



The Role Of Governmental Effectiveness In A New Liberalism: Bridging Four Key Gaps

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Introduction

Professor Sanford Borins notes in his excellent paper that an important contributor to the political success of the Liberal Party since 1993 has arguably been its ability to capture and hold onto the "governmental effectiveness" agenda from the New Right.² Liberals have given real and deep cuts to government spending and services a more progressive mantle than the rather limited trimming of the Mulroney era.

As Professor Borins also notes, performing an active array of public sector functions well -- and with minimal waste -- accords with the values and wishes of the majority of Canadians, and also their British cousins under Tony Blair's leadership. The Republican thirst for cutting back on almost everything but military spending south of the border has never taken hold here, at least at the Federal level, for a host of reasons. The Canadian economy and society are much the better for it. Widespread acceptance and realization of effective domestic government helps account for the fact that Canada outperforms the United States on virtually every indicator of quality of life, save for per capita income.³

This paper makes four principal, interrelated arguments:

- Despite many positive corrective efforts, current policy-making processes in governments still suffer from a *fundamental weakness in integrating effort* across departmental and disciplinary lines. This is particularly so for addressing "wicked" problems and issues... those to which each solution seems to create more problems. Especially in these cases, which demand more rigour of analysis, Ministers and senior officials meet great difficulties in sorting systematically through evidence about the relative success and failure of current and past initiatives.

To mix metaphors thoroughly, the combination of flight to bureaucratic foxholes and papering over cracks can create a long-term image of a public sector vulnerable to the charge that it cannot shoot straight, at least on some major issues.

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² See: "The New Liberalism and Canada's Public Service" at www.newliberalism.ca.

³ See United Nations Development Programme, *Human Development Report*, (New York: Oxford University Press, annual). Of course, for the New Right, this is a very important "but".

- A new Liberalism must also come to terms with the perilous task of *setting and sticking to priorities* for public interventions. This can be particularly difficult when substance rather than process is involved, e.g., when one must clearly stare down specific interest groups or say no. Of course, New Liberals want to engage the Canadian public in a process of formulating and implementing priorities. However, without a substantive knowledge base to inform priority-setting, the net of public policy can be cast so wide that all interventions are below "critical mass". Despite many valiant efforts over the years, under a variety of banners, there is more work to be done.
- Another key element of the Liberal agenda since 1993 has been investment in science and technology. Many obvious benefits have resulted from the huge expenditures made in this field in a variety of ways. However, there may also be a *day of reckoning approaching*, when middle-income Canadians inquire about some of the results in tangible terms. They may even begin with the telecommunications sector. New Liberals need to gird themselves and the scientific community for some hard questions. Even if such questions never come, preparing for them will help to stimulate fresh thinking about the next agenda for investment in innovation.
- Flowing from all of these points, and on a global front, there is a need to *energize in very practical ways the Canadian commitment to innovation for international development* to do more about bridging the "ingenuity gap", but defined in operational terms. This is the gap between what developing-country governmental institutions are doing and what they need to do to keep up with the problems their societies are facing.⁴

Bridging the Learning-from-Failure Gap

The "Red Books" that underpinned the Liberal election campaigns of 1993 and 1997 are, in many ways, masterpieces of policy integration and of learning from a range of previous government initiatives. They have proven the case for having a solid, fact-based but values-driven agenda to guide policy-making efforts and incidentally, to promote institutional learning and integration of effort across departments and agencies. Nor do the Red Books shy away from defining "wicked" or relatively intractable and cross-jurisdictional issues for Federal attention, e.g., pre-natal and early childhood care, crime protection and urban quality of life.

Yet New Liberals are left with the question of what to do for an encore. They also need to assess whether and how to assume the political initiative on selected issues to which even resolute responses over the past decade are almost unblemished by success. Some of the challenges of renewing the fisheries and of reducing greenhouse gas emissions come to mind. In this

⁴ See www.ingenuitygap.com. While Dr. Homer-Dixon defines the gap as one between ideas needed and ideas available, there is also a gap between having sound ideas, and acting upon them.

connection, New Liberals are faced with the conundrum that the more policy-makers require integrated assessments of difficulties in applying the positive state, the less likely they are to find such assessments. There are, indeed, few rewards in government circles for contradicting in-group thinking about comparative performance of policies and programs, especially when that thinking is at odds with the facts on the ground. Each commentary about past failures may appear to be barbed with arrows aimed at specific rivals. Yet there is surely something better than standing still for periodic assaults on the public sector, topic by topic, from the Fraser Institute.

