Three Trends in Governance Everyone is Talking About
(and one you may have missed)

As we round up the year and head into 2020, join us as we take stock of some key trends in governance that dominated the headlines, and reflect on what these trends will mean for governments.

1. Redefining the Purpose of Government

'Wellbeing' is a catchword that is increasingly finding its way into the heart of government. In May 2019 New Zealand's Treasury unveiled a much-anticipated Wellbeing Budget. The budget clearly delineates their five wellbeing priorities (including mental health and reducing child poverty and family violence) and the respective financial and non-financial metrics. It is structured beyond traditional short-term economic growth goals, such as GDP, to take a more holistic perspective, with wellbeing defined as 'when people are able to lead fulfilling lives with purpose, balance and meaning'. At a first glance, this apparent broadening of the governments' remit to encompass more social and environmental outcomes (as well as important financial outcomes) is not so novel. Bhutan has its Gross National Happiness Index and the UAE has a Minister of State for Happiness and Wellbeing. What makes New Zealand so innovative is how billions of the country's finances will be allocated to cross-ministry initiatives, and long-term policy design and evaluation will be more evidence-based, using 12 'domains' of a new Living Standards Framework. New Zealand is further joined by Scotland and Iceland who have also committed to an alliance of Wellbeing Economy Governments.

Interestingly, this follows a tandem trend in 2019 of soul-searching, this time in the corporate world, with the US-based Business RoundTable pronouncing the official redefinition of 'the purpose of a corporation'. This declaration, signed by 180+ leading CEOs promises to create a more sustainable and inclusive form of capitalism for all stakeholders. How this commitment plays out remains to be seen, but it certainly points to the wider expectations at play in shaping how societies are structured and served. For governments, who are sensitive to these trends, how New Zealand, and other governments, fare in both redefining the purpose of government and delivering on wellbeing goals, should provide an exciting story for 2020 and beyond.

2. Disruptive Protests

There have been an extraordinary number of disruptive street protests throughout 2019, all over the world. The issues prompting the protests vary widely from economic inequality and democratic rights to climate change and corruption. Some of the protests are party political, others are due to recent policy changes while others still point to long-term governance failings. Several protests have already been instrumental in bringing about a change in leadership or policy in 2019, while others are still rumbling on or have sputtered out.

It is not certain what is behind this almost systematic upsurge, but it is clear that many have deep roots and are the result of years of "mounting frustration over environmental inaction, economic troubles, mismanagement, corruption or governmental repression." Citizens in various countries have become more willing to use planned, large scale and prolonged protests to register unhappiness with policy or governance issues. Effective governance is a key factor in inclusive development and progress. But there is a growing disconnect between what people expect and what is actually delivered by many national leaders. In 2019, many governments have been demonstrably challenged and disrupted. Some of these protests look set to continue way into 2020.

3. AI and Data Governance

The benefits and pitfalls of AI (and its lifeblood, big data) in the public sector continued to make headlines in 2019. Few deny the potential benefits for public policy analysis and implementation, especially for transport, healthcare and surveillance. New technologies hold out the promise of reducing administration, augmenting human effort and improving service delivery. But the risks circle around the inherent complexity, ethical frameworks, expense and disruption of adoption and regulation. In addition, both the science and the market forces that are driving these emerging technologies are moving much faster than the normal speed of governance. Governments are under unique pressure from many sides, as they need to act as both a custodian of big data, as an AI infrastructure host and as a national regulator for both the private and public sectors. In 2019, more governments revealed their national AI strategies - Singapore, Russia and the US are some of the latest to declare their intentions.

In this complex new ecosystem, which maps over and beyond the traditional spheres of governance, many countries are underprepared. The 2019 Government AI Readiness Index scores the governments of 194 countries according to their preparedness to use AI in the delivery of public services. The overall score, comprised of 11 input metrics, reveals the vastness of the concerns at hand.

With the immensity of such challenges, a good first step governments can take is to sensitize the general public to what AI readiness actually means. One country which is ahead of the game at raising awareness about the use of data and AI, in and outside of government, is the Netherlands. The Dutch have taken accessibility and audience widening to the next level with their publication of Donald Duck dives into the Digital World and a national AI course for every citizen.

4. Trust-building Through Inclusive Democracy

Often, mass protests are a sign of a trust deficit between citizens and their governments. One of the more internationalised protest movements of 2019 has been the environmental group Extinction Rebellion. They have been calling for a "Citizens' Assembly on climate and ecological justice" as one of their three demands to government. So, what is a citizens' assembly and why does it hold out so much promise? A citizens' assembly is one form of 'institutionalised deliberative democracy', which are also known as deliberative mini publics. It is a process, normally around a difficult or complex public issue, that gives a wide cross-section of society the time and space to openly learn, discuss and develop consensus-based recommendations on what change should look like. Claudia Chwalisz, is the lead author of a forthcoming OECD report on how different forms of deliberative democracy can help solve challenging public policy problems and how they can build trust between citizens and government. France is one country, for example, that is currently working through this process through the Citizens' Convention on Climate, whose recommendations will emerge in early 2020.

Another realm which holds much promise for more inclusive ongoing representation and participation is digital democracy. In Taiwan, a team led by Digital Minister Audrey Tang, is proactively bringing together different government teams and sectors to uncover where consensus lies for good policymaking. The model is built upon the principles of open data and radical transparency and uses a combination of digital and offline methods to reach all stakeholders. Seoul, South Korea, already has a world-class reputation for involving citizens in its city planning process. In 2019 they updated their 2040 plan, again involving citizen participation, and have "found the quality and culture of citizen discussions was much improved."

On a more traditional grass-roots level, in Denmark (ranked as the least corrupt country in the world), has for many years held an annual festival called Folkemødet, the people's democratic festival, where every citizen can meet and debate with their political leaders, media and leading businesses. Other countries, such as the UK, have been experimenting with better ways to listen to their constituents through community exercises such as the reverse town hall format.

In South Sulawesi, Indonesia, Regent Indah Putri Indriani developed a multi-stakeholder campaign to attract school teachers to underserved communities. To get to the bottom of the issue, a local organisation facilitated regular discussions in 'democracy cafés' (*warung demokrasi*), where members of the community met to debate education issues. These dialogues were broadcast on local radio, helping to raise awareness and lead change in the community.

What ties all these different initiatives together is a recognition that democracy means more than just a vote. Governments who want to rebuild trust need to engage with citizens through creative channels that are engaging, transparent and inclusive. The process of consultation is every bit as important as the outcome. Here's hoping that they succeed and that 2020 will give us all cause to celebrate a world with more trust in governance.