

**The Hollow Promise of Better Democracy through the Transformative
and Competitive Power of E-government in Canada**

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Introduction

Canada has a reputation as a world-wide leader in e-government. For several years, it received a Number 1 world ranking from Accenture, a global management consulting company (Public Works Canada, 2004, p. 1). The Canada website was also mentioned by the United Nations E-government Readiness Report in 2005 as a best practice in government websites (Human Resources Canada, 2005, p. 5).

The e-government project in Canada has undoubted successes: a large number of services now on-line or accessible through call centres, high public satisfaction with service delivery and rapid implementation of the e-government project. My argument, however, is that the promise of better democracy through the transformation and competitive power of e-government has not been realized. Flawed from its inception and mismanaged, it has shifted services, but has not met its own early rhetoric of transformative governance. Moreover, e-government in Canada is first and foremost a political, not a democratic project. As I will demonstrate, it privileges politicized, privatized, promotional and commercialized interests over the public interest of better democracy.

Key to my argument is the understanding that Canada, as a geographically large country with a population both dispersed and hugging the US border, has always relied on communication and technology for nation-building. It has continued to use this “technological nationalism” (Charland, 1986, p. 197) along with technological determinism in communications policy making, most recently in the Government On-Line project that began in 1999.

Technological determinism and nationalism, together with the political privileging of market interests over the public interest, have resulted in what I call the new TINA, a concept those here in the UK will be familiar with. In this case, it involves the construction, once again in Canada’s history, of a discourse and a policy for which ‘there is no alternative.’ In other words, the task for e-government was to embrace the transformative power of technological innovation in order to avert crisis in the form of a competitive threat from *outside* the country (the United States) and a threat to sovereignty

from *inside* the country (the ongoing struggle to keep the country united geographically and culturally) (Young, 2003, p. 216). These were not new threats, but their invocation whenever used resonates with Canadians steeped in a history of nation-building through communication.

Significant changes in state policy that emanated from New Right politics occurred later in Canada than it did in the UK and the US. These included restructuring of government through drastic reductions in spending, and privatization of services. During the same period of time in the mid-1990s, Canada was beginning to address the need for new ICT policy. The same New Right political and market forces that had successfully lobbied for government downsizing and restructuring... now positioned e-government as enabling the government to meet its target of streamlined administration and lower labour costs.

Prior to what Canada called the Government On-Line project, several major policy advisory councils set up by the government established and intensified the market's hold on ICTs. In each case, private industry was given the lead in recommending the direction that ICT policy should take. Overall, the result was that government facilitated ICT development with funding, but industry actually led it (Barney, 2004, pp. 96-102).

Despite this market activism and leadership on the ICT policy agenda, the government claimed that e-government was a response to concerns about its declining relationship with citizens. Strangely, for a government concerned with what has been called a 'democratic deficit,' it chose repeatedly to design a policy making process that curtailed or ignored citizen participation, either by not holding public hearings or not including citizens in advisory council membership. As Barney says, ICT policy in Canada instead "has reflected the priority of unfettered technological innovation and growth, and a complementary determination to develop these technologies in ways that maximize their potential as media of industry, commerce, and economic accumulation" (Barney, 2004, p. 104).

Government On-Line

Initial communication from the government on the Government On-Line project characterized it as transformative and good for democracy. It was first mentioned in the Speech from the Throne in 1999, in which the goal was established as making Canada the most connected country in the world with the explicit purpose of bringing Canadians together. In other words, the project was another nation-building exercise. It started with the Clerk of the Privy Council giving a speech about engaging Canadians and modernizing the relationship between governments and citizens in ways that would allow citizens to shape policies and decisions (Privy Council Office, 1998, p. 1). In 2000, Lucienne Robillard, the minister responsible for Government On-Line, said: "The government of Canada believes that new communications technologies will invigorate public discourse and strengthen the trend towards democracy around the world" (Treasury Board of Canada, 2000, p. 1).

