



Summary of the MONIT Information Society Policy Case Study

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Introduction

This chapter draws together the results from country case studies on Information Society (IS) policies in seven countries (Austria, Finland, Greece, Ireland, the Netherlands, Norway and Sweden) in the context of the NIS-MONIT study. It's based on the individual reports produced in each country and on the outcomes of several workshops in which the individual studies were discussed and compared.

This summary tries to synthesise main findings and general lessons for the various country case studies. While comparative policy studies, if done carefully, always reveal a good deal of specificities, even idiosyncrasies, in the respective countries, the topic nevertheless lends itself to generalization and cross-country comparison: almost all OECD member countries (and a number of countries outside the OECD) did undertake deliberate efforts to design overarching policy frameworks in the 1980s and 1990s to cope with the challenges of the Information Society. And even if the countries started from very different positions (some Nordic countries well advanced in ICT use throughout the economy, other like Austria and Greece, starting from the position of laggards), the problems of designing and implementing horizontal policies faced quite similar obstacles in terms of challenges for the policy process. Thus, there is room for much policy learning from these comparisons. For the very interesting details of policy design, the reader is referred to the individual country reports.

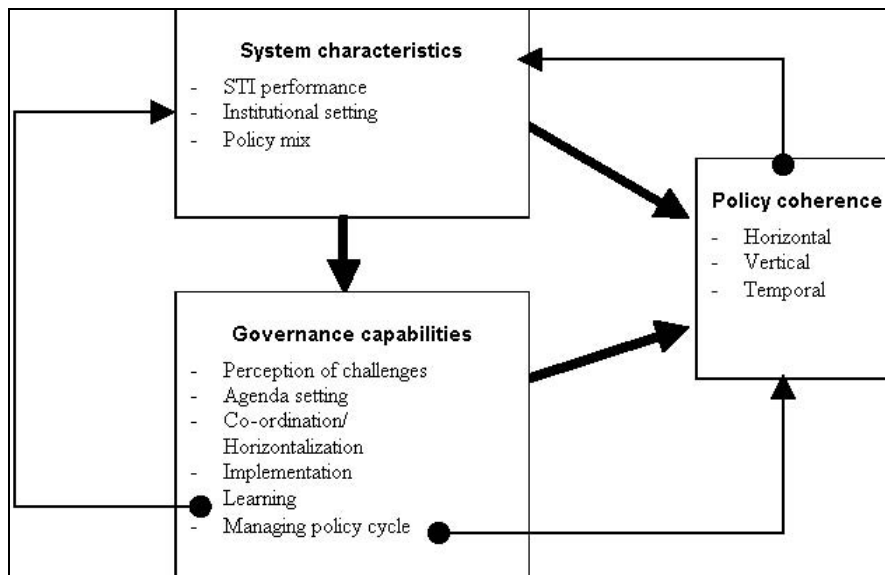
The MONIT work looked mainly into the challenges and difficulties to link innovation policy with other policy matters, in this case with Information Society policy. This is trying to analyse the links and bridges between two policy arenas which are themselves differentiated into various sub-arenas and have no clear-cut boundary: the notion of innovation policy in its broadest meaning includes science and technology policy and stretches to policies like competition and regulation policies. However, each country study reflected the ambiguities of the use of the notion in the respective national context. But throughout the MONIT work, innovation policy has been defined in a narrow way: in the case studies, we focused mostly on STI policies being aware that in recent years the span of STI policies has been significantly widened from science and technology policy to include education and training, entrepreneurial and management skills, IPR, competition policy, regulation etc.

The concept of the Information Society is equally vague, but in its core means the use and application of Information and Communication Technologies (ICT) in various sectors of the economy and society. Thus, most countries in their definitions of Information Society policy include sectoral policies like e-business, e-government, e-learning, e-health and others. Yet what exactly the mix and the emphasis are differs considerably from country to country (e.g. some countries focussing on the build-up of ICT infrastructure, while in others the emphasis is on exploring best practice use for societal purposes).

An additional challenge for Information Society policies is the horizontal coordination of the sub-areas of IS policy: there are (or there could be) links between e.g. e-government and e-health in terms of regulations regarding data security, in terms of citizens involvement, in terms of compatibility of technologies etc. The same is true for a number of sub-areas of IS policy.

