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# Is Integrated Government Possible?

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David Solomon Lecture

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Many Commentators have reflected on the theory and practice of open and accountable government in Australia. Some are very good at tracing the history of the idea. They define and they clarify. Some are very good at revealing the way it actually plays out in our own Anglo-American version of representative democracy. They expose and they complicate.

The trick of course is to combine the two. Usually this is done by those who have been actors as well as analysts and practitioners as well as commentators. I like to think of this distinction in terms of the thinkers at the top of the hill looking down into the valley where all the action takes place trying to make sense of it all and the doers in the valley trying to make ends meet and occasionally going to the top to seek advice. What we need, of course, is a dialogue between the two, it's that which brings wisdom to the table. Right up there as a case study of this more in-depth study of the subject has been David Solomon. He has written extensively on each arm of government - the executive, the legislature and the judiciary. He's been there - and still is - at the centre of things trying to make sense of it all but with the overwhelming objective of improving the way we are governed. My favourite publication by David's is *Coming of Age: Charter for a new Australia* (UQ Press, 1998). In it he makes the case for "a real system of checks and balances of a classical kind" with an elected President alongside a separately and differently elected Parliament<sup>1</sup>.

He urges us to think again about the very way we configure and connect our institutions and reminds us that the big reforms should never be excluded from our considerations. This is always good advice. Indeed on many occasions I've seen politicians rule out systemic change as being too hard or too dangerous. They finish up overselling marginal or piecemeal changes that fail to deliver, not only improved outcomes but also political capital for themselves - in other words the worst of both worlds!

Thank you, then, for the privilege of delivering a lecture named in honour of such a distinguished Australian. I trust I will do justice to the standards he has set.

## MY ASSUMPTIONS

I come to the task with an assumption about politics and a set of beliefs about democracy.

My assumption about politics is straight-forward - it's not only, but largely about leadership, and leadership is not only, but largely about ideas. Indeed, as John Maynard Keynes observed, "the world is ruled by little else". Even those highly practical people "who believe themselves to be quite exempt from any intellectual influence, are usually the slaves of some defunct economist"<sup>2</sup>.

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<sup>1</sup> This quote comes from David Solomon, "A Single-Chamber Australian Parliament", *Parliament of Australia: Papers on Parliament*, No. 36 (June 2001).

<sup>2</sup> *The General Theory of Employment, Interest and Money* (1935), ch. 24 "Concluding Notes", p 38.

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I also come to the task with my own idea on how to assess the effectiveness of our democratic system. We should look to processes and outcomes, not one or the other. That means providing space for leadership in the interests of the future as well as the present, the environment as well as the economy and minorities as well as the majorities.

In other words I do believe that we do well not to ignore or downplay the special role the executive has to play in bringing all these considerations together. It has to be open and accountable but on terms and conditions that survive the "unintended consequences" test.

It is true, of course that the executive may not wish to take up any of these leadership opportunities. Nor should we forget its propensity to seek a range of covers that are based on fear rather than fact. Indeed we need to encourage the executive to understand the power that results from sharing power. As we all learned in our first year politics course there is a real difference between power and authority. It's not the same as but very close to the distinction we make between management and leadership.

Thirdly I won't be paying much attention to what technology has added to our thinking about public value. As Nicholas Gruen noted in last year's Solomon Lecture Web 1.0 was "a platform for point to point communication by e-mail and hub-and-spoke communication between websites and their visitors" and Web 2.0 "permits collaboration between all and sundry"<sup>3</sup>.

Technology is just that and no more - a means to the end of better communication and the sharing of ideas. It creates concepts like "citizen-centric" or "connected" government, "e-government" and "online engagement" but each of these still needs a framework within which to understand how they fit into the system and what the "terms and conditions" ought to be for their implementation. When it comes to that I can only recommend the report of the Government 2.0 Taskforce: Engage: Getting on with Government 2.0 (2009)<sup>4</sup>. It's forward looking and it's practical.

In thinking about these issues then let's assume that we are in government and have the powers to decide that go with it. What path ought we to choose?

