Governance for a smart world

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Utopia

2016
Leuven, 500th Anniversary
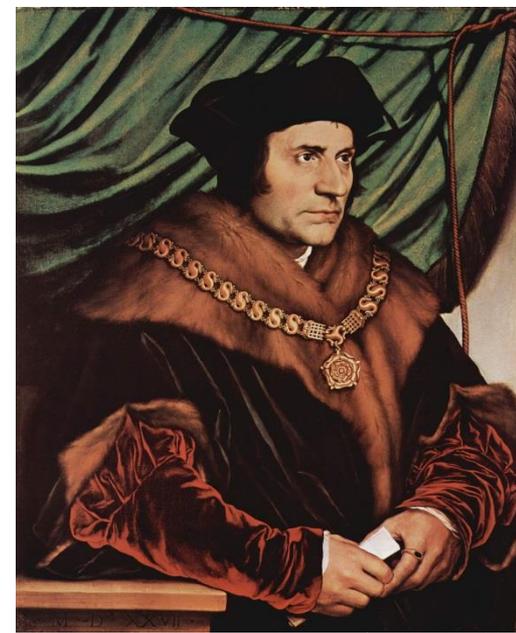
Thomas More - *Utopia*
De Optimo Reipublicae Statu deque Nova Insula Utopia
"The Best State of a Republic on the New Island Utopia"
Published in Leuven in 1516

Utopia

An imagined place or state of things in which everything is perfect (Oxford Dictionaries)

An imaginary place in which the government, laws, and social conditions are perfect (Merrian Webster)

Perfect society, which is ultimately unreachable (More, 2016)

Utopia, Ambrosii Holbenii imago ligno incisa, 1518

Smart world

The converging of the real and digital worlds
Bringing sustainability and lots of new opportunities

Smart World ≠ Utopia?   **Smart World ≠ Utopia**

Imaginary place?
No – It is our world (planet)

Perfect society?
Not only, it is also about our beautiful Earth

Unreachable?
No, it might be feasible / realistic

Is Smart World perfect?
Up to you to decide

Smart world keywords

Connected

Innovative technologies

Digital

Interoperability

Sensors

Smart cities

Big Data

Interactive

Performance

Quality of life

Efficiency

Service delivery

Governance

The way that organizations or countries are managed at the highest level, and the systems for doing this (Cambridge English Dictionary)

The traditions and institutions by which authority is exercised (UNDP, World Bank)

The structures, policies, actors and institutions by which an entity is managed through decisions (OECD, 2015)

Good governance

Criteria for good governance:

- Performance

- Responsibility

- Accountability

- Transparency

- Rights and duties

- Policies for guaranteeing results

The effects of good government
The Allegory of good and bad government
Ambrogio Lorenzetti (1339)
Siena

Governance recommendations for a smart world

Provide governance recommendations for a Smart World

1. Balancing governance approaches
2. Provide right answers to right questions: demand driven supply
3. Managing datasets with organisations
4. Focus on Solutions to Solutions
5. Invest in Interdisciplinarity

