

**Searching for the  
New Liberalism**



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## **The Challenge of e-Democracy for Political Parties**

**by Grant Kippen  
and Gordon Jenkins**

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“There is a connection waiting to be made between the decline in democratic participation and the explosion in new ways of communicating. We need not accept the paradox that gives us more ways than ever to speak, and leaves the public with a wider feeling than ever before that their voices are not being heard. The new technologies can strengthen our democracy, by giving us greater opportunities than ever before for better transparency and a more responsive relationship between government and electors”

**The Honourable Robin Cook**  
**London Conference on Reviving Democracy, April 10, 2002**

### **1. Introduction**

The connection referred to by Mr. Robin Cook is still waiting to be made. However, it is not just the relationship between government and citizens that appears to need strengthening. Recent elections in the United States, Canada and the United Kingdom also point to a weakening of the relationship, as demonstrated through declining voter participation rates, between political parties and voters. While there may well be an explosion in new ways to communicate, the question is whether anyone is really listening, much less participating.

*Grant Kippen and Gordon Jenkins*  
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Over the past several years considerable effort has been made by governments world-wide to transition their old command and control style operations to a new more citizen centric e-government approach. Influenced in part by globalization but mainly fuelled by the surge in e-commerce, these important changes are still in their infancy yet citizens are beginning to see meaningful improvements in the delivery of public sector services and in the information available to them from all levels of government. However, as consumers become more educated and demanding in this new globalized, economic and social space, there comes with it a desire for greater involvement and accountability between themselves, their governments and their elected representatives. More recently, there has been increasing study and discussion around the concept of e-democracy as one possible approach to gaining greater citizen engagement in the governing process.

As interesting and important as these developments are, political parties are also struggling with similar issues. Thomas Friedman in his book, *The Lexus and the Olive Tree*,<sup>1</sup> draws the conclusion that in order for globalization to succeed and prosper, the democratic systems and processes must be vibrant and strong. Government, business and political parties are cornerstones to a healthy democratic system. While businesses and governments are responding to the challenges and opportunities of globalization, political parties appear to be lagging in responding to the changes that are occurring. Over the past decade or so, signs have appeared that point to the erosion of political parties as dynamic and positive change agents. Some of these factors include:

- the rise in the number and the influence of single-issue interest groups. Have political parties ceased to maintain their position as ‘integrators’ or “honest brokers” of the diverse economic and social interests of their members?
- the increasing percentage of voter’s who decline to participate in national, state/province and local elections. Regrettably, this phenomenon that now exists in most western democracies.
- less loyalty to traditional political parties. Voters are more ‘flexible’ when casting their vote meaning parties cannot necessarily rely on traditional bases of support.
- lack of transparency relative to the improvements that have been made with information and communications technologies (ICTs) and what citizens expect. Parties have been characterized as closed organizations guided by back room advisors. Within business and government,

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<sup>1</sup> Thomas L. Friedman *The Lexus and the Olive Tree* (New York: First Anchor Books, 2000)

current trends point to greater transparency, openness and accountability through appropriate governance structures. Can political parties respond to this change and still remain viable organizations?

With the advent of e-government as a means through which citizens have greater access to services and information, there has been considerable interest and study on how e-democracy could transform the way we are governed. While e-democracy appears to offer the potential of enhancing or possibly re-defining the relationships citizens have with various levels of governments, the same potential would also appear to exist for political parties.

But what does e-democracy really mean? Steven Clift, Publisher of Democracies Online Newswire defines e-democracy as “representing the use of information and communication technologies and strategies by democratic actors (governments, elected officials, the media, political organizations, citizen/voters) within political and governance processes of local communities, nations and on the international stage. To many, e-democracy suggests greater and more active citizen participation enabled by the Internet, mobile communications, and other technologies in today’s representative democracy as well as through more participatory or direct forms of citizen involvement in addressing public challenges.”

For the purposes of this paper, e-democracy is viewed as an approach that provides governments, politicians, political parties, non-governmental organizations and other related groups with alternative consultative models facilitated through the use of the Internet and other ICTs.

But how are political parties responding to the challenges and opportunities of e-democracy? As Friedman points out political parties are an essential ingredient of a healthy democratic system, yet political parties and their elected representatives are just coming to terms with the concept of e-democracy and its potential impact on their particular organizations.

There are those that see e-democracy as the ultimate enabler or next iteration of democratic representation, which has been primarily brought about by the pervasiveness of Internet in today’s

society. Others see this as simply another means for already engaged political astute groups to further communicate their messages and influence decision-makers. To date, though, the interest in e-democracy appears to have been driven by the fact that this new form of consultation and engagement has the potential to be a powerful legitimiser in helping to shape future government policy and enriching the political process.