The credibility of New Liberals is likely to rest on their possession and use of superior knowledge about what is effective and efficient in government, and why, beginning with their response to the some of worst cases. The shibboleth about limiting governments to "doing what they do best" leads quickly to a rather short list in the view of the New Right at the national level... defence, foreign policy, taxation, and some critical infrastructure. It is essential to counter in depth the siren calls of those from the New Right who never met a simplistic idea they did not like.

Here is a specific proposal, advanced with some trepidation. New Liberals should establish a task force to address wicked problems perennially resisting public sector efforts. The aim would be to determine whether such problems could be broken open in new ways that learn from the past, but do not involve simply getting out, or preclude it either. In brief, New Liberals would systematically examine past, current, and emerging issues that seem to require government action, but for which existing solutions seem to range from actively harmful to feckless and wasteful of the credibility of the public sector.

There are two ways of going at this task: to start with the whole panoply of programs and sort them into baskets of relative success and failure, or to go straight to the ones in greatest distress. Given the interest and resources, the former strategy appears preferable, both in building morale and benchmarks, and in ensuring that scanning for deeply wounded but still standing interventions is complete.

Whichever substantive issues fall out as needing greatest attention in formulating Red Book III, the stickiest *process* problem -- interagency integration of effort -- should be at the top of the list. One way of organizing this inquiry is to consider problems according to a "life-cycle" approach. An option for addressing such problems could be permanently-supported cross-departmental structures that reflect these full life cycles, as is done in some cases now for responding to crises such as border security after September 11, 2001.

As anyone who travels in Federal offices these days can see, a major generational change is occurring in the Federal public service right now. It is also essential, especially in the context of making promises to fresh and able young people, to determine how to stop stripping out of mainstream government institutions some of the most interesting and innovative work. More

policy work needs to be organized according to life-cycle communities of practice inside its walls. As Professor Borins advocates, New Liberals should look closely into the innovations that the Blair Government has been attempting in the United Kingdom, particularly in rewarding integrated and innovative public service effort.

Bridging the Evidence-Based Priorities Gap

Those who have worked in Cabinet minister's offices can attest that political life is a recipe for Attention Deficit Disorder (ADD). In this context, there is strong resistance to setting and holding to real and sustained priorities for public policy in many quarters. Endless meetings can still produce laundry lists that avoid the central issues. This, in turn, often translates into support for the status quo in allocating attention and resources, except in crisis situations. On the other hand, a set of evidence-based priorities within a learning organization is a tremendous tool for both defending what is being attempted, and for getting the job done. Think of a Health Minister able to point constantly to a widely-accepted list of major causes of death, injury, and days off work, and of cost-effective public health solutions. Such a Minister would be well armed to focus on the most critical drivers shaping the health of the nation.

The still-fragile state of a culture of evidence-based priorities makes even policy fields in which there are clear ways of ranking prospective solutions -- such as reducing greenhouse gas emissions -- more difficult to address. Indeed, public debate about signing and implementing the Kyoto Protocol illustrates rather well the challenges that policy-makers can face in setting effective priorities. Global climate change is one instance in which there is a simple and ineluctable common metric against which to assess relative impacts of different potential actions, as well as their "collateral damage". That is: amounts of greenhouse gases prevented or consumed. Hence, "soft options" are much more limited. Yet effective public sector action also demands that there be "buy-in" to making difficult choices in the face of uncertain ultimate results.

What is needed is *not* ways to eliminate political calculation and coalition-building or to move them to the margins. These are the main meat of politics, and will remain of central importance. However, sound policy advice must surely be based on bringing together in a few pages the best available knowledge of what causes major problems and how effective, based on the evidence, different types of proposed solutions are likely to be. An analogous methodology animates the Finance Department in shooting holes at departmental proposals. It would be much preferable to have evidence-based decision-making spread, with appropriate modifications, to proposing departments and agencies so that the dialogue is less lop-sided.

In brief, better scientific knowledge and better information technology now makes it feasible for New Liberals to learn from efforts to apply "evidence-based decision-making" in the health care field, and to adapt and move this concept up to the policy-making level, and to other fields as well. The aim would be to formulate an agreed priority-ranking system in each major policy field based on a coherent workshop-based process to develop it. This in turn would provide the

bedrock knowledge upon which Cabinet tests proposed new initiatives against criteria that go beyond their cost, but are not just the result of harried policy analysts coming up with the requisite three or four "options". Moreover, if a proposed solution clearly addresses an evidence-based priority problem, and emerges from more systematic scanning of what is likely to work, the risk appetite of governments should increase.

Bridging the Prospective Gap Between Promise and Performance of Science and Technology

The foundation of all science is evidence found by following certain protocols of research and analysis. Yet taking scientific findings and translating them into successful ventures is a matter of bold leaps of faith, whether in business or in politics. Building the Internet was such a leap of faith, based on solid advances in physics, engineering, and mathematics. Observers watched in awe as the way opened to tap and put to work what appeared to be all the knowledge in the world, and a tremendous research and communication tool was created. At the same time, users and prospective investors were engulfed by one of the largest waves of sheer nonsense and outright prevarication that has come along since people went mad over tulips.