Balancing Governance approaches

Hierarchy
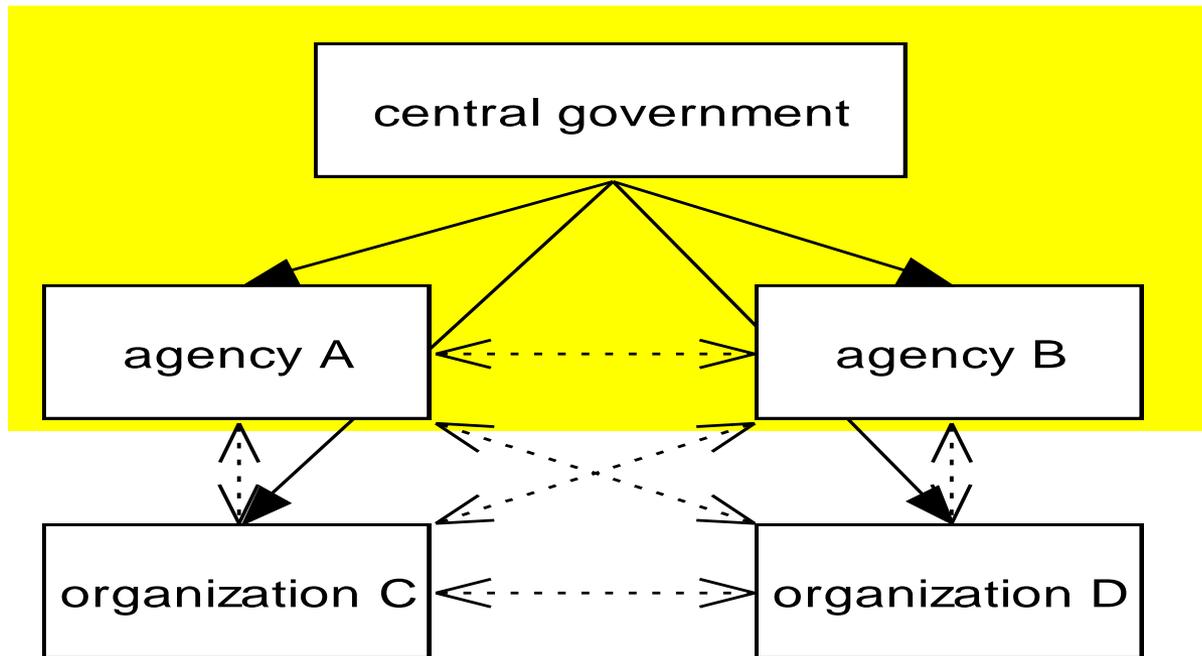
direct control (strict ex ante, structural and financial control)

quasi-automatic coordination between agencies and organizations

public sector

Keywords: Clear Rules, Laws, and Working Structures

Balancing Governance approaches

Markets
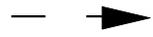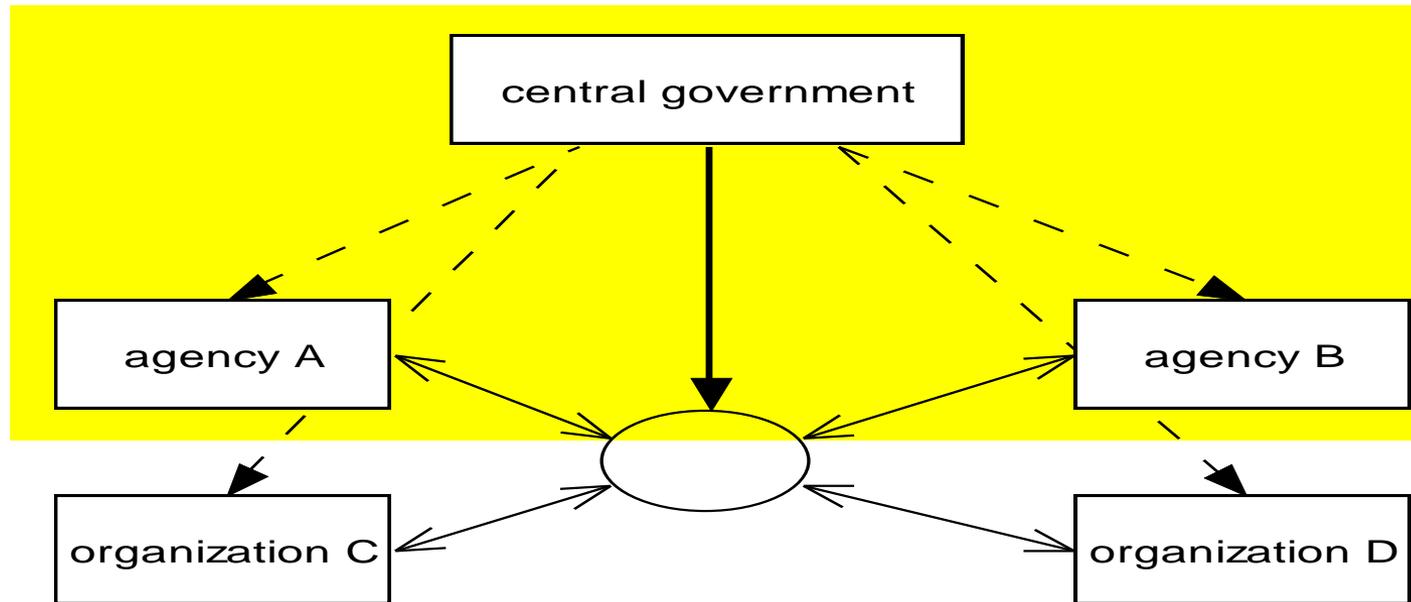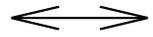

