Digital Commons should be created through a single "big bang." Nor would the creation of either one require changes to the Constitution. Indeed, elements of both already exist. The view espoused here is that establishing the new institutions not only could but also should be accomplished in stages and over a reasonable period of time. There is much that must be learned along the way, and it is important that the lessons be absorbed and adjustments made as the process unfolds. So, to invoke a cliché, the strategy is one of evolution rather than revolution.

2.1 Seamless government means deeper interdependence

Managing interdependence through collaboration was viewed as an exception to the general rule that governments work best when their respective roles and responsibilities are clearly defined and kept separate.

In the past, governments assumed that the interests and actions of different governments, different departments within a government, or the private and voluntary sectors and government, could be kept separate enough for interdependence to be ignored or managed by a central authority, such as a treasury board. Managing interdependence through collaboration was viewed as an exception to the general rule that governments work best when their respective roles and responsibilities are clearly defined and kept separate. The Division of Powers in the Canadian *Constitution Act, 1867* is a classic example.

The Fathers of Confederation imagined that federal and provincial governments would exist in separate, self-contained spheres or jurisdictions. Each government was assigned a list of exclusive powers on the assumption that they could be exercised within these separate spheres without affecting the other level of government. In fact, the history of federal-provincial relations has been the story of the ever-increasing interdependence between them and the efforts to manage it. The most recent wave came in the post-war period with the rise of the welfare state. Federal and provincial governments became more and more entangled as major new programs and services came online in areas such as health and post-secondary education.

Efforts to assign separate roles and responsibilities to different departments within a single government have also been fraught with difficulty.

Fewer people realize that a similar story could be told about **interdependence within governments**. Efforts to assign separate roles and responsibilities to different departments within a single government have also been fraught with difficulty. Today, managing interdependence at both levels is high on the priority list of most senior public servants. They are keenly aware of the important role played by the so-called “horizontal” aspects of an issue. In hindsight, it is clear that trying to eliminate or avoid interdependence by organizing government around a clear separation of roles and responsibilities, whether at the departmental or intergovernmental level, has worked much better in theory than in practice.

“E-government” opens a whole new chapter in the story. It is creating a complex system of information and communications technology (ICT) networks, that are radically changing how governments deliver services, collect, integrate and share information, and communicate with one another and citizens. A growing number of politicians and public servants see the Internet as a “transformative technology,” that is, one that will transform society, as did the printing press and steam engine in earlier times. They regard e-government as part of a **new vision of government for the 21st century**. The story is an exciting and challenging one.¹

At bottom, the new vision behind the technology is rooted in the idea of **seamless government**. Services would be organized and integrated into clusters or packages around citizens’ needs. Information and access to programs would be possible through a single point of entry, such as a home computer. Citizens would move across organizational boundaries effortlessly, encountering government as a single, seamless web of connections—a **network**.

¹ See *Realigning Governance: From E-Government to E-Democracy*, by Donald G. Lenihan, Centre for Collaborative Government, Changing Government, Volume 6, March 2002. Also available at www.crossingboundaries.ca.

It is increasingly clear that seamless government would require much higher levels of coordination and collaboration between departments, governments and other service providers in the private and voluntary sectors than now exist, resulting in major increases in interdependence at every level of government activity.

However, it is increasingly clear that seamless government would require much higher levels of coordination and collaboration between departments, governments and other service providers in the private and voluntary sectors than now exist, resulting in major increases in interdependence at every level of government activity. While seamless government would vastly improve government's performance in many areas, it could also greatly limit the freedom of individual governments to make new policies or change old ones.

Moreover, enabled by this same technology, Canadian society is evolving in ways that suggest future governments will need more flexibility in the policy process, rather than less.

2.2 ICTs are changing civil society and increasing social diversity

ICTs are affecting the organization of more than just governments. They are also encouraging citizens to organize in new and unexpected ways. Enabled by the new technologies—ranging from the 500-channel universe and webcasting to the creation of huge new databases of all sorts—the size, strength, number and organizational capacity of social and cultural groups is increasing rapidly. Examples range from the establishment of a global profile and message for the environmental movement to the appearance of small singles chat rooms on the Internet; from a worldwide gay and lesbian movement to e-mail networks inside a single organization; from a politically effective international Jewish community to the reintegration of an Aboriginal nation with a membership of only hundreds.

These developments are directly linked to the spread of new technologies—especially the Internet. ICTs allow the individuals involved to communicate across great distances inexpensively and quickly; to access and share documents and information critical to their goals; and to organize, mobilize and maintain themselves as communities, organizations and networks of all kinds and sizes. In future, people will join, leave and rejoin all kinds of groups and organizations regularly and for many reasons. Different networks will overlap and merge as they develop, change and disappear. They may be local, national and transnational in reach. Some will be cultural, some economic, some social and some political.