Indeed, e-democracy is a relatively new concept and its appearance seems to have coincided with the advent of e-business and e-government within most developed countries. In order to assess the challenges of e-democracy on political parties, our intent is to explore developments in the e-business and e-government sectors and see if that offers any clues to the challenges e-democracy places on political parties. The fact that e-business and more recently e-government are more tangible aspects of the e-economy might provide us with a more realistic perspective on which to view the challenges and opportunities that e-democracy offers political parties.

While governments today appear eager to explore the potential of e-democracy, political parties do not seem to have embraced this new opportunity with quite the same enthusiasm. In interviewing elected representatives and party officials in both Canada and the United States for this paper, there appear to be a limited number of individuals that are attuned to this particular issue. E-democracy, it seems, has not yet entered into the mainstream consciousness of political parties. Why is that? In the era of a 24-hour per day news cycle and changing voter expectations, are parties and politicians simply overwhelmed with the myriad of demands placed on their time? Or, has the role of political parties changed over time? One might argue that political parties are too busy focused on the next election cycle that more pervasive, longer term issues such as e-democracy have difficulty capturing the attention of elected and senior officials responsible for setting the agenda of the parties. Put another way, why should political parties commit valuable time resources responding at this point in time to a phenomenon that may or may not have some future impact on their core business objective – getting elected?

As the Robin Cook quote indicates it is somewhat ironic that as political parties and candidates have increasingly relied on information and communications technologies to assist their electoral

campaigns, there has been a general decline in voter participation. While these new technologies offer considerable potential to enrich the political process, one can not help but wonder if political parties have not chosen to focus on the medium instead of improving the content.

A great deal of attention has been paid to how political parties use new information and communications technologies within the electoral arena. However, little attention has been given to the potential of these same technologies to fundamentally alter the structure, organization and functioning of parties in responding to the challenges of e-democracy. While political parties have been quick to adopt new technologies to influence voters perhaps politicians and party officials need to be more convinced of the merits of e-democracy before committing themselves to this new approach. Just as e-business and e-government are hardly mature sectors, e-democracy can best be described as a rapidly evolving space.

Phil Noble, Founder and Publisher of PoliticsOnline, and an internationally recognized expert on the use of technology in politics, perhaps summed up the e-democracy challenge facing political parties best by saying that “E-democracy will radically change politics, however no one knows where this will lead or the time it will take to change.”

The intent of this paper is to explore the challenge e-democracy poses for political parties and draws upon two principal sources of information. The first source draws upon interviews conducted with elected representatives, political party officials in Canada and the United States, the Chief Electoral Officer of Canada, senior officials within the Parliamentary Centre and Congressional Management Foundation, and individuals involved in providing Internet campaign services to candidates in the United States. The second source of information comes from a review of books, studies, articles and other related publications that explored the issue of e-democracy, the impact of the Internet on political parties as well as e-business and e-government. Our hope is that, by exploring some of trends and developments surrounding e-business and e-government, we might be able to identify the challenges and opportunities that e-democracy poses for political parties.

## **2. Political Parties: The new environment**

Political parties today are very different entities than they were 100 years ago. At the beginning of the 20th century, political parties were seen as efficient mechanisms able to broker the many different and competing interests of social, cultural and economic groups within society. Industrialization was the driving economic force with nation states competing to build their own indigenous industrial bases. Global trade was limited, as was participation in the political process for it would be years before universal suffrage would be the norm. Newspapers were the only forms of mass communication, and these often had specific political perspectives, which impacted on the way in which news was reported.

Today, the efficiency of political parties as honest brokers and champions of social and economic change is being challenged on a broad range of fronts.<sup>2</sup> At the turn of this new century, globalization is the dominant economic system, which in its purest form, aims to integrate the economies of countries around the world. The rise of single-issue interest groups have demonstrated, to a certain degree, the inability of parties to effectively broker a more diverse set of economic and societal interests than existed a century ago.

The environment that political parties operate within has also changed. Diamond and Gunther state that “throughout the established Trilateral democracies – Japan, North America and Europe – confidence in government is in decline. Citizens are cynical about their representative institutions, political parties, and most of all, their politicians.”<sup>3</sup> The authors make the point that “In almost all the advanced industrialized democracies... the proportion of the population identifying with a political party has declined in the past quarter century, as has the strength of party attachments. This appears to be driven not only by objective political developments but also by generational trends, as younger, better educated citizens have lower levels of party loyalty, even though they have higher levels of political interest and engagement.”<sup>4</sup>

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<sup>2</sup> See Philippe C. Schmitter *Parties Are Not What They Once Were* in *Political Parties and Democracy*, Larry Diamond and Richard Gunther ed.

<sup>3</sup> *ibid*

<sup>4</sup> Page ix *Political Parties and Democracy* Larry Diamond and Richard Gunther ed.