But Robillard also articulated a different vision of what the relationship between government and citizens would look like. She said: "The Internet is making it possible to

provide programs and services in a more efficient, results-oriented and cost-effective manner” (p. 1). She also referred to “a skilled and trained workforce” (p. 1) and the need to “embrace innovation and making a commitment to continuous learning” (p. 4). As we have come to realize, these phrases are New Public Management code for cutting labour costs and allowing for business flexibility, goals in keeping with New Right reinvention of government.

The market aspect of the project was further emphasized in the first report from the E-Business Opportunities Roundtable. The roundtable was set up in 2000 by Industry Canada to “champion e-business initiatives and policy changes” (Canada, 2003, p. 1). The report stressed the urgency of Canada not remaining “complacent” about e-business, but to “aggressively” rise to the challenge or “risk falling behind other advanced economies” (Boston Consulting Group, 2000, p. 2). As it had with previous industry-led reports on ICTs, the government accepted and acted on the roundtable’s recommendations.

A later statement by one of the roundtable’s co-chairs got to the heart of the emerging business-government partnership in ICT policymaking. He said: “We need to stimulate economic growth by investing more in moving government online... Not only would this be an effective use of taxpayers’ money, the work of designing those systems would fall to Canadian business” (Government On-Line Canada, 2004, p. 2). In this statement we see the conflation of the benefits to Canadians with the benefits to business.

The Government On-Line project was moving with great speed at this point. The government allocation for the entire project was \$880 million [or 440 million pounds]. In 2001, Bell Nexxia received a \$57 million competitive contract to establish the Secure Channel infrastructure for the project (Public Works Canada, 2001). Accenture, the management consulting company that ranked Canada as Number 1 in the world in e-government, received \$100,000 in contracts (Access to Information, 2005). Between 2001 and 2002, both companies made substantial political donations to the Liberal Party of Canada, which was in power at the time (Elections Canada, 2002).

By this point, the Auditor General of Canada was scrutinizing the project closely and produced three critical reports over four years. One report said, “there has never been a comprehensive, well-articulated strategy or a consolidated strategic plan for the initiative” (Auditor General, 2004, p. 6). Another report focused on Secure Channel’s poor level of security, its huge cost overruns and long delays in implementation. It questioned the lack of clear measurement criteria, as well as the ability of the government to sustain large high-risk projects that would require large amounts of public funding over a long period of time (2006, p. 27).

Media reaction to the Auditor General’s several reports was muted, if not virtually non-existent. The few media stories on Government On-line that have appeared were mostly in business news and tended to uphold rhetoric of technological utopia, competition and the dire consequences of not moving ahead quickly with the project. One such story said, “technology industry leaders warn” that “the delay in launching the federal government

into cyberspace could knock Canada out of the race to become a world leader in the burgeoning Internet economy” (May, 2000, p. F5). In another story, a business leader recommended “the government slip back into deficit if necessary to fund an economic stimulus package that includes spending on Internet infrastructure and technology [research and development]” (Vardy, 2001, p. 2). In this environment of technological determinism, in which even the tax and deficit-cutting economic goals of the New Right can be temporarily set aside, there was very little media analysis of the Auditor General’s criticisms.

Service Canada

The government moved ahead with its plan to create one government department that would be responsible for all aspects of electronic service delivery to Canadians through single-window access. In late 2005, Service Canada was created, marking the official end of the Government On-Line project. The universalization of business imperatives with citizenship needs was evident in the department’s stated approach as it prepared to become Service Canada: “Better quality of service contributes to higher satisfaction among citizens. High quality and cost-effective services reduce costs for business and individuals, and increase the efficiency of government operations, helping to make Canada a better place to live” (Human Resources and Social Development Canada, 2005, p. 2).

Service Canada has not been without its detractors. The Conservatives expressed concern, calling it “another ineffective bureaucracy”—but that was when they were in political opposition (O’Neil, 2005, p. 1). The Privacy Commissioner echoed the Auditor General’s concerns over the security of electronic information, arguing that “privacy must be built into the design stages of the new technology and systems” (Office of the Privacy Commissioner, 2006, pp. 10-11). The union for government employees, the Public Service Alliance of Canada, said between 10 and 30 thousand jobs could be affected, with changes including relocation, redeployment or layoffs (CBC News, 2005a, p.1). Accountability, both to labour and to the public, was another issue, after one of Canada’s most well-known experts in access to information charged that the project hid “[o]ne of the most radical and secretive overhauls of the federal public service” (Rubin, 2005, p. 42). A document received through an access to information request showed that the government was looking into “opportunities for alternative service delivery, privatization and outsourcing” (p. 42).