The focus in the NIS MONIT analysis has been on the policy process¹. The framework for this analysis was the concept of the policy cycle and its stages and feed-back loops²: agenda setting, policy formulation, policy coordination, implementation and policy learning (e.g. from evaluation of policies). The background against which policy processes were assessed was not primarily against their impact (i.e. on the development of IS and ICT), as there are hardly any evaluations available which can link the quality of the process to the achievement of the wider impact in a systematic manner. Thus, we do not pretend to have carried out an impact assessment for these policy processes. Rather, the focus of the studies was on (i) the immediate outcomes (i.e. whether they were able to produce and implement the policy measures they were set out to arrive at), (ii) the policy coherence these processes were able to create, and hence (iii) the **governance capabilities**³ of the respective policy systems with respect to the policy cycle. Therefore, lessons and recommendations concern the quality of the process, e.g. is there scope to increase policy coherence over the policy cycle? What were the experiences with different institutional settings that have been tried in the IS policy field?

Figure 1: Governance Capabilities and Policy Coherence over the Policy Cycle



Source: NIS-MONIT conceptual paper

¹ For a description of the analytical framework see Polt, W.: Konzeptionelle Überlegungen zur Analyse von Policy Governance. Ein Beitrag zum OECD-Projekt „Monitoring and Assessing Horizontal Innovation Policy“ (NIS-MONIT). Vienna 2004.

² Naturally the boundaries between these parts are often vague. Also, different organisations may cover varying parts of the cycle depending, e.g. on the policy issue to be dealt with.

³ “Governance’ means rules, processes and behaviour that affect the way in which pow-ers are exercised [...], particularly as regards openness, participation, accountability, effectiveness and coherence.” (Commission of the European Communities, COM (2001) 428 final, Brussels, 25.7.2001) or: “The process by which stakeholders articulate their interests, their input is absorbed, decisions are taken and decision-makers are held accountable. (siehe: www.iog.ca/boardgovernance/html/gov_wha.html)

This framework was also applied to the IS country case studies, albeit with different rigour and emphasis. Also, sometimes it was difficult to distinguish between the different phases (e.g. between agenda setting and policy formulation or between coordination and implementation). Thus, these notions served as guiding posts for analysis and not as an overly rigid framework.

1 Agenda setting and policy formulation

IS policy was raised to the top of political awareness in the 1980s and (mostly) the 1990s. In the surge of the ICT boom of that period, it was felt that ICT were a pervasive technology that could affect all parts of society and all sectors of the economy. Agenda setting was very much influenced in most countries by international policy discussions: the US initiatives for the 'information super highway' or the "Bangemann report" from the EU Commission were very influential starting points for defining the respective national policy both in countries with a relatively high level to start from (as the Netherlands) as well as catching-up countries (Austria, Greece). Many countries perceived the need to formulate an overarching (that is, encompassing all potentially affected sectors) IS policy - and all countries surveyed indeed have formulated such a policy. In some countries like Greece, the EU had an even larger role, as funding for IS policy came to a large extent from the EU's cohesion and structural funds (CSF). In this case, national policy was a direct response to EU policy and the process requirements associated with the CSF. In other countries, first the Bangemann Report and later on the 'e-Europe' initiative were important triggers of national IS policy conceptually.

Yet the differences in how is has been done and the consequences for the policy process are considerable: in some countries, these efforts materialized in strategic documents of high policy visibility. Sometimes this took the form of 'white / green papers', sometimes these were more like comprehensive 'action plans' (as in Austria or Norway). This implies also a great variety in the concreteness of the agendas: while some remain largely on very abstract levels of goal setting and in their description of policy measures, others are very (sometimes overly) concrete on the level of individual measures. Also, the emphasis on the various parts of IS policy (infrastructure, applications, regulation, institutional structures etc.) differs from country to country, reflecting among other factors the influence of the different stakeholder groups (SMEs, MNEs, infrastructure provider, consumer groups, etc.). E.g. in Finland, the policy agenda was largely technology-driven and targeted towards increased competitiveness as a reflection of the strong policy stance of STI policy and its stakeholders.