A recent study by the Canadian Policy Research Network supports this view. The report concludes that for all the talk, money and time spent on "public consultations" and "citizen involvement," Canadians aren't having a real say in federal policies. And if they do get a say, they're rarely listened to. The report's co-author, Susan Phillips of Carleton University's School of Public Administration states that "what's needed is a cultural change that provides an atmosphere of open access to information, because if you've become so afraid of getting information out that you won't commit to paper, then you can't do effective consultation -- and that's the environment in the public service right now: restricted access, fear of sharing information and the need to control." <sup>5</sup>

The demand for greater access to information has been partly driven by the existence of the Internet and the proliferation of new information and communications technologies. Coincidentally, it has been the advent of ICTs that has also presented modern day political parties with some of their biggest opportunities and challenges. From the radio, telephone, television, fax machines and computers these technologies have served to shape over time an iterative progressive construct in engaging citizens within the political process, primarily around the election cycle. Yet, it is within this most recent technological manifestation - and some might argue the most powerful - the Internet - that the notion of electronic democracy has emerged.

The brave new world of e-democracy is only now starting to emerge yet there is already confusion around the definition of this new concept. To some, e-democracy represents a future state, almost utopian in some respects, where the broadest possible consultation with citizens can take place within the on-line environment. The pervasive technological infrastructure coupled with an increasingly informed and engaged population provides the potential for an open, inclusive and transparent state in contrast to a political process that is not well understood, and often characterized as secretive and subject to manipulation.

To a politician, e-democracy can represent another channel through which they can more effectively dialogue with their constituents thereby enhancing the more traditional citizen engagement and communications activities such as town hall meetings, telephone conversations, letters etc. irrespective of geography or time. To a political party or campaign consultant focussed on the next election campaign, e-democracy can represent the next iteration of web-site development, the use of mobile wireless devices or sophisticated email campaigns that offers even greater interactivity with cyber-voters. For electoral commissions charged with the responsibility of overseeing the voting process, e-democracy offers the potential to reverse the decline in voter participation by providing greater choice in the way a vote can be cast, whether that be by kiosk, over the Internet or through an individuals cellular phone.

To understand both the potential opportunity and challenges that e-democracy poses for political parties, one first needs to look at the *raison d'être* of their existence. Schmitter states that “electoral structuration is the primary function for parties, in the sense that it is this activity that constitutes their strongest claim to a distinctive political role.”<sup>6</sup> While political parties do carry out other important functions (i.e., providing linkages between citizens and state, setting the policy agenda and formulation of policy, recruitment of elites, etc.),<sup>7</sup> by and large, the overriding focus is to ensure the success of the party, its Leader and candidates during election campaigns.

The debate on e-democracy is beginning to frame a dilemma for political parties. On the one hand, e-democracy offers the potential of engaging a much broader group of citizens in the political process than is currently the case. Intuitively, one would think that this would be an important priority for any political party interested in its long-term future and viability. In the present electoral environment, engaging a greater number of voters in the political process has the potential to translate into votes and perhaps even money. However, political parties appear to be less than enthusiastic about e-democracy because the linkage between e-democracy and success at the polls

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<sup>6</sup> Philippe C. Schmitter, *Parties Are Not What They Used To Be* in *Political Parties and Democracy*, Larry Diamond and Richard Gunther ed. (Baltimore: John Hopkins Press, 2001), 74.

<sup>7</sup> John Meisel and Matthew Mendelsohn, *Meteor? Phoenix? Chameleon? The Decline and Transformation of Party in Canada* in *Party Politics in Canada*, Hugh G. Thorburn ed. (Scarborough: Prentice-Hall, 1996), 179.

has not yet been clearly established. Where is the political value (votes and dollars) in building a sustainable e-democracy approach if the return may or may not pay off at the polls?

The e-democracy debate also appears to be one of responsibility. Should political parties be concerned about ensuring the broadest possible group of citizens participate in the political process? Or should they simply be focussed on reaching those voters (albeit a declining number) that will cast their ballot? If this is not a responsibility of political parties then whose responsibility is it? The unfortunate predicament is that citizens now appear, more than they have in the past, to be increasingly frustrated by a system over which they have little apparent influence and control.

In a report by the Institute for Public Policy Research (IPPR) entitled *New Democratic Processes: better decisions, stronger democracy*, author Robin Clarke states that “people are not disengaged from political issues, they are frustrated by a political process which does not seem to value their opinions (and that) a solution may lie in revisiting the nature of the democratic relationship”. He goes on to state that “the search for an answer would need to involve a commitment across all public organisations to experiment with deepening the democratic relationship. Politicians and other decision makers need to view their legitimacy as resting on a closer relationship with citizens.”<sup>8</sup> Indeed part of the appeal of e-democracy is that it offers a potential solution to the problems that are plaguing the political process presently.