- ─▶ indirect control (mainly ex post control)
- ⇔ 'horizontal' 'spontaneous' coordination between agencies and organizations
- ─▶ market creation&regulation and by government
- ⬭ market
- 🟨 public sector

Keywords: Competition and Pricing

Balancing Governance approaches

Network
Coordination = network management + indirect control (agency A - N)
+ self-coordination

indirect control (mainly ex post control)

'horizontal' 'spontaneous' coordination between agencies and organizations

network management by government

network

public sector

Keywords: Profound cooperation, Trust, Solidarity
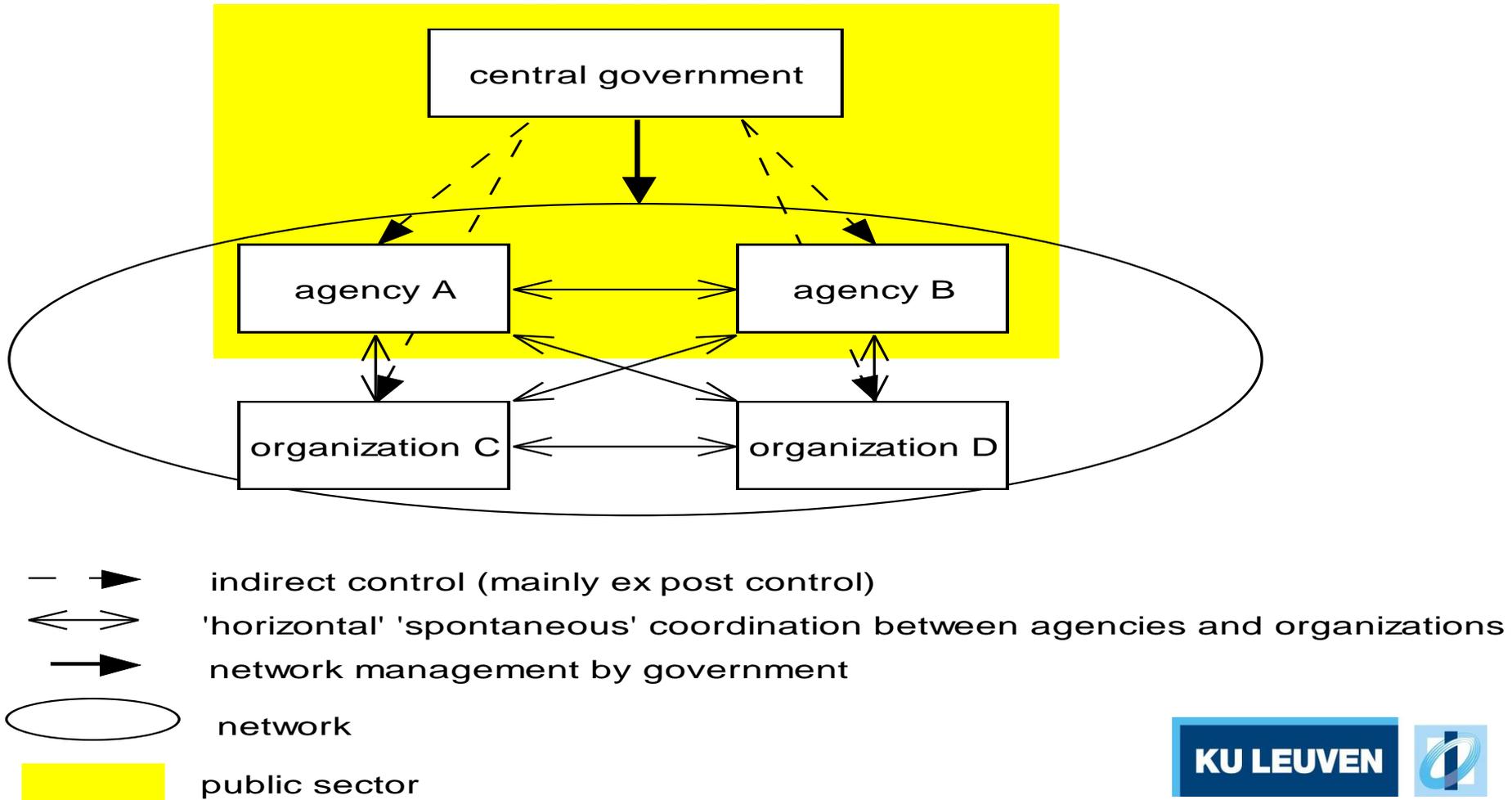
Balancing Governance approaches