The potential of ICTs as powerful new tools for organizing and community-building is poorly understood and appreciated. As this changes, we can expect exponential growth in new communities, and in their capacity to engage governments and to effect change.

In principle, **this should be viewed as a positive development. It should be seen as a sign that democracy is working.** It should also be seen as an opportunity to re-engage Canadians in the democratic process. However, if it is to be a positive development **in fact**, at least two conditions must be met.

First, individuals who commit their time and energy to participating in civil-society-type organizations in order to promote change must have confidence that governments will be responsive to their efforts. The process must be seen to be working.

The challenge is to find a way to allow civil society to engage with governments (and each other) that is meaningful but balanced and constructive.

Second, although public-interest organizations have a legitimate and constructive role to play in the democratic process, they cannot be allowed to become so influential that they marginalize other groups and interests, drown out the voices of other citizens, or render government decision-making ineffective. Changes to governance that are supposed to accommodate the growing importance of civil society must ensure that such organizations are required to reach compromises, make trade-offs, and respect the interests and roles of other institutional parties in the policy process. The challenge is to find a way to allow civil society to engage with governments (and each other) that is meaningful but balanced and constructive.

2.3 The need to balance seamless government and a more organized and engaged civil society

There is a further issue. The growing importance of civil society poses a dilemma for seamless government. The more seamless governments become, the less room there is for planning and action by individual governments. The political space for difference, experimentation, local control, change and innovation narrows quickly. Although citizens want seamless government, too much integration could homogenize government.

he existence of more than one level of government may not always be efficient but it allows for diversity, pluralism and independence in policies and programs across the country.

Canadians have three levels of government (sometimes four) because they are a regionally, culturally, linguistically and socially diverse community. The existence of more than one level of government may not always be efficient but it allows for diversity, pluralism and independence in policies and programs across the country.

Institutions such as federalism or the existence of a pluralistic political system are not merely anachronisms. Federalism is an integral part of the vision of Canada. So too is the willingness to change governments regularly and to allow new ideas and policies to find expression. Accommodating diversity and pluralism is a strength of modern governments, not a weakness.

Studies and surveys show consistently that **citizens want their governments to work together** so that overlap and duplication are minimized, and programs intended to serve similar needs complement one another. The same research shows that when citizens use services they are relatively indifferent as to which department or level of government provides them. Nevertheless, it is surely wrong to conclude that the more seamless government becomes, the better off or happier citizens will be. The idea of Canadian governments evolving into a single, integrated well-organized system should give us pause. After all, why stop there? Doesn't the same logic suggest that continental integration would be even better?

In the 21st century, the basic challenge of countries such as Canada will be **to manage organizational interdependence effectively, while remaining responsive to democratic engagement from citizens**. Seamless government is an excellent start on developing a new vision of Canada for the 21st century but it is incomplete. Is there a coherent way of looking at Canada—a vision—that balances and integrates a commitment to seamless government with a commitment to a more participatory form of democracy? Is there a way to increase the space that is available for public engagement that is consistent with the idea of more integrated government?

3.1 How should we answer the existential question—yet again?

Senior politicians and public servants in Canada are increasingly preoccupied with an overarching, long-term question that some say will keep them busy for the next 20 years: “Why should we want to preserve Canada at all?” That is, why shouldn’t Canadians choose to integrate their country with the United States?

What are we to make of this question? Would the failure to provide an answer to it imply that Canada has no reason to exist? What would count as a compelling answer? How should we go about trying to provide one?

Perhaps the best way to approach the question is through the lens of the traditional nation-state. From this perspective, it asks Canadians to define their reason-for-being in terms of their identity as a people. In theory, peoples with homogenous ethnic identities—so-called “national identities”—should inhabit nation-states. The people of such a state have a shared language, culture, religion and history. They see the nation-state as an expression of their shared identity. As a political institution, it provides protection against threatening forces from the “outside.” At the same time, it consolidates collective power so that it can be used to preserve and promote the community’s interests as a “nation.”

In an ideal nation-state, the answer to the question “Why do we exist?” should be obvious. A list of common cultural characteristics—such as a shared language, religious and other practices, and a single history—define it as a community. The things on this list are the things the community wishes to preserve and promote, and constitute the reasons why it wants to exist as a separate community—a nation-state.

Of course, few if any ideal nation-states have ever existed, although some got closer to the ideal than others. But many communities do have enough common characteristics to make a persuasive argument that they are “nations” who should have their own state. This is the basis of the Right of Self-Determination of Peoples, recognized by the United Nations.