But it's not simply about changing the democratic relationship between parties and voters. It is also about how parties respond to these changes and make the necessary adjustments to their internal processes and structures that will pose the greatest challenge for the adoption of e-democracy. Political parties are by their very nature fluid organizations given the variety of functions they perform and the nature of the environment they operate within. As much as parties are having difficulty engaging members of the general public within the political process they also face these same challenges internally. The desire by party members for greater involvement in internal party processes such as decision making and policy development is also causing conflict within political parties. In *Rebuilding Canadian Party Politics*, Carty, Cross and Young state that party activists in

the old-line parties showed a high degree of discontent over their (limited) role in party decision making.<sup>9</sup> The authors also point out “that grass-roots involvement in party policy making is meaningful only if there is some connection between the policy positions of the party and the positions taken by its parliamentary caucus. This is a tension that is as old as organized political parties.”<sup>10</sup>

The interesting point here is the contradiction between the short-term realities of parties and candidates preparing for the next election campaign and the need to tackle a problem that can only be solved, it appears, over a longer period of time. How will parties respond to this struggle and what alternatives will they have to consider? If e-democracy is, to a certain extent, a political manifestation to the developments in e-business and e-government, let’s first begin by examining these two issues further.

### **3. E-Commerce: building the foundation amid changing consumer relationships**

The introduction of rail and the steam engine to North America in the 19<sup>th</sup> century changed the economic and geopolitical landscape of the continent. Communities and nations were built and self-identified along the iron lines stretching from coast to coast. The telegraph wire followed the iron rails, then the telephone till today the Internet has become as important and almost ubiquitous as the phone.

Here, at the beginning of the 21<sup>st</sup> century, the availability and widespread adoption of advanced communications technologies on a global scale is once again transforming the ways and means in which individuals, groups, companies and governments are sharing information and conducting business.

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<sup>8</sup> Robin Clarke *New Democratic Processes: better decisions, stronger democracy*, (London: IPPR, 2002), 1-2.

<sup>9</sup> R. Kenneth Carty, William Cross and Lisa Young, *Rebuilding Canadian Party Politics* (Vancouver: UBC Press, 2000) 117.

<sup>10</sup> *Ibid*, 121.

While the origins of the Internet came about as a result of US Department of Defense funded research, it was the business sector that, not surprisingly, was the first to seize on the commercial potential of the Internet. This led to a burst of entrepreneurial creativity as the economics of communication and distribution were altered and accelerated by the declining costs of hardware and software relative to the performance of these components. As a result Electronic Commerce or Electronic Business was born (NB - the two terms are used interchangeably throughout this paper).

There are several aspects to the development of e-business that, it is our belief, have a bearing on the genesis of the e-democracy movement and which also factor into the way in which political parties address e-democracy. These include the following:

- the rise in Internet usage in business and at home, as well as ICT knowledge and skills amongst the general populations within developed and developing countries;
- the increasing importance of e-business, both business-to-business (B2B) and business-to-consumer (B2C), to the interconnected globalized economies of industrialized and developing countries;
- the profound shifts from hierarchical, command and control to flattened, horizontal organizational structures within most businesses; and
- the changing relationships consumers have with companies in the e-business space.

### Internet usage worldwide

Barely a week goes by without a new study or report detailing the increase in Internet usage. When the World Wide Web came into existence in the early 1990s there were approximately 800 separate computer networks and 160,000 computers attached to the Internet.<sup>11</sup> Today Internet users can be found in just about every country in the world. According to a recent report by Nielsen NetRatings, more than 553 million people worldwide now have Internet access. As usage increases so to is the robustness of the Internet. According to a recent eMarketer forecast, the number of broadband subscribers worldwide is expected to rise from just over 15 million in 2000 to over 117 million in 2004. As impressive as these statistics are the issue of the digital divide is still a reality and likely to remain one for some time.

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<sup>11</sup> Thomas L. Freidman *The Lexus and the Olive Tree* (New York: Anchor Books, 2000), 65.

Internet usage patterns are also becoming more established. In the early years of the World Wide Web, users spent large portions of their time simply surfing the Net to satisfy their own curiosity. As users began to increase and business responded to this new medium, the Internet transformed from a purely informational space to one where personal business, entertainment and a variety of other activities including politics could take place.

### Rise of e-business

While e-business has had an enormous impact on developed economies globally it is still a relatively recent trend when compared to the industrialization era over a hundred years ago. The research company IDC predicts that within a five-year period the e-commerce sector (B2B and B2C) will have grown from \$131 billion (USD) in 1999 to over \$5,300 billion (USD) by 2004. There are few industrial sectors today where e-business has not had some transformative effect in terms of operations or markets.