#### REPRESENTATIVE AND RESPONSIBLE GOVERNMENT

In the decades following the Second World War it seemed so easy. We called our system one of representative and responsible government<sup>5</sup>. It was a case of parties competing for power and voters selecting amongst them. A more direct and participatory democracy of the sort we associate with Switzerland was thought not to be feasible.

The respective roles of leaders and ministers, ministers and parliamentarians, governments and their public servants, the public and private sectors, politicians and the media, and judges and others was the subject of general agreement across the major parties, with left and right providing the substantive content for its day-to-day operation.

In the course of time the system was reformed in the direction of more openness (for example legislation for freedom of information) and more consultation in the interests of due process.

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<sup>3</sup> See Geoff Gallop, *Politics. Society, Self: Occasional Writings* (2012), Section 6: "Leadership and Politics Today".

<sup>4</sup> *Government in the Age of Web 2.0 - Connect. Engage, Innovate*, (David Solomon Lecture, Brisbane, 2011)

<sup>5</sup> See the classic text by A.H. Birch, *Representative and Responsible Government* (1964).

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Both access and involvement were strengthened but within a limited, some might say elitist, understanding of citizen/state relations.

However further change was in the air and became staple diet for politicians from the late 1960s onwards, first as marketised government, then as engaged government and finally as integrated government, each with its own definitions of openness and accountability.

#### MARKETISED GOVERNMENT

Two doctrines underpinned the incorporation of the market into government -the economic theory of allocative efficiency and the social theory of customer choice. In its most fundamentalist form these ideas coalesced under the liberal banner of small or limited government.

Making government open, then, meant first and foremost making it open to competition from outside. In theory at least competitive tendering could apply to all parts of government, from advising the ministers to providing services within and without and to regulating society generally. So too it was thought that the government could relieve itself of some functions and allow societies and economies to more freely determine their destiny.

What all of this has come to mean for government has been the subject of much analysis. For my purposes today I am only going to urge you to consider two of my own conclusions, one of which goes to the range and depth of knowledge exchange between the public and private sectors today. Government budgets are more transparent than they were and more is expected of government reporting. So too do government agencies today know much more about the needs and interests of those who use (or who might use) their services. The private sector has had to come to terms with the fact that much which it had thought confidential was no longer when it came to partnerships with the government. The public sector has had to come to terms with the fact it needed more and better information - and new skills - if it was to properly represent the public interest in this highly contestable environment.

Secondly we are now in a position to see the limitations (and challenges) associated with the ideology of small government. Certainly bringing the market to the table in this way has made life much more complicated for those involved in government. For one thing it's brought more doubts in the public mind about whether politics and administration can be free of corruption in this commercialised system of government which breaks down the traditional line between what is "public" and what is "private". We now have corruption commissions on the job and more civil society activism in the interests of human rights and the public interest.

Commerce may very well add value to contemporary government but the notion that it could do so if applied in all spheres is highly doubtful, some might say fanciful. Put simply it made people feel less secure and that's why further change in the way we organise government was inevitable. It came in the form of engaged government.

#### ENGAGED GOVERNMENT

The requirement for government to properly consult the public when making decisions had become established practice in our systems of representative and responsible government. However, this was never going to be enough, particularly after the Cold War ended and globalisation took its grip. The people had never really warmed to marketised government and

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using the mechanisms associated with "old" (pre-internet) and "new" (internet-based) politics they began to press for more than that which elections and due process could offer.

Two doctrines underpinned the practice of engaged government -the sustainability principle and what has been called "the wisdom of crowds"<sup>6</sup>. New forces rose up to speak for the environment and they demanded a more direct say, if only for the communities most affected by any initiative. Communities of interest also began to question why the requirements of the market should take precedence - and they demanded a say. By bringing more people into decision-making it would mean more ideas, more dialogue and more innovation. This was the politics of the triple bottom line.