By contrast, Canada has always been culturally, linguistically and regionally diverse. Its people have never had a single, homogenous national identity of this sort. As a result, they have been long vexed by their inability to answer the “Why do we exist?” question in these terms. One result is a residual fear that, despite their claims to nationhood, Canadians have no real reason to have a country (indeed, they have struggled against its dissolution since the beginning), and that they are not really very different from their American neighbours. This has been the source of much hand-wringing over the years, as Canadians have obsessed over the perils and benefits of their close relationship with the U.S.

3.2 The vision behind the nation-state is outdated

Because culture is usually transmitted through family or racial ties, membership in a “nation” is usually exclusive. As a rule, it is difficult, if not impossible, to join “the nation.” Immigrants or members of other ethnic or cultural communities thus tend to be viewed as outsiders.

n the 21st century, democracies such as Canada should define themselves through a commitment to a set of overarching goals, rather than by reference to membership in cultural or racial groups.

There is a better way to look at countries. It dismisses the exclusivity that attaches to “nationhood” as parochial. In this view, the traditional nation-state is fast becoming an anachronism. In the 21st century, democracies such as Canada should define themselves through a **commitment to a set of overarching goals**, rather than by reference to membership in cultural or racial groups.

The recent history of Quebec nationalism is instructive here. Through the 19th and much of the 20th centuries, French-Canadian nationalism was linked to ethnicity. “The nation” included those who were born and raised as French-speaking Catholics. They had their own language, history, traditions, religious practices, etc. In recent years, some Quebec nationalists have begun to take a different view. They now argue that Quebec nationalism is not about protecting ethnicity. It is about establishing a French-speaking society in the heart of North America. In this case, “the nation” includes anyone who is committed to that goal, who wishes to participate in its realization, and who chooses to reside in Quebec for that reason.

Membership in such a community is inclusive in the sense that an “outsider” can join it by making a personal commitment to the goal.

This is a very different way of defining “the nation.” It is about a shared commitment to an overarching goal. Membership in such a community is **inclusive** in the sense that an “outsider” can join it by making a personal commitment to the goal. We can call such a society a **community-of-purpose**. It shifts emphasis away from the traditional view that nation-states exist to preserve and promote the interests of “the nation,” and onto a forward-looking view of the society as **constituted through choice, commitment and an act of will**.

As the Information Age dawns, countries such as Canada should regard themselves as standing on the leading edge of history. Rather than aspiring to be a traditional nation-state, Canada should aspire to be a community-of-purpose within the Global Village. Such a community will be integrated with other communities in some ways and distinct in others, according to the goals it sets for itself.

Such talk still makes some nation-states nervous. The U.S., for example, is at times almost neurotically ambivalent about its place as a world leader in the Global Village, on one hand, and its desire to be self-contained and self-sufficient, on the other. By contrast, Canadians are familiar with the language of unity-in-diversity. They are more comfortable than most with the ambiguity that surrounds it. After all, they have lived with it since the beginning. Indeed, in recent years, **some Canadians have begun to speak as though difference and diversity are at the core of their identity.**²

This apparent eccentricity points to a profound change under way in modern societies. We are moving into a world where identities are complex. They span local, regional, national and transnational boundaries. Canadian institutions must become more inclusive, reflecting their membership in a variety of communities within the Global Village. The political institutions of the 19th century nation-state fail to do justice to this reality. They were designed for a very different kind of society—one in which societies aspired to be “nations” and citizenship was designed to confer and protect exclusive membership in such a nation.

Canada’s political institutions still reflect assumptions about the community and its people that are too monolithic, too national, too nation-state oriented. The understanding of key terms in their political vocabulary, such as “citizenship,” “identity,” “nation,” and “democracy” must change. The institutions need to be deepened and broadened to reflect the increasingly complex nature of the society in which Canadians now live. They need political processes that capture and express the dialogue that occurs around and across the boundaries of the network that is Canada.

² The changing nature of the nation-state, of collective and individual identity, and the connection to new forces such as ICTs, globalization and population mobility are discussed at length in *Leveraging Our Diversity: Canada as a Learning Society*, by Donald G. Lenihan (with Jay Kaufman), Centre for Collaborative Government, Changing Government, Volume 4, February 2002. Also available at www.crossingboundaries.ca.

It is a mistake to think that Canadians should have to examine their “national identity” and come up with a list of things that make them different, in order to explain why they will or should remain a community.

If the “Why do we exist?” question seems perplexing to Canadians from the viewpoint of the nation-state, from the viewpoint of Canada as a community-of-purpose, it appears to put the cart before the horse. It is a mistake to think that Canadians should have to examine their “national identity” and come up with a list of things that make them different, in order to explain why they will or should remain a community. On the contrary, **it is through the choices that citizens will make together as a community that Canadians will learn where and why they are different from other communities**—and where and why they are the same.