The real story of e-business is that as transaction costs fell, entire industry supply chains became disaggregated and re-aggregated. The resulting supply chains began to take on forms ranging from hierarchical to self-organizing and in turn created new value propositions for the end-customer. Investments not just in infrastructure but in applications such as supply chain management (SCM), enterprise resource planning (ERP) and customer relationship management (CRM) contributed to driving down costs creating increased efficiencies and revenues for most companies.

While the B2B sector accounts for the vast majority of total e-commerce revenues it is the B2C sector that is often the “face” of the Internet to most on-line consumers. Given the increasing percentage of individuals connecting to the Internet it is not surprising that the B2C sector is experiencing impressive growth with more and more retailers offering consumers the opportunity to conduct business on-line. Clearly the impact of e-business, both B2C and B2B, will become even more pronounced over time.

### Organizational changes

The impact of new technologies and the Internet on e-business also contributed to fundamental restructuring of business organization and processes. Dell Computer is often singled out as one of the most successful examples of a company that completely re-defined the role of a computer manufacturer by rewriting the book on supply chain management. With a flatter organizational structure Dell was able to become more responsive to customer requirements thereby enjoying a distinct competitive advantage over its competitors.

The power behind this new model was that it allowed Dell to develop sophisticated databases populated with detailed consumer information on which they could anticipate future purchasing patterns. This customer centric approach has now permeated just about every aspect of the business today and is evolving to a point where highly sophisticated customer relationship management models are being used to strengthen the on-going relationship between companies and their customers.

The importance of CRM applications to the B2C space is expected to increase dramatically over the next few years. According to a report published by IDC, *Customer Relationship Management Market Forecast and Analysis, 2000-2004*, worldwide CRM revenues are forecasted to reach \$12 billion (USD) by 2004.

### The changing consumer relationship

One of the profound changes precipitated by the Internet has been the shift in power that consumers now have with retailers. Today customers can literally, to paraphrase a popular commercial - have it their way. For businesses and consumers it is not just about the product or service as it is about the relationship that exists between them. Frederick Newell states that the basic principle is “too add

value to the customer relationship in the customer's terms to maximize the value of the relationship to the customer for the customer's benefit and the company's profit.”<sup>12</sup>

The importance of the customer relationship is now viewed as an intrinsic business asset. In the book *Digital Capital*, authors Don Tapscott, David Ticoll and Alex Lowy position the notion of relationship capital as follows “The wealth embedded in customer relationships is now more important than the capital contained in land, factories, buildings and even big bank accounts. Relationships are now assets. A firm's ability to engage customers, suppliers and other partners in mutually beneficial value exchanges determines its relationship capital.”<sup>13</sup>

In order to nurture this new type of relationship both businesses and, more recently, governments are investing in the necessary systems and services. It is the lure of reduced operating costs and the opportunity to improve services to clients within the business sector that caught the eye of government. But the real opportunity for e-government efforts is the potential to develop a stronger more responsive relationship between citizen and state and with it the emergence of e-democracy.

#### **4. e-Government - realigning the public sector**

Over the past several years, e-government has become the focal point of public sector initiatives within most industrialized countries. While the roots for a more responsive client-centred government can be traced to the beginning of the previous decade, e-government is a more recent phenomenon and shadows the success of e-business within the corporate sector.

Following on the success of e-business initiatives, the public sector began looking to and experimenting with new technologies with the objective of radically changing the paradigm of program delivery, both in terms of cost and service. Spawned to a degree by the “Reinventing Government” approach as articulated by Osborne and Gaebler<sup>14</sup> in the early 1990s, the

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<sup>12</sup> Frederick Newell *loyalty.com* (New York: McGraw-Hill, 2000), 2.

<sup>13</sup> Don Tapscott, David Ticoll, Alex Lowy *Digital Capital* (Boston: Harvard Business School Press, 2000), 192.

<sup>14</sup> David Osborne and Ted Gaebler *Reinventing Government* (Reading: Addison-Wesley, 1992)

Clinton/Gore Administration championed this fresh new thinking by introducing the National Performance Review (NPR) during its first term in office. Driven by the opportunity for greater cost efficiencies and the potential to meet (and perhaps exceed) changing customer/voter expectations of public service programs, the NPR signaled a major shift in public policy thinking. The unique concept here was to try and match citizen expectations for service delivery by establishing performance standards across government departments and agencies in much the same way as consumers expected private sector companies to respond to their particular needs.

While reliant on information technology to drive many of the reengineering efforts brought about by the NPR, it was the advent of the World Wide Web in the early 1990's, where both businesses and governments began to look at this new infrastructure as an efficient delivery and communications channel.