The government was also criticized for putting in charge of Service Canada a senior public employee who was known as a political trouble-shooter (O’Neil, 2005, p. 1). This signalled that Service Canada was a key political initiative for the government. It was so significant, in fact, that promotional language and activity permeated the whole project from the beginning. Back in 2001, the minister responsible for Government On-Line said: “Our government has made a longstanding commitment to using and deploying information and communications technology in all facets of Canadian society. In fact, we have made it almost a trademark or a brand—to make Canada one of the most connected countries in the world” (Treasury Board, 2001, p. 1). This reveals how Government On-Line was a promotional vehicle to enhance the reputation of the government nationally

and globally. To reinforce the brand, the project had to be promoted, thus the government undertook considerable polling and advertising. In all, over 2 1/2 years, Service Canada conducted 24 national surveys (Service Canada, 2007, p. 1), but its polling mostly focused on client satisfaction levels with service. The government has also conducted extensive ongoing advertising campaigns to sell the convenience and ease of getting services, no doubt based on a survey finding that less than half of Canadians were aware of Service Canada's existence (Phoenix Strategic Perspectives, p. 4). Its initial national awareness campaign may have cost up to \$1 million (Public Works Canada, 2007, p. 7).

Service Canada's first annual report was, in effect, promotional literature. It was in full colour, with lavish use of large photographs (Service Canada, 2006, p. 19). This ran counter to the government's own communication publishing policy. The text itself is rife with the language of New Public Management, as exemplified in the vision statement: "To achieve better outcomes for Canadians through service excellence" (p. 8). The report repeatedly reminds Canadians what the government is doing to put citizens first and how much is being saved, and implies that it is eliminating fraud and waste (p. 17). In addition, the text repeatedly mentions "Canadians" and "citizens," but both words are used in a way that clearly means "clients." Given the promotional nature of the whole report, and the polling and advertising conducted on e-government, citizens are now also being treated as consumers of information.

Conclusion

The Government On-Line project in Canada has been successful in rapidly implementing the delivery of a large variety and number of services to Canadians, either on-line or through call centres. Many remaining issues, such as privacy, security, labour and accountability, will only intensify with time if left unresolved. While other countries may face similar challenges, some of the current issues had to do with the way in which e-government in Canada was conceived, organized and implemented.

Canada's experience with e-government owed much to its history of using communication and technology deterministically for the hegemonic purpose of nation-building. Equally it relied on New Right market-based politics to give it the language, advice and experience to propel it forward while the state provided the funding. Increasingly, the government eschewed public consultation and participation in ICT development and embraced the private sector's perspective of imminent crisis unless its market-based prescription was followed. Thus, e-government in Canada became the new TINA: there is no alternative not only to technological development, but also to a particular manner of development. E-government was *privatized* through contracts to the private sector to build the infrastructure and to provide the contract labour that replaced or redeployed public employees. It was *promotional* as the government sought to use the project to enhance its reputation at home as a united and connected nation, as well as abroad as a world leader, and in the process, needed to sell its e-government brand to citizens. It was *politicized* as the government awarded large contracts to private-sector companies that also donated to the political party in power, and by the government's own goal of cutting public sector spending. Finally, it was *commercialized* as e-government assumed a business orientation and reduced citizenship to service transactions as

consumers. Even the shift from the project name of “Government On-Line” to “Service Canada” in its implementation phase betrays how divorced it became from e-democracy and has instead become e-service.

The Canadian government made the error of equating access to technology with better democracy and thus conflated citizenship with service. Once again in Canada’s history, government has succeeded in averting the presumed threat to the nation, but it has not addressed the central problem of democratic citizenship. Thus, e-government in Canada is exposed as a political rather than democratic project, one that has not lived up to its initial promise of better democracy.

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