Canada is a society with an open future. It could become many things. **If the country’s leaders want to know why or if Canada should remain a separate community, they should ask Canadians.** The answer to the “existential question” thus will be found in the choices that Canadians make about it—not in naval-gazing about their identity. The proof of the pudding will be in the eating. But they must have the opportunity to make the choices.

Canadians need a more **inclusive** system of governance, one that expands public space to allow them to participate more directly and fully in a debate aimed at identifying the goals that would define them as a community. ICTs could help achieve this. That is why e-government is important to the future of democracy.

4.1 Representative vs. participatory democracy, centralized vs. distributed governance

As a location for public discussion and debate, ICTs are expanding public space into cyberspace. Governments are major players in this trend. They are using ICTs to involve stakeholders and citizens in consultation processes more frequently, more directly and in larger numbers. One option is to introduce e-voting, such as referendums, which would give more people a direct say in public affairs. Another option is for government to engage a broader cross-section of the society in consultation processes. For example, voluntary organizations play a major role in providing community and social services in many Canadian cities. Should this expertise be tapped in policy development? Would this be a way of giving marginalized groups, such as the homeless, single mothers or the disabled, a stronger and more articulate voice in governance?

E-government could include a wide variety of new online mechanisms for various kinds of consultation and participation processes that are effective, efficient and economical.

A case can be made that highly centralized governance was necessary in a 19th century nation-state, simply because a more distributed or participatory model was too inefficient and costly. It would not have produced good governance. The technology changes this. E-government could include a wide variety of new online mechanisms for various kinds of consultation and participation processes that are effective, efficient and economical. The question therefore arises, “Should governments use ICTs to redesign the system?”

If there are strong reasons for agreeing with this view, there are also counter-arguments. In a democracy, good governance requires a balance between openness, transparency and accountability, on one hand, and effectiveness, on the other. In our system, the balance is the result of a long process of evolution. The system has many mechanisms that help sustain it. A few key examples follow:

- Elections help ensure openness by permitting citizens to stand for office.
- Elections help ensure accountability by allowing citizens to choose who will represent them (democratic accountability).
- Transparency is ensured by investing public authority in a single individual—a minister—who, in turn, requires those who act on his behalf (delegated authority) to report back to him, so that he, in turn, can report to the legislature or Parliament (ministerial accountability).
- Effectiveness is promoted by investing decision-making authority in a small number of elected representatives along with a mandate to exercise it.

Distributed governance puts all of these arrangements (and others) at risk. More specifically, involving non-elected parties such as interest groups in governance would:

- challenge openness;
- blur the lines of ministerial accountability which ensure transparency;
- weaken democratic accountability by requiring that only some decision makers stand for re-election; and
- risk making government ineffective by introducing an undetermined number of players into decision making.

In this view of representative democracy, decision-making is the prerogative of elected representatives, not citizens or interest groups. Although consultation should play an important role in public debate, a clear line should be drawn between using the technology to do a better job of making views known, on one hand, and involving non-elected people in decision making, on the other.

4.2 The erosion of traditional instruments of consultation

The arguments against a more distributed approach to governance raise serious concerns about the threat it poses to the balance between openness, transparency and accountability, on one hand, and effectiveness, on the other. Nevertheless, the status quo no longer seems to be an option. Increasingly, it fails the fundamental test of legitimacy for reasons that return us to the arguments for distributed governance.

A key claim made by advocates of a more distributed approach is that it would help restore trust in government.

First, citizens feel that governments do not listen to them. A key claim made by advocates of a more distributed approach is that it would help **restore trust in government**. They contend that, in the public's mind, there is a simple but powerful connection between government's willingness to directly involve citizens in the policy process and the credibility of its claims to want to serve them better.

Second, governments find it increasingly difficult to form and implement major policy initiatives. Election campaigns and promises are notoriously vague and the "mandate" they provide too unclear. If good governance requires a more **effective capacity to act**, governments need ways to legitimate such policy initiatives.

In earlier times, major policy initiatives often began with special instruments, such as a royal commission or a First Ministers meeting. Increasingly, such instruments fail to provide the same degree of legitimacy. Why?

Times have changed. In the case of First Ministers meetings, the point was made clear with the debate over the Meech Lake Accord. Canadians soundly rejected the idea that "eleven men in suits" could go behind closed doors and redefine the Constitution. Before the Accord, that was how most constitutional amendments were made.

Public reaction to how the Accord was made signalled a change in the political culture. Now Canadians insist on being consulted about such changes. Similarly, the Free Trade Agreement was ratified only after a federal election in which it was claimed to be the centrepiece of the election campaign.

As for royal commissions (and similar processes), they have also been based on a paternalistic approach: government sets the terms under which the consultation will take place. It poses the questions, defines the process, receives the input, processes it and provides the response and recommendations. Royal commissions are an expression of the traditional command-and-control culture of government.