The first steps were to put government services on-line, a step that remains a "work-in-progress." To date, most technology-enabled government efforts have been less dramatic than private sector initiatives. Rather than disaggregate and rebuild entire supply chains (a.k.a. Dell), many governments have transferred their internal information and systems to the Web. To be sure, this has had a dramatic impact on service costs and efficiency. But replicating existing systems by transferring documents from a filing cabinet to a web page seems to be an intermediary step. This approach ignores one of the powerful tools of the Internet – the ability to create new forms of value by focusing on and transforming core competencies and creating partnerships for non-core activities, new extensions to public services with fewer inhibitions and greater speed.

These initial activities appear to be having resonance with citizens. Like other industrialized countries around the world, the Government of Canada has placed a priority on its e-government activities that have been driven primarily through the Government On-Line (GOL) initiative. In a survey conducted last year the Canadian public signaled its awareness of and appetite for increased

government services online with the majority of the respondents having a very positive impression of GOL.<sup>15</sup>

Consistent with the trend in e-business, e-government initiatives are now beginning to focus on making the necessary changes that will allow for a strengthening of the relationship between state and citizen. According to the 2002 Accenture report on eGovernment Leadership:

*Governments that adopt Customer Relationship Management or rather Citizen Relationship Management principles (client /citizen involvement) early in their eGovernment initiatives are improving at a much faster pace. Portals are becoming far more prevalent, but their true potential continues to be unrealized due to the barriers to cross agency cooperation. There is some evidence that these barriers are starting to be dismantled, as governments, businesses and citizens acknowledge that the benefits of common platforms and information sharing outweigh the perceived costs.*<sup>16</sup>

Another recent Accenture report entitled *Customer Relationship Management: A Blueprint for Government*<sup>17</sup> makes the case that next generation advances in e-government will come about through the adoption of CRM. The report states that:

- Commercial messages surrounding CRM may not all apply to government, although the principles are generally found to be quite relevant;
- Improving customer service is a driver across all government agencies, however current business processes and infrastructure act as barriers;
- Opening up new government channels for customer interaction is critical to enhancing customer service, however; key factors
- Government agencies are focusing on technology to address their service access priorities but they have yet to embrace CRM as a whole-of-business approach;
- Agencies are receptive to the possibilities of partnering with each other and with private-sector organizations to facilitate information sharing and relieve human capital and cost pressures. However, they lack the capabilities to make it happen.

The fact that the e-government trend is towards more direct and closer relationships between citizen and state is a positive development from an e-democracy perspective. However, as businesses and

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<sup>15</sup> Communication Canada – Fall 2001; Listening to Canadians 2001 as cited in Government On-line and Canadians (Ottawa: Government of Canada, 2002)

<sup>16</sup> Accenture Report *eGovernment Leadership : Realizing the Vision* (Chicago: Accenture, 2002)

<sup>17</sup> Accenture Report *Customer Relationship Management: A Blueprint for Government* (Chicago: Accenture, 2001),

governments pursue these consumer/citizen-centric engagement models, this situation could have important consequences for political parties if these initiatives contrast dramatically with a lack of political efforts in this area.

## 5. The e-democracy challenge

In *The Electronic Republic* Lawrence Grossman quotes Marshall McLuhan stating that “As the speed of information increases the tendency is for politics to move away from the representation and delegation of constituents toward immediate involvement of the entire community in the central acts of decision.”<sup>18</sup> Indeed, the debate around e-democracy and the need for more meaningful citizen engagement suggests that McLuhan’s comments are again proving prophetic. Developments in the e-business and e-government sectors have contributed to increasing the speed of information, however, certain actions of political parties and elected representatives have also contributed to the public urge for greater involvement in the political process. Bill Cross makes the point that “the aftermath of Canadians’ rejection of elite-brokered constitutional deals in the 1980s and 1990s... (contributed) to a strong desire by voters to be active, on-going participants in public affairs.”<sup>19</sup>

The speed of information appears to be increasing in even faster increments as the Internet has given rise to an entirely new means of reaching voters outside of traditional media channels. Coupled with other new technologies such as cell phones and wireless personal digital assistants (PDA’s), political parties now have the ability to sustain virtually instantaneous two-way communications between campaign organizers, the news media as well as voters themselves on a 24/7 cycle.<sup>20</sup>

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<sup>18</sup> Lawrence Grossman *The Electronic Republic* (New York: Penguin Books, 1996), 119.

<sup>19</sup> Bill Cross *Teledemocracy: Canadian Political Parties Listening To Their Constituents* in *Digital Democracy* Cynthia J. Alexander and Leslie A. Pal ed. (Toronto: Oxford University Press, 1998), 133.