Good Governance Recommendation 1
Aim for a well-balanced implementation of the 3 different governance approaches

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Right answers to Right questions
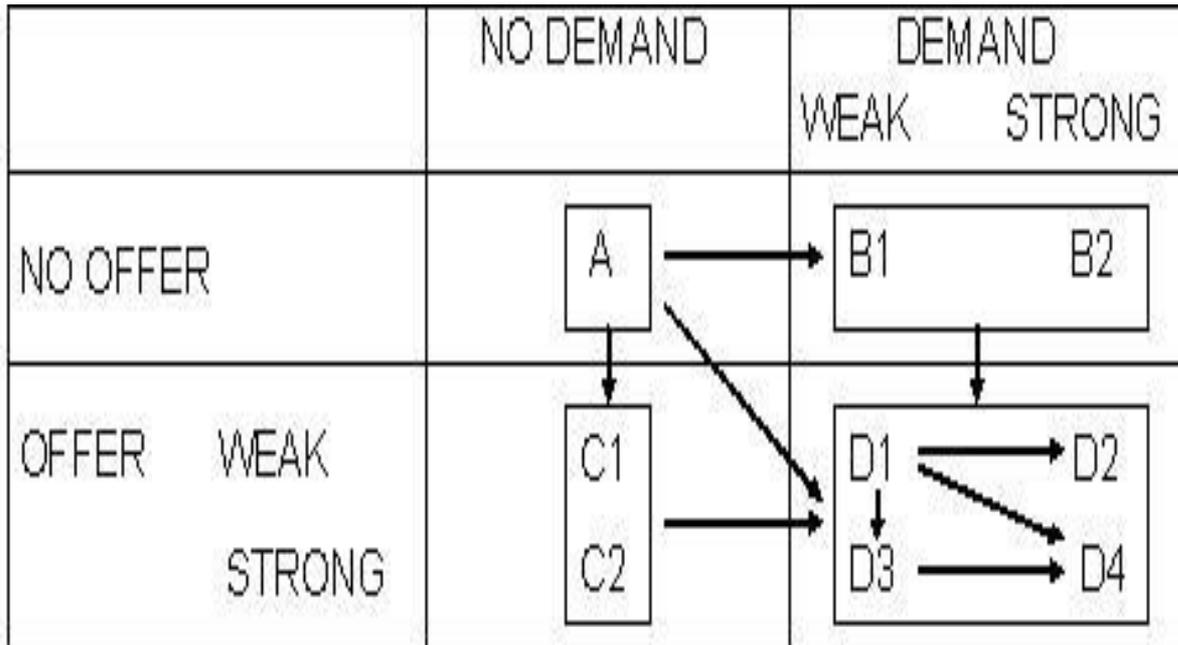
Bouckaert & Halligan (2008) **Managing Performance, International Comparisons**.
Routledge, London, p. 113.

# Right answers to Right questions

Right answers to wrong questions:

- Supply driven approach to Demand

- Frustration zones

Good Governance Recommendation 2

- Demand driven approach to Supply

Managing datasets with organisations
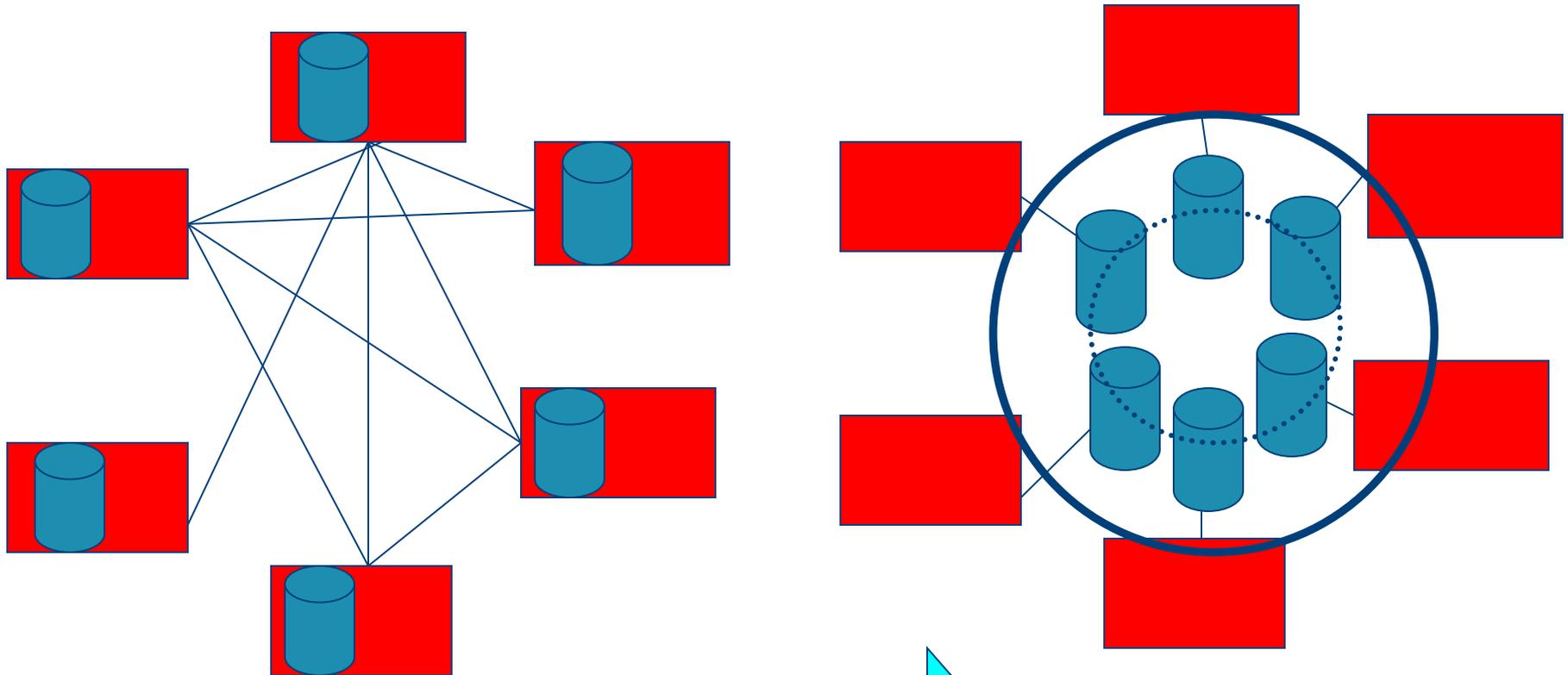
Organisations with Databases

Databases with Organisations

Managing datasets with organisations

Good governance recommendation 3

- Managing datasets with organisations

Focus on solutions to solutions

Trajectories of Reforming Governance

PROBLEM → SOLUTION

A
Perceived lack of:

- Performance
- Responsibility
- Accountability
- Transparency
- Control
- Policy capacity
to guarantee results
- ...

(1)