For much of their history, Canadians simply accepted that their relationship with government was paternalistic. That is changing. Today, most now recognize that governments are there to serve them. They have become doubtful that paternalistic consultations are meaningful. They suspect that, in the end, officials will implement recommendations that reflect their priorities. As a result, such processes confer increasingly less legitimacy on the outcome. For example, the Royal Commission on Aboriginal Peoples has not resulted in a major policy agenda, as many had hoped.

If major public consultations of the future are to produce policy recommendations that have legitimacy, the basic nature of consultation processes must change. At bottom, the public must view them as a discussion in which **government is a participant and a facilitator. The process cannot be controlled from the top-down in the old way.**

We need a new model, one that breaks with the traditional style of the formal hearing, and promotes an approach to **consultation as a conversation**. Unlike the command-and-control approach of a formal hearing, a **conversation is a quintessentially collaborative activity** in which the participants negotiate with one another regarding its purpose, direction and conclusion. Moreover, such a conversation must be one **between Canadians**, not just with government. Government may be a participant and a facilitator in such a conversation, but it is not the paternalistic voice of order and authority, seated at the front of the room, to which participants must address themselves as supplicants.

If governments are to have a conversation with citizens, they must learn to relinquish some measure of control over such processes.

If governments are to have a conversation with citizens, they must learn to relinquish some measure of control over such processes. Citizens must be convinced that they are more than supplicants. They must be participants in the entire process, up to and including the drawing of conclusions, not just in presenting a panel with options and arguments. To achieve this, we need a new approach to governance, an approach that will find expression in a different kind of forum or institution that will permit such a conversation to occur. ICTs could play a key role in creating such an institution.

This final section of the paper proposes some ideas for improving governance in Canada in ways that respond to the challenges and issues already raised. The proposal has three basic components:

- two principles to frame the thinking about new models of governance;
- a vision of Canada that reflects the changing relationships; and
- new institutions designed to strengthen governance at both the intergovernmental and citizen-government levels.

As noted in the introduction, the proposed new institutions embody two ideas: one new one, the Digital Commons, and one that has a longer history within intergovernmental circles, the Council of the Federation.

As presented here, each of these ideas is flexible enough to accommodate many variations. In some measure, then, the devil will be in the details, most of which are left for another day. The goal here is only to sketch the basic structure of each of the mechanisms and state the overarching purposes they are to serve.

As for the details of the design, if the Commons and the Council are to fulfil their intended functions, there is still much that must be learned about them. The approach here is to work toward their realization through a process of evolution and experimentation, so that they can be carefully designed to strike the right balance between two forces of change: the drive to seamless government and the rising political importance of civil society. It will be a process of trial and error, which must be supported by public discussion, debate and negotiation.

5.1 Two principles of reform

Drawing on the discussion so far, we can identify two basic principles that should guide efforts to improve governance for the 21st century. The first reflects the importance of seamless government, and the second addresses the need for a more distributed approach to governance.

1. **Collaborative government:** As interdependence grows, coordination, and eventually collaboration—a partnership—becomes increasingly attractive and, ultimately, essential. Canadian governments should establish an effective mechanism to promote collaboration in areas of growing interdependence.
2. **Inclusive governance:** Governance is too centralized in Canada. If decision making is to be viewed as legitimate and representative, steps must be taken to make it more transparent, inclusive and responsive to the desire of citizens and civil society.

5.2 A new vision for Canada

Nation-states vs. communities-of-purpose: Nation-states were designed to realize a particular vision of a society. It is one in which a culturally homogeneous group—a “nation”—has the right to its own space with its own state and the right to use the state’s power to promote its particular interests as a community or to protect it from the influence of other nations. Such a vision is usually **exclusive** so that other ethnic or cultural communities tend to be viewed as outsiders.

In such a community, emphasis shifts away from the traditional view that nation-states exist to preserve and promote the interests of “the nation,” and on to a forward-looking view of the society as constituted through choice, commitment and an act of will.

In the 21st century, Canada should define itself through a commitment to a set of overarching goals, rather than by reference to membership in cultural or racial groups. In such a community, emphasis shifts away from the traditional view that nation-states exist to preserve and promote the interests of “the nation,” and on to a forward-looking view of the society as **constituted through choice, commitment and an act of will.**

This is a very different way of defining “the nation.” It is about a shared commitment to an overarching set of goals. Membership in such a community is inclusive in the sense that an “outsider” can join it by making a personal commitment to the goals. We can call such a society a **community-of-purpose.**

Establishing the community as a democracy: If the community-of-purpose is to be genuinely democratic, its members must play a direct role in choosing the goals that define it. In such a community, citizens participate in governance not only by **choosing their leaders**, as they did in traditional nation-states. They also participate by **choosing the overarching goals that define the community** and provide its reason-for-being or purpose. Their participation at this level of decision making is critical to establishing the legitimacy, commitment and collective will to make the goals into genuine points of convergence, around which the society—and its government—can be organized.³

Citizens must also have an ongoing role in the interpretation, refinement and reassessment of the goals, as well as in efforts to evaluate progress toward them.