<sup>20</sup> See Richard Davis *The Web of Politics* (New York: Oxford University Press, 1999) and Stephen Coleman ed. *Elections in the age of the Internet: Lessons from the United States* (London: Hansard Society, 2001)

While parties and elected representatives have dabbled from time to time with new technological approaches to improve citizen engagement,<sup>21</sup> it appears that the continued short term focus on the electoral cycle has caused political parties to lose sight of the fact that the on-going engagement of people within traditional party structures has been diminished in value. One example of this is the small percentage of citizens who are active in political parties. In Canada, this problem is particularly acute as a recent study examining political party membership points out. Authors Bill Cross and Lisa Young indicate that with two percent of voters belonging to a political party Canada ranks near the bottom of a comparative list of countries.<sup>22</sup> Whether the adoption of e-democracy by political parties can turn this situation around remains to be seen.

#### More evidence and time needed

Political parties have traditionally been aggressive users of new technologies (Selnow, 1998; Axworthy, 1991; Swerdlow, 1988). With the emergence of television in the 1950s as a mass communications medium, political parties have increasingly relied on both technological tools and increasingly sophisticated market research and advertising techniques to reach and influence voters as well as raise money during electoral campaigns. One of the reasons these adaptations have proved so successful is the fact that clear evidence existed, based on private sector experience, that party officials and elected representatives could reference in deciding whether these new tools and techniques were applicable to the political arena. The result of these initial successes meant that a mutually beneficial and symbiotic relationship developed over the past 4-50 years between political parties and companies providing communications, marketing, fundraising and advertising services. With the advent of the World Wide Web in the early 1990s new players emerged offering Internet based electoral services.

However, as important as Internet based services and solutions are to present day electoral campaigning, there are indications that the relationship between these new players and campaign

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<sup>21</sup> Bill Cross *Teledemocracy: Canadian Political Parties Listening To Their Constituents* in Digital Democracy Cynthia J. Alexander and Leslie A. Pal ed. (Toronto: Oxford University Press, 1998), 133.

officials is still evolving. Jonah Seiger, Co-founder and Chief Strategist for Mindshare Internet Campaigns, states that part of the current resistance towards the greater use of the Internet in campaigns is the fact that most professional campaign consultants, who are the decision-makers in terms of campaign expenditures, are of the old school and therefore tend to favour the use traditional approaches. If this view is prevalent among senior party officials, then it could well signal an inherent bias against the potential of ICTs and e-democracy within political parties.

Indeed Luddites would find some support for their beliefs in research conducted by Bruce Bimber who suggests that “the idea of the Internet transforming patterns of citizen-to-government communication or increasing overall participation seems unlikely.”<sup>23</sup> Bimber also concludes that “communications technologies themselves have very little effect on citizen participation and political communication...and that it is more likely that the Internet is a new and complementary resource for those persons who are already engaged in public affairs...which may enlarge the gap that already exists between the politically active and inactive in U.S. society.”<sup>24</sup>

In speaking with a number of elected representatives and party officials from federal political parties in Canada, it appears that the issue of e-democracy is far from a mainstream issue. Of the party officials interviewed none felt that e-democracy was priority issue facing their organizations. One Canadian Member of Parliament (MP) felt that out of a total of 301 elected representatives only between 10-20 of his colleagues were interested or somewhat knowledgeable about e-government and that an even smaller group were interested in the issue of e-democracy. Other MPs expressed frustration with the lack of attention and support by the party on this issue and in hopes of providing better representation to their constituents have simply forged ahead on their own.

As such there seem to be two issues influencing the appetite for e-democracy within political parties: a lack of hard data extolling the benefits of e-democracy; as well as the hesitation of senior

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<sup>22</sup> William Cross and Lisa Young *Contours of Political Party Membership in Canada* (2001), 6.

<sup>23</sup> Bruce Bimber *The Internet and Citizen Communication with Government: Does the Medium Matter* in Anthony G. Wilhelm, *Democracy in the Digital Age* (New York: Routledge, 2000), 27

<sup>24</sup> Bruce Bimber *Toward an Empirical Mapping of Political Participation on the Internet* in Anthony G. Wilhelm, *Democracy in the Digital Age* (New York: Routledge, 2000), 27

party officials who are more familiar with traditional election approaches than new Internet based solutions. If there is reluctance to embrace Internet-based solutions aimed at increasing citizen/voter participation during elections then one can only imagine the resistance to using similar technologies to re-define traditional political structures and processes.

The dilemma for political parties appears to boil down to an issue of diffusion, as e-democracy really has not been around long enough to have an enduring impact on the political process. Pippa Norris points out that “the process of technological diffusion remains in transition and, just like parties and governments, organizations are still learning how to use the potential of the Web to do more than act as a static form of electronic pamphlet or poster.”<sup>25</sup>

How quickly can we expect the diffusion of e-democracy within political parties? If the findings of Bill Woodley are applicable politically, we may be in for a long wait. In a paper published by the Institute of Governance Woodley examined the impact of four transformative technologies (printing, steam engine, electricity and atomic energy) on governance and noted that from the time when these technologies were first introduced until diffusion takes place ranged from 15 years for atomic energy to 50-100 years for the other three.<sup>26</sup>