B
- Creation of agencies
- More autonomy
- More specialisation
- Increase of single policy capacities
- Performance Measurement Systems (PMS)
- ...
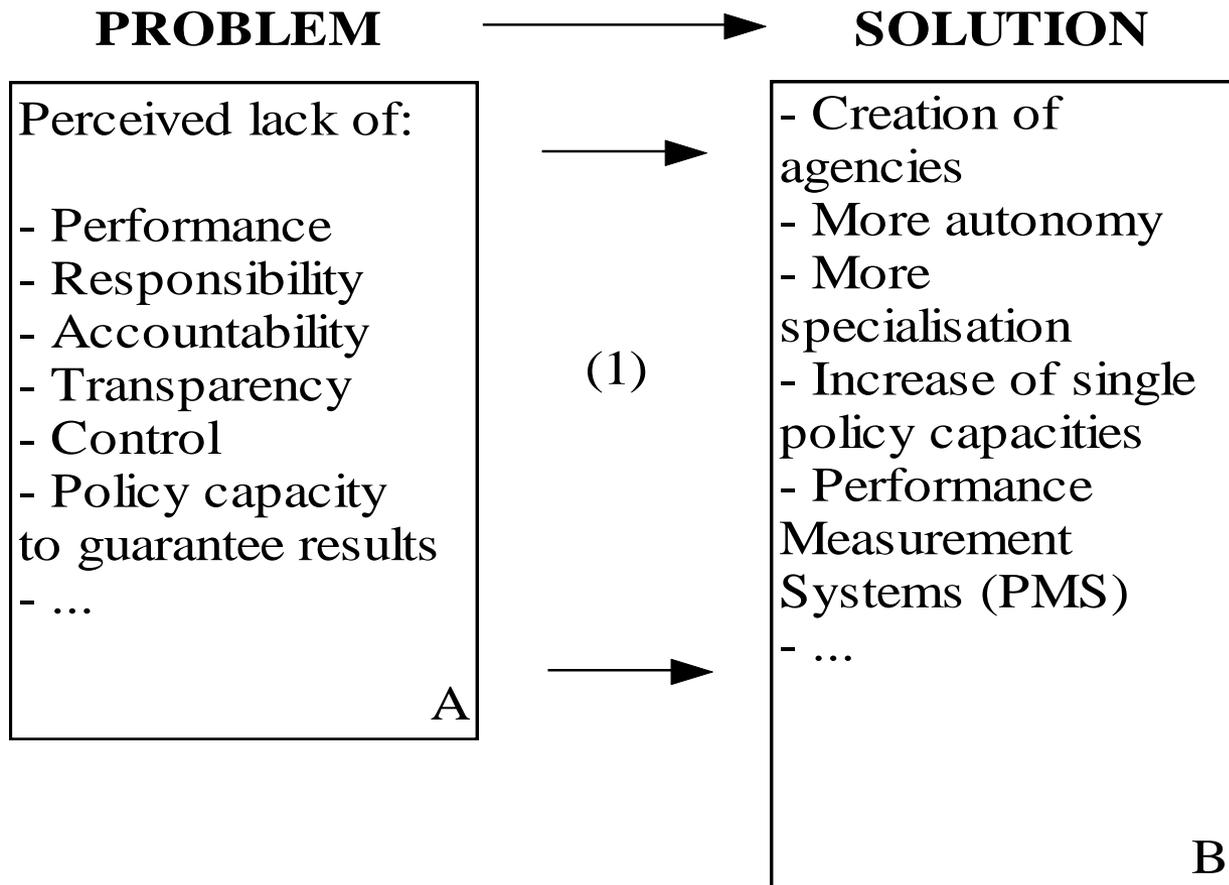
Focus on solutions to solutions

From Solutions to Problems

Solutions create new problems:

1. Wrong solutions for right problems

2. Right solutions but bad implementation

3. Right solutions, correct implementation, but solutions disconnect from problems

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Focus on solutions to solutions

PROBLEM → **SOLUTION**

NEW SOLUTION

Perceived lack of: - Performance - Responsibility - Accountability - Transparency - Control - Policy capacity to guarantee results - ... A	- Creation of agencies - More autonomy - More specialisation - Increase of single policy capacities - Performance Measurement Systems (PMS) - ... B

(1)

- New / renewed co-ordination
    HTM
    MTM
    NTM
- Guarantee effective policy capacity
- Audit Capacity increased

D

(2)

(3)

SOLUTION = PROBLEM

- Dysfunctional autonomy
- Centrifugal agencies
- Suboptial focus on agency outputs, not on policy outcomes
- Considerable transaction costs
- Disconnected single policy capacities
- Perversions of PMS: "Gaming", ...

C

Focus on solutions to solutions

Good governance recommendation 4

- Focus from solutions to solutions

- Be aware of the Problem -> Solution -> Problem –> Solution process

- Focus on the right and relevant solutions together with stakeholders

Invest in Interdisciplinarity

From sequential to parallel/simultaneous dynamics

Sequential

Technology -> Legislation -> Finance -> Organisation ->
Service delivery

Parallel/Simultaneous

Technology

Legal Frameworks

Finances: Financing and Fees

Organisation/

Service delivery

Invest in Interdisciplinarity

Recommendation 5

- Establish multidisciplinary task force(s)
- Operate simultaneously, complementary and not sequentially
- Invest in Semantic interoperability

Summary

Governance recommendations for a smart world

1. Balancing governance approaches

2. Provide right answers to right questions: demand driven supply

3. Managing datasets with organisations

4. Focus on Solutions to Solutions

5. Invest in Interdisciplinarity

+ Implement Governance instruments (see Side event: 'Trends in National Institutional Arrangements' 1/8 11:00)

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