Consider the wide variety of ways and means associated with this idea of engaged government. In my own time in government (2001-2006) we utilised the following mechanisms - Consensus Forums, Citizens' Juries, Deliberative surveys, Multi Criteria Analysis Conferences, Enquiry by Design.

Dialogues and 21st Century Town Meetings, the most important of which was Dialogue with City in 2003. So too did we take Cabinet outside the city and hold major summits on drug policy and water management.

In our publication *Working Together* (2006) we identified 19 community engagement tools ranging from all of the above to others like community workshops, future search conferences and small neighbourhood meetings. This approach is underpinned by the concept of open government within a representative system. As the OECD put it:

"Strengthening government-citizen relations is a means for government to fulfil its leadership role in an open way and more effectively, credibly and successfully<sup>7</sup>.

By adding these participatory mechanisms to the list of options available to governments, politicians have the chance to move beyond the short-termism generated by an adversarial and largely media- driven system. It is clear that they are not appropriate in respect of all issues - or in all circumstances - but that they can be highly beneficial when seeking support for necessary but controversial changes, attempting to break deadlocks over seemingly intractable issues, eliciting attitudes towards - and concerns about - scientific and technological change and when planning, implementing and evaluating policies generally. It was all about good government rather than small-or indeed big- government.

Governments had learned much about the needs and interests of customers in the market driven era but when it comes to citizens the challenge was greater. For politicians it meant more sharing of power, so too for public servants. For citizens it meant more responsibility and more activity but also more access to the type and range of information needed for good decisions. It's also meant that the private sector has had to sharpen up its act when opposing or supporting initiatives described as "reform". Why? Because more people are asking more questions - and in forums that matter.

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<sup>6</sup> See *Engage: Getting on with Government 2.0* (2009), p 31.

<sup>7</sup> See especially John Benington, "From Private Choice to Public Value" in John Benington and Mark Moore (eds) *Public Value: Theory and Practice* (2011).

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The problem that faced many in power and committed to the principles of engaged government was the tougher set of standards it imposed on those in power. In the marketised model it was a case of seeking consistency between competitive neutrality and government practice. Political leadership was seen as weak or strong depending on its commitment to market-based change. In the politics of engagement on the other hand it's much more open-ended and indeterminate. Indeed there is debate within the camp itself on whether more public trust in government by way of more and better participation is an end-in-itself (deliberative democracy) or a means to the end of better outcomes for the society, the economy and the environment (outcomes-based government).

This lack of certainty about where participation fits and what it means - more than representative democracy but less than direct democracy and more than what the market dictates but less than what continuous referenda might decide-has created a problem for many who have taken up the cause. It has put them into the firing line between economic rationalism and populism. Put simply the advocates for engagement needed a stronger base from which to propagate their case. It's come in the form of integrated (or strategic) government<sup>8</sup>.

#### INTEGRATED GOVERNMENT

In this approach all the parts are brought together in the form of a strategic plan. Government is about the creation and implementation of such a plan in concert with both business and the community. The plan itself will make it clear what is and what isn't up for negotiation, what is to be a shared decision and what is to be delegated to others to determine. There will of course be differences between right and left and conservative and radical on where these lines will be drawn. However, if such disagreements are fought out in the context of support for the principles of planning and engagement I'm sure that more of what the future needs would become policy today, possibly even bipartisan policy. It is an approach that feeds a solution-based rather than an ideology-based approach to decision-making.

There is, of course, much more to the argument. Good government needs collaboration within as well as across the boundaries between the public and private sectors. Such joined up government needs dialogue and knowledge transfer and will inevitably mean a greater role for central agencies in bringing it together.

It also means new styles of government aimed at preventing problems by tackling their causes (preventive government) and at changing community behaviour (culture-changing government). This will need more and better social science, more information and better evaluation, for example when markets are chosen as policy instruments and costs and benefits associated with different providers have to be compared or when particular outcomes are sought and independent verification is needed. Indeed in many ways integrated government represents a nice mix of research with its evidence and politics with its opinions and values.

However, just as has been the case of the entry of the market and the community into government, integration will need political leadership. From where will it come?