What this means is that as rapid and transformative as e-business and e-government initiatives have been, they are still relatively young on the diffusion scale when contrasted with other technologies. The same can also be said of e-democracy. While studies are beginning to delineate its potential, e-democracy has not yet reached the point where it is known and accepted not just by political leaders but by the population as a whole. For political parties the need to demonstrate the linkage between e-democracy and success at the polls will be of paramount importance. E-business and e-government approaches are often as unique as the industries and countries that are employing them. However, e-democracy has not yet evolved to a point where comparisons can be made between

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<sup>25</sup> Pippa Norris *Digital Divide* (New York: Cambridge University Press, 2001), 190

<sup>26</sup> Bill Woodley *The Impact of Transformative Technologies on Governance: Some Lessons from History*. (Ottawa: Institute of Governance, 2002), 5.

different e-democracy approaches made by governments let alone political parties and this may inhibit the adoption rate of e-democracy.

### Refreshing the old paradigm

One of the challenges e-democracy poses for political parties is the perception that the Internet would become the primary channel for citizen engagement. This may well be too big a jump too soon for many political players. Perhaps its not just a question of changing something old for something new but rather a question of doing a better job with the system in place and incrementally adding the benefits of e-democracy as it becomes better defined. As Pippa Norris points out political parties that undertake a variety of important activities. These activities have taken place for centuries without the benefit of the Internet, and digital technologies can only be expected to supplement not replace the many functions and activities of political parties.<sup>27</sup>

But as important as these new opportunities are there are some that suggest that political parties and politicians perhaps have not been as effective with the tools they currently have. As the Member of Parliament for Ottawa South and Canada's Minister of Finance, John Manley draws the analogy of being an effective representative to that of a small business owner. There are a number of key activities an elected representative must undertake that are as fundamental to politics as accounting would be for a successful business owner. These activities such as ensuring that the riding association is of sufficient size and reflective of the community at large and personally meeting with constituents in order to gauge public opinion are extremely important for an elected representative. In Mr. Manley's opinion there are those MPs that have forgotten the fundamentals and have therefore failed to protect the brand of the party. Consequently, voters have become disengaged with the political process and parties are now paying the price in terms of voter dissatisfaction.

Relying too much on new technologies also brings with it problems of validity. With large numbers of emails arriving in the offices of elected representatives it is sometimes difficult to authenticate

the owner(s) of emails. Mark Walsh refers to this as “astroturf” where on-line activities can sometimes fake a grassroots initiative.

Perhaps one of the more challenging aspects of political parties adopting e-democracy will be the way in which they incorporate new approaches with the more traditional methods. This is the approach that has been taken by the Canadian Alliance Party where the Internet is used in a variety of ways to support, but not replace, the more traditional processes. For example, Canadians can join the Party or make a donation over the Internet but you can also accomplish the same tasks by walking in to an Alliance office or using the telephone. For the Canadian Alliance, this blending of traditional and modern approaches is extremely important given the demographics of their membership. The party recognizes that a digital divide exists within the membership and, in order to keep members engaged, need to offer choice.

That being said, political parties should be thinking bigger. As we have seen from the e-commerce sector, political parties should be looking beyond the election campaign about how their back offices and internal processes can be improved through the application of new technologies as well as experimenting and cataloguing their e-democracy efforts. Some politicians and political parties have already begun this journey but parties need to internalize the discussion and experimentation before any substantial progress is likely to be made. The fact that political parties have not internalized the discussion on e-democracy also means that party members have not yet had the opportunity to engage on this issue. This situation could prove to be a detriment to advancing the e-democracy agenda as members will want to have an input on any substantive changes that will occur in the policies and direction of the party.

Political parties should focus less on the product they are selling during election campaigns and instead concentrate more on research and development when it comes to e-democracy. Changing the nature of the democratic relationship, as Robin Clarke suggests, will require a lot of trail and error.

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<sup>27</sup> Pippa Norris *Digital Divide* (New York: Cambridge University Press, 2001), 167

Tom Riley has written that “what is being prognosticated here are not revolutionary change but rather evolutionary change through which the current and emerging information and communication changes hold within them the promise of change. The change will depend on the degree to which people want to be more engaged in government and on the emergence of new political thinkers who will think through to the next evolution of democracy.” He goes on to suggest that “as with e-government for e-democracy to grow it is going to need vision, strategy and political leadership.”<sup>28</sup>

Riley makes an interesting and important point regarding vision, strategy and political leadership. These factors have been present in successful e-business and e-government initiatives and will also be required if e-democracy is to find a home within political parties. Prime Minister Tony Blair has been a champion on this issue with respect to the United Kingdom’s e-government efforts. However, it has been hard to find an elected leader articulate how e-democracy, at a party level, will provide the vision for the party