Historical development paths are another important factor affecting the emergence of agendas. The respective NIS 'filter' the international discussions and 'translate' them into national policy agendas. The development of these national agendas, its contextual design and its implementation are often based on previous activities, responsibilities or experiences e.g. on previous programs, responsibilities for particular agendas (especially EU), current or previously established networks, and previous approval procedures resulting in success. As a result established competences are enhanced and strengthened, but it also leads to gaps, blind spots and 'ad hoc-racy'.

While the existence of comprehensive policy documents like 'white papers' or 'action plans' often seem to suggest that there is something like a coherent strategy that links the various policy domains and actors, in reality, this is often not the case. With a few exceptions (to be found e.g. in Finland and Norway) most strategy documents are merely a compilation of the various strategies and envisaged actions from the different departments or other stakeholders. Thus we find that, even when such overarching strategy documents exist, the process of agenda setting is predominantly context specific, contingent and local. The question arises in how far more rational approaches for policy formulation are possible, i.e. policies that are (i) proactive, (ii) horizontal / global in nature and (iii) that avoid contextual randomness.

IS policy is often not really articulated with STI policy in most countries, Finland being an exemption from this assessment. In Finland, the process of formulation of IS policies has largely been driven by the agenda of STI policy and its emphasis on competitiveness. Here, the policy challenge might be to include more and broader societal goals (like e-democracy) into IS policy.

New agendas often did arise with the advent of so-called change agents (i.e. new actors or institutions which are brought in for the purpose to stir change). Windows of opportunity for change agents are especially large when changes in the government occur, especially when a new government comes into power. We find that new governments tend to be more active in setting impulses, overcoming barriers and in interrupting or procrastinating current IS policy processes. But we also found examples of change in the policy agenda – and sometimes in the institutions - occurring too rapidly for policies to be carried out in a sustainable manner. These changes have to be well thought out and support from stakeholders has to be secured in order to become effective.

2 Implementation and coordination

'Grand Policy Strategies' that do not explicitly address the question of implementation are doomed to run into difficulties or even fail. But implementation of IS policy strategies itself has been cumbersome almost everywhere and has met various obstacles, some of which (but not all) can be attributed to problems of governance and policy coherency. On the other hand, in most countries, the handling of the IS policy matter has given rise to 'institutional innovation', that is the creation of new bodies that should ensure proper coordination and coherence of policy. E.g. Ireland created a whole new array of institutions both on the level of operative units and on the level of high-ranking advisory bodies, which were did address almost all dimensions of the policy coordination problem. On the other side of the spectrum is probably Austria, where no institutions were until recently specifically created on a sustained basis for the monitoring and steering of IS policy process as a whole. A very radical approach was also chosen by Greece, where institutions specifically for the implementation of IS policy were created (like a secretary of state or a dedicated unit outside the existing administration to process the related projects) in order to by-pass existing administrative inertia.

In general, policy coherence in IS policy has been stronger when achieved by institutional factors (specialised bodies, close link to EU procedures), and less by strategy papers and

coordination mechanisms. Also the definition of responsibilities, allocation of resources, setting of targets and deadlines, are needed to create 'process ownership'. But these were found to be only necessary, but not sufficient conditions for policy processes to function.

It could also be observed that attempts to arrive at overarching IS strategies have faced the difficulties of getting in sync timing and motivation of involved actors, some have even failed (as in Austria, where two attempts to arrive at such strategies were not successful). There are reasons for such difficulties, some of which can be attributed to failures of the political actors, but others – more importantly – to the inherent difficulties of such complex policy making. Also, we often found that there are only 'weak links' between some IS policy areas and between IS policy and Innovation policy, thus there is only little scope for overarching 'strong governance' and hence little room for strong policy coordination.

This is a reflection of the fact that the various IS domains on the one hand and innovation policy develop very different policy processes, reflecting the specificities of the domain. It could often be seen that within the respective policy domain, successful policy processes building the basis for coherent development in the domain were established. In this respect, the IS policy initiatives very often were successful: even when attempts to establish an overarching IS Strategy failed, they quite often had a 'mobilization effect' and triggered initiatives in the different IS domains.