#### WHO SUPPORTS INTEGRATED GOVERNMENT?

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<sup>8</sup> For a sophisticated account of strong democracy see Benjamin R. Barber, *Strong Democracy: Participatory Politics for a New Age* (2004).

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When confronted with these ideas those who believe in freedom and the market see too much government involvement and too little respect for individuals and their preferences. Such critics stay on the edges enticing the centre to move to the right on economics and to the left on individual liberty. Whilst not necessarily hostile to all forms of engagement they tend to see the whole idea as a waste of time and effort when the real issue is getting government off the backs of the general public. They prefer to see power devolved to individuals rather than to communities, however representative they are.

So too do some who bat for engagement see integrated government as a step too far. Indeed they want less strategy and more serendipity. They see change as continuous and prefer to see governments adapting to society rather than attempting to shape it from above. They want to maximise the number of points where the public can have an impact and fear that strategies and plans may become frozen in time. The real issue is involvement, not what the involvement is for, that will be decided in its own, and often chaotic way. They want more community, not less.

These are battles the advocates of integration will have to fight. It's not that they can't incorporate concern for market realities and community views into their systems but they believe government must involve more, including anticipatory and preventive functions, effective performance management and evaluation mechanisms and most of all, a sense of purpose built around the triple bottom line of economic, social and environmental objectives. It's all about purpose and system but not at the expense of pluralism.

These aspirations will be difficult to achieve. Partly it's a question of pride and prejudice, for example when it comes to federal/state relations or profession-driven perspectives within government itself. Joining up government is no easy matter - but we all need to be reminded that the benefits of success in this territory can be very significant. Place and case management have been good examples. So too was Australia's highly successful National Competition policy of the 1990's.

Partly it's a question of politics. The argument goes like this: "why bother when clever management of the day-to-day challenges can produce better results in the ballot box?" Or perhaps like this: "It's too hard to define and implement a triple bottom line - much better then to manage public expectations about these things rather than try to shape them."

The problem, of course, is that the politics of cynicism creates just that - cynicism. This makes it harder for governments to take up challenging issues and adopt evidence-based initiatives as the cynicism from above feeds and is fed by a cynicism from below. Politics becomes a dialogue for the disinterested and policies are destined to be second or third best. Lots of little things change all the time but none of the big things seem to change at all.

So it is then that we recognise the restlessness of modern politics. For many opening up the government to the market or to a wider range of participatory mechanisms is still leaving us well and truly in the province of representational democracy, even if enriched by the needs and interests of customers and citizens. "What about the people?" ask the critics from the populist right and populist left. Nor does the notion that integrated government can restore faith to a

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system that separates people and government survive the test for those hungry for real democracies<sup>9</sup>.

In this world view the executive is but a cipher for the popular will, whether determined by opinion polls or properly conducted referenda. For populists open government means just that because we need to know what is really happening behind the scenes, not what we are being told which is probably what we now call "spin". According to this paradigm people need information but more importantly they need values-based opinions. How they want the world to be organised and to operate is seen as more important than any consequences that may follow.

I call this "populism as fundamentalism". It has helped generate reform but in-and-of-itself it cannot ensure the balance needed to support sustainability around the triple bottom line framed by markets, the community and the environment. That's why a recognition of what the market and engagement can add to representative democracy is so important even if vulnerable unless backed by a comprehensive plan of action that gives definition and purpose to government. That may be too much to ask for in a world of communicative abundance<sup>10</sup> and shifting alliances but that shouldn't mean it's an aspiration too pure to try in the muddy world of politics. Even if applied in a half-hearted and compromised way it still offers more hope than the alternatives which may be easier to practise but which are less capable of producing community-wide benefits.

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<sup>9</sup> For a sophisticated account of strong democracy see Benjamin R. Barber, *Strong Democracy: Participatory Politics for a New Age* (2004).

<sup>10</sup> From John Keane, "Monitory Democracy", Paper presented for ESRC Seminar Series, Open University, Milton Keynes, 13-14 March 2008.