Building across North America is a deep anger at the combination of sales pitches and corporate planning mistakes that has resulted in the loss of billions from almost everyone's life savings. At the moment, this anger may be focused on specific individuals, such as the glib stockbrokers who urged one to hold the shares bound to go even higher. However, it is almost inevitable that the anger will be mobilized and focused by someone on a political plane. President George Bush may have some limitations, but lack of attentiveness to public mood is not one of them. Whoever succeeds in mining the deep vein of anger among the middle-income Canadians at the staggering losses of savings over the past two years is likely to have a rosy, though turbulent, political future.

The specific case of Federal support for innovative telecommunications ventures now gone somewhat awry is only one example. Through direct engagement with them over decades, the author has found that quite a number of scientists in government laboratories grow impatient at being asked to offer evidence of the contribution they are making to the public good. Alternatively, they may offer anecdotes when patterns are required. At one level, this prickliness is entirely understandable, since questions along these lines can be, or can appear to be, the thin edge of the wedge of political interference. On the other hand, as Federal reinvestment in science and technology activities continues, it will be natural to strengthen mechanisms for obtaining assurance of results, outcomes and impacts that go far beyond simple indicators of outputs like R&D expenditure as a proportion of GDP.

This is not a blinding new insight. However, it is becoming ever more urgent to reinforce the move toward comprehensive performance measurement systems for Federal science and technology investments. With this fully in place, New Liberals and members of the public alike can inquire sensibly about the comparative returns from different fields of inquiry, about the overall portfolio of public support for scientific and technological activities, and also about what values are driving such activities.

Bridging the Global Ingenuity Gap

The International Development Research Centre is a remarkable Canadian invention, of which too few examples still exist: a true organization for "citizens of the world". Nonetheless, it remains a research centre and must contribute to international development innovation indirectly through practical knowledge, demonstration projects, and suasion with investors and donors.

The "basket-case" developing countries have a triple deficit to overcome: lack of democracy, political and economic equity; the elevation of corrupt sociopaths to many positions of high office; and their consequent lack of interest in creative solutions to the problems of their own people. On the other hand, notable exceptions in relatively smooth political transitions such as South Africa, the Baltic States, Uruguay and Thailand demonstrate that these deficits can be overcome and that the groundwork for ingenuity in developing solutions can be laid.

The Government of Canada needs to "put wheels" under innovations from IDRC and from Canadian entrepreneurs struggling to stay in business by serving poor people in difficult and dangerous places. Important models along these lines are being developed, for example, by Industry Canada via the Canadian Sustainable Cities Initiative, and via the Department of Foreign Affairs and International Trade participation in International Aid & Trade events. However, almost by definition, these initiatives must hold out the prospect of rather immediate commercial benefits to Canada. A second track is needed for recovery, reconstruction, mitigation and sustainable development in the countries that pose the greatest threats to the security of the world as well as being in unconscionable misery, or else that simply need us badly. They include: Afghanistan, Sudan, Rwanda, El Salvador, and East Timor, among others.

Here are some specific examples of how Canadians can make a dramatic impact on people's lives, all based on real innovations developed in this country that have yet to receive concentrated or sustained support:

- low-cost brick-making technology;
- low-cost water purification technology;
- low-cost solar cooker technology;
- low-cost interactive telecommunications technology.
- low-cost methods of incorporating disaster resistance into small buildings.

In pursuing creative solutions to urgent global needs, for example, Canadians still lack the kind of flexible tool for supporting investment in developing countries that Americans have in the Overseas Private Investment Corporation (OPIC).

New Liberals would do well to embrace a rejuvenated strategy for Canadians as citizens of the world... not just as suppliers of more foreign aid.

Conclusion

Since 1993, Liberals have enjoyed tremendous political success through a combination of good management and good fortune. Wise sailors and political planners as well like to "trim sail while the wind is high". In this period of preparation for the next election, New Liberals need to dig into four key problems that bedevil more effective government. They need to take stock of what has been learned about failures in government-initiated solutions as a basis for strategies toward "wicked" problems in the next mandate. They need to define some key priorities according to the evidence of perils and benefits to the well-being of Canadians, e.g., to reforming health care in relation to largest causes of death and injury. They need to support a more rigorous demonstration of the results from science and technology investment, e.g., based on indicators of contributions to quality of life as well as the economy. And they need to apply their talents for innovation in a more concerted way to the needs of the developing and transitional economies, beginning with some of the worst situations first.