Another observation frequently made is the limited power of many coordinating bodies. The reason is the strong position of the individual stakeholders (departments, enterprises, intermediary institutions) and the limited competence of the coordinating body. The same holds true for most of the bodies established to formulate strategies or to aid in the formulation: e.g. the respective Irish body was found to be of limited importance. Also in the Netherlands, there is only a thin layer of coordination at the top while most policy is actually mainly departmentalised. Thus, pure coordination without any specific powers to steer or supervise the process (or even allocate funds) is very likely not to lead very far. Means employed to overcome this institutional problem include the establishment of 'change agents' with specific competences (e.g. IS envoys, secretary of state etc).

In addition, coordination does not come without cost. It implies a multitude of interaction types and communication forms (such as inter-departmental committees, working groups of stakeholders, ad-hoc or permanent forums and arenas). In a number of countries (including Austria, the Netherlands and Ireland), a certain 'coordination fatigue' could be found among actors. Against their background of limited resources and self-interest, incentives for entering the resource consuming process of coordination must be substantial. These incentives are strongest, when the allocation of funds is involved (as in Greece with the CSF or in Ireland with a specific IS fund), but even then coordination faces the problems inherent in the respective administrative systems.

Thus, while many countries were trying to secure for adequate coordination mechanisms on the overall policy level – and often did not achieve a great lot - there are numerous examples of both formal and informal coordination on the lower, operative levels which seemed to have secured progress in implementation (e.g. cooperation between programme managers, informal exchange between civil servants of different departments). Without such self-organising

processes, neither coordination nor coherence is likely to be achieved, as the complexity of actors involved would not allow for much centralised decision making or policy implementation. Too deliberate co-ordination schemes may reduce collaborative behaviour and lead to inefficiencies.

Emergent policy making of such sort is thus different from deliberate (traditional, bureaucratic) and is less down-stream oriented, relies less on hierarchical control and information systems. It relies more on flexible, decentralised management practices, appropriate learning and flexibility. A high degree of self-organisation under a broader strategic objective from the apex is typical.

3 Policy learning

A main source for policy learning in the field of IS policy was and is international comparison and benchmarking. EU initiatives were a source of national policy design in the first place. The OECD, via its bi-annual Information Technology and Communications outlooks and its working groups within the ICCP committee also was a viable forum for exchange and policy learning. Currently, for different sub-areas of IS policy (e-government, e-business, diffusion and use of ICT in private households etc.) permanent benchmarking processes have been established within the EU or within other international bodies. In this respect, there is a sound infrastructure for international policy learning.

With respect to the theoretical basis for policy learning, the picture is not that positive. Policy research that has addressed the topic in the 1990s focussed on the question whether there is still room for government intervention in increasingly liberalized telecommunications markets (e.g. Grande 2001). Also, policy related research has been mostly confined to 'research within the sub-domain', that is it has looked at specific questions of regulatory reform, competitiveness policies etc. But so far, there has been little research that looked into the quality and efficiency of policy processes in this complex policy field. The NIS MOINT exercise might have a pioneering role in this realm.

Evaluations of IS related policies were sometimes carried out (e.g. with respect to specific funding programmes for ICT or for specific measures in the educational sector, or in the Swedish case for IT policy in general), but neither the overall IS policy nor the policy processes that came with it were thoroughly evaluated. Given the relative maturity of the policy field, such an evaluation seems overdue in all countries, but it would also face challenging methodological problems such as to relate the different instruments and their portfolio to the outcomes and impacts of IS policies. Currently, both the EU, the OECD and some countries are only beginning to apply such 'policy/instruments portfolio evaluations'.

In some countries, reflections on the first (and in some cases already from the second) phase of IS policies enter current policy deliberations. By adaptive learning from history institutional changes are considered as a reaction to the perceived pitfalls of the current institutional settings in place. Currently most countries we surveyed are looking to improve their institutional settings.

4 Conclusions and Recommendations

When analysing IS policies against the background of the overall policy context of the respective National Innovation System, we found that the general problems of the policy system were also reflected in IS policies. Thus, IS policies mostly were not 'a special problem area', but a reflection of the governance capabilities of the policy system in general. E.g. the complex policy structures and rapidly changing policy agendas that are to be found in the Netherlands STI policy could also be found in its IS policies. In the same vein, the problems of Greece's administrative system caused a specific institutional innovation to by-pass its inertia, but again, this is a problem that apparently all policy matters have to face. Similarly, in Austria both for STI policy in general as well as in IS policy, the policy system was not able to produce a commonly accepted strategy document. Thus, quite often, IS policies are a reflection of the more general problems of the policy system on a smaller scale.

So far, the policy agendas of IS policy and innovation policy are not well integrated in most countries – as are the different sub-domains of IS policy (e-government, e-health, etc). Programmes and initiatives are very often designed without explicit or implicit reference to each other. Numerous examples from the country case studies pointed to forgone synergies, sometimes even inconsistencies between the respective policies. These examples lead us to believe that there is room for improvement in policy coherence. On the other hand, as has been pointed out several times, there are also inherent limits and obstacles to policy coordination (as one means to achieve policy coherence). Given the complexity of the task, the differences between sub-fields of IS policy and between IS policy and innovation policy, much room has to be left for the specific rationales of the respective policy arenas and also for self-organising processes within and between these arenas. The task for policy process design would then be to create institutions and bodies with incentive structures strong enough to foster cooperation and with role assignments clear enough to allow for 'process ownership', while at the same time allowing for sufficient self-organisation.

The institutional innovations and experiments which could be observed in the realm of our IS country case studies could aid policy in further adapting to the difficult challenge of creating coherent policy in a complex policy field.

4.1 Agenda Setting

'Global' or 'overarching' IS strategies are theoretically useful for creating more coherence among the various policies, but face a very difficult task. Apart from the difficulty of devising and designing such a strategy, it faces the risk of not being accepted by all stakeholders. 'Localized' IS policy strategies are useful as an orientation and guideline both for the organisation itself and for specifying how the own activities differ from those of other organisations.

The systematic detection of ways to improve the current strategy (bottleneck analysis) is an alternative to the construction of overarching strategies. It consists of identifying hindering factors and then designing helpful measures. This approach has the advantage of being more

realistic in what can be achieved and thus has better chances of being accepted and implemented.

One point in time when agendas are strongly reformed and reformulated is when new governments come into power and create new change agents. They often create new impulses and lead to the creation of new networks (however also destroy old agendas and old networks). The deliberate introduction of such change agents can be a sensible way to overcome policy inertia.

4.2 Policy Implementation and Coordination

In order for concepts to become reality, it is very important to carefully plan and carry out the implementation in advance and alongside strategy formulation. The quality and originality of concepts and programs is greatly affected by the method of implementation and not only by its content. In order for the implementation to be successful, adequate resources are necessary for:

- Ex-ante activities, including technology foresight and assessment
- Coordinating activities e.g. the involvement of stakeholders in all phases of the programme
- Outward communication, awareness-building activities
- Use of analytical tools like evaluation, monitoring (project supervision), benchmarking.

Concepts, lead documents, (global) strategies that were not planned with respect to their implementation have a great danger of remaining ineffective or having unplanned (and undesired) effects. In the past policy makers have tried to outsource the implementation of initiatives, however public organisations need to retain some process ownership. In order to formulate the outsourced duties, the contracting authority needs some managerial and hierarchical competence. This is imperative for achieving the intended results of an initiative.

4.3 Policy Learning and Evaluation

Integrated learning processes, such as policy evaluation and the establishment of information and feedback channels are necessary for successful policy learning. A combination of local and higher-ranking policy learning must exist in a complex policy area such as the Information Society. The establishment and provision of strategic intelligence, i.e. organised information provision can be done through various instruments (market studies, technology assessment, technology foresight, monitoring, and evaluation).

To sum up, we found that there is considerable room to increase policy coherence in the field of IS policy. At present, we find at most a weak link between IS policy and technology and innovation policy. On the other hand, we also found that – even in the absence of an overarching IS strategy – policy has reacted to the challenges of the Information Society. This was often done in a localized way, that is, confined to the borders of the respective

administrative competences. In the various sub-fields of IS policy, we found failures, but also different ways to achieve policy coherence, some of which have succeeded quite well. And we found that there might be limited need to coordinate everything and everybody in the form of a 'grand strategy'.

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