Citizens must also have an ongoing role in the interpretation, refinement and reassessment of the goals, as well as in efforts to evaluate progress toward them. There must be a sense that the community is constantly being renewed through a renewed understanding of and commitment to its basic goals. This comes in the form of an ongoing effort to clarify and further them.

5.3 New institutions of governance

In order to constitute itself as a democratic community-of-purpose, Canada should take deliberate steps to realize the new vision. This section proposes new institutions that are designed (1) to help Canadians manage interdependence among their governments; (2) to take a more distributed or participatory approach to governance; and (3) to establish Canada as a community-of-purpose. Before sketching them, a few points should be made for background.

First, the proposed new institutions would be realized in stages and over a relatively extended period of time.

Second, the Digital Commons is a new idea and should be treated as such. There is much to be learned about how it will work and how it should evolve. It is supposed to help Canadians adapt to changes in the governance relationship between citizens, elected officials and public servants. Presumably, all three parties will have a role to play in the Digital Commons. But if the goal is to promote discussion and debate on the model of a **conversation** rather than the **command-and-control-style hearings** that governments have traditionally used to consult with citizens, the three parties will have to develop a clear understanding of their appropriate roles. This will take time. There will be successes and failures.

³ Related issues are discussed in *Measuring Quality of Life: The Use of Societal Outcomes by Parliamentarians*, by Carolyn Bennett, Donald Lenihan, John Williams and William Young; Library of Parliament and the Centre for Collaborative Government, Changing Government, Volume 3, November 2001. Also available at www.crossingboundaries.ca.

Actual decision-making would occur only within the Council of the Federation, and in the legislatures and Parliament.

Moreover, there are many possible models for building a digital commons. In some, it would be a forum for debate and discussion only. Actual decision-making would occur only within the Council of the Federation, and in the legislatures and Parliament. Nevertheless, the Digital Commons could be designed to incorporate some decision-making, possibly through e-voting. Whether it should do so, or how much and where, is a matter for discussion. We have much to learn about where the right balance will lie.

As for the Council of the Federation, it too should be the result of an evolutionary process. It should emerge over time as the result of a long-term strategy to experiment with new processes and mechanisms of collaboration, and to consolidate existing intergovernmental committees and mechanisms of collaboration.

For those who may see the Council as either a threat to the existing distribution of roles and responsibilities or an opportunity to radically change them, it should be noted that the approach advocated here is incremental in nature. It aims at improving the management of interdependence in steps.

In particular, there would be a strategic focus on creating or consolidating the appropriate intergovernmental mechanisms for the realization of seamless or e-government. First and foremost, the Council is viewed as a mechanism to help make the vision of seamless government a workable reality. That it could evolve into much more than this is certainly possible. That it should do so, or where and how, is a matter for discussion.

Finally, it should be underlined that the changes proposed here would require neither a constitutional change nor a large-scale, high-level public process, such as a seemingly endless series of First Ministers meetings. The Council and the Digital Commons should be viewed as heralding a long-term change in direction for governments, not unlike other shifts in the past, such as the rise of the welfare state.

The Digital Commons is designed to help recreate the public space where citizens can assemble, meet, discuss, debate and explore their community, their membership in it and their common interests.

Sharing governance through the Digital Commons: The idea of an “electronic” or digital commons has been conceived as a way of reviving the spirit of the traditional commons.⁴ It is a new kind of institution for a new era, an electronic version of the old town square or marketplace. It is designed to help recreate the public space where citizens can assemble, meet, discuss, debate and explore their community, their membership in it and their common interests. More specifically, it is a space where the community-of-purpose can consider and define its goals.

The Digital Commons would be a public institution and so should be inclusive and open. Citizens would be free to set the agenda for discussion, control its flow and choose the level at which they wish to engage one another. Activity in the Digital Commons would be largely self-directed and self-organizing. It would have the capacity to host and manage many conversations at once, in a variety of “chambers,” according to need. This would make it a powerful tool for public policy discussion and debate and a forum for the development of new ideas and options. **It would encourage public discussion and debate that is inclusive, open and uncontrolled.**

Government could participate in such discussions—it could even initiate them—but it would do so as one among many, not as the voice of authority and control. This will be worrying to some, who will argue that such discussion will degenerate quickly into confusion and disorder. “Do we really want to introduce such an unstructured (i.e. uncontrolled) force into governance?” they will ask.

⁴ The use of ICTs to create a new cultural and political institution along these lines is explored in *Post-Industrial Governance: Designing a Canadian Cultural Institution for the Global Village*, by Donald G. Lenihan, Centre for Collaborative Government, Changing Government, Volume 5, January 2002. Also available at www.crossingboundaries.ca.

Although “good judgement” is essential to good governance, no particular social group has a monopoly on it—or even a controlling interest in it. Indeed, the lesson of democracy is that good governance is most likely to result when all voices are present and heard.

Since its origins in ancient Greece, the great worry over democracy has been that involving “the many” in political decision-making will lead to bad governance. The conservative impulse has always been to distrust citizens on the ground that good governance requires “the right learning and experience.” Conservatives made a similar claim in the 17th century, when democracy resurfaced as an alternative to aristocratic rule. With over 300 years of hindsight, we can safely say that history has proved them wrong. Although “good judgement” is essential to good governance, no particular social group has a monopoly on it—or even a controlling interest in it. Indeed, the lesson of democracy is that good governance is most likely to result when all voices are present and heard.

In a community-of-purpose, the Digital Commons would play a key role in the overall governance process. It would have the technical capacity to host a large variety of ongoing debates and discussions, involving various groups and cross-sections of citizens. The Digital Commons would be an essential tool for engaging citizens in the ongoing discussion and refinement of the community’s goals. A process would be defined giving citizens and organizations a right to access and use this space for public debate on issues of concern related to this task.

But discussion and debate is only one of two stages in democratic governance. Public debate must be followed by decision making that is accountable, representative, transparent and effective. A second, complementary institution, the Council of the Federation, is intended to meet this condition.

Managing interdependence through the Council of the Federation: The Council would be composed of elected representatives from federal, provincial and territorial governments. Its basic role would be to decide on issues of intergovernmental coordination and collaboration. In the first instance, these would flow from the overarching goals that define the community. Practically speaking, the Council’s business could include a wide range of tasks and issues, as it evolved. These might include standard-setting, the management of internal trade or agreements for information sharing in areas of common interest. **A key starting point would be to use the Council to promote seamless government by helping to identify areas where coordination and integration would lead to better services and better government.**

The Council would complement the Digital Commons. Although it would be separate from the Commons, its members would be required to participate in various ways in Commons debates, and to respond to the results of key deliberative process under way in the Commons. For example, the Council might be required to make public the rationale behind its decisions, or to explain how it takes account of the deliberations in the Commons.

The Council would likely have a number of levels, which would be hierarchically arranged.

The Council would likely have a number of levels, which would be hierarchically arranged. For example, the highest level would be composed of First Ministers and might fairly be seen as a revised version of a First Ministers conference.

A second level might be composed of committees of ministers of various sorts. Some of these already exist, such as the Council of Ministers of Education.

Finally, the Council of the Federation would also include a third level of committees composed of backbench and opposition members from all three levels of government. These would have a status and position not unlike existing standing or *ad hoc* committees in Parliament and the legislatures, except that they would have intergovernmental membership. A key role for them could be to promote policy integration in areas where interdependence is growing, and to help realize the vision of seamless government in ways that are consistent with the overarching goals of the community.

It is worth noting that a significant number of these bodies already exist. Insofar as this is the case, the Council would be an effort to formalize and give direction to a number of structures and processes that are already active. At the same time, some new ones would have to be created for the Council to fulfil its role. An example of the latter is the level of intergovernmental standing committees.

5.4 Some comments on the model

In effect, a significant part of the Council would be the result of a consolidation and formalization of a variety of intergovernmental processes and structures that are already in place.

The resemblance between the Digital Commons and the Council of the Federation, on the one hand, and the House of Commons and Senate in the Parliament of Canada, on the other, should be obvious. Nevertheless, the former are in no way intended to duplicate, replace or interfere with the work of Parliament or the provincial legislatures. The Digital Commons and Council are supposed to complement existing institutions by facilitating collaboration in areas of high interdependence. In effect, a significant part of the Council would be the result of a consolidation and formalization of a variety of intergovernmental processes and structures that are already in place. It would be an effort to establish a kind of **intergovernmental governance network**.

Linking the Council to the Digital Commons, on the other hand, adds a whole new dimension to the model. It brings citizens into the governance process, and does so in ways that respect their growing diversity and pluralism. The Digital Commons provides a space where they can assemble, identify their concerns and express themselves in ways that they find meaningful. Moreover, insofar as the Digital Commons engages citizens as citizens, it cuts across the interests of federal and provincial governments and can be viewed as bringing the voice of the community as a whole to public debate, rather than just that of governments.

The Digital Commons is a critical complement to the Council of the Federation, which is itself not a new idea. Proposals for a Council of the Federation have surfaced on a number of occasions over the years.⁵ But without the Digital Commons the Council seems worryingly anachronistic—the latest incarnation of the old idea of **Executive Federalism**. That approach relied upon a process of elite-accommodation to manage interdependence. In the days when interdependence was less widespread and Canadians were more deferential to authority, it was fine. It is no longer acceptable to Canadians, and so the Council is unlikely to be regarded as attractive or legitimate without

⁵ Most recently, an action plan was drafted based on a report by the Quebec Liberal Party called *A Project for Quebec: Affirmation, Autonomy and Leadership*, produced by the Special Committee of the Quebec Liberal Party on the Political and Constitutional Future of Quebec Society, released in October 2001. The action plan highlights the Council's potential to manage interdependence more effectively in many of the long-standing areas of intergovernmental concern. The document states the following:

The QLP recommends the creation of a Council of the Federation. One of its main roles would be to facilitate the cooperation between governments to improve the coordination of their policies concerning macroeconomics as well as matters relating to the consolidation of the Canadian economic union and the strengthening of the 1994 Agreement on Internal Trade.

The Council of the Federation would also be useful for working out the norms and objectives of the Canadian social union; for the joint revision and interpretation of the *Canada Health Act*; for development of new pan-Canadian objectives respecting the sectors of provincial jurisdictions; for the limitation of the federal spending power; and for the preparation and negotiation of international agreements and treaties concerning jurisdictions of both orders of government.

The Council of the Federation would constitute a permanent forum for discussion between the federal and provincial governments. It would ensure greater coherence in the actions and policies of the governments regarding the sectors in question. The Council would be made up of members appointed by the governments. A General Secretariat would oversee three separate secretariats, responsible, respectively, for the Canadian economic union (including macroeconomic issues), the Canadian social union and international relations.

The Council of the Federation would fall under the Executive, rather than the legislative, branch. It should be noted that the Council could be created without touching the Constitution.

something like the Digital Commons to bring it into the 21st century. Citizens are increasingly suspicious of elitist, top-down approaches to governance. They want more democracy, not less. The Digital Commons is a way of responding to this.

One concern with the Digital Commons is that it could fail to produce effective decision-making.

Nevertheless, citizens also want effective decision-making. One concern with the Digital Commons is that it could fail to produce effective decision-making. First and foremost, it is a forum for discussion, debate and deliberation, that respects the diversity and pluralism of the community. The Council addresses the concern by counterbalancing it with a duly elected body that has the authority to make decisions in a manner that is representative, transparent and accountable. Together, they are like two halves of a whole.

Finally, the idea of Canada as a community-of-purpose brings focus and purpose to the Commons and the Council. We said that it is not enough to have citizens participate in the choice of goals that define the community. Their role in the ongoing work of governance will be to help governments explore and clarify the scope and meaning of these commitments. Ultimately, this is what will make the goals useful guides to policy and action.

For example, suppose that one of the community-wide goals were to promote sustainable development. What would such a goal include? How would it be defined? How would we measure progress toward it? Canadians could explore such questions in the Digital Commons. In turn, these deliberations would provide guidance and legitimacy to decisions taken by the Council in order to manage interdependence as it relates to sustainable development. In turn, its decisions might help governments arrive at more integrated policies and programs, in ways that respond to Canadians' needs.

From one viewpoint, the democratic revolutions of the late 18th century were heroic because their leaders had a new vision of history and of their place in it. For them, the future was something that could be defined, shaped—in a word, **chosen**. This was a new, bold and powerful idea. By contrast, for the old feudal regime that preceded it, tomorrow was merely another version of today. Perhaps the democratic visionaries were overly optimistic about their capacity to manage change, but they were not wrong to try.

Political vision is the capacity to imagine a future that is different from the present and to believe that, through planning, choice and will, it can be realized. Leadership is the will to make the decisions necessary to realize the vision, in the face of uncertainty. Democracy is the political conviction that the best hope for managing change and realizing a vision is to define the vision, and choose the steps, together.

Modern liberal democracy is barely two centuries old. The culture is taking root in many countries. But it competes with deeply entrenched instincts and reflexes—the legacy of thousands of years of authoritarian rule. Deepening the democratic culture and strengthening the institutions is a long, slow, iterative process.

We are ready for another step. As we enter the Information Age, we are poised to pass through a threshold. E-government is an absolutely vital part of this evolution. It will provide the infrastructure to strengthen and renew governance and to redefine the nation-state. We need a clear strategy to achieve the goal. We also need political leaders who have the vision to realize it, the courage to implement it, and, most of all, a commitment to democratic principles that is deep enough to entrust citizens with a new role as partners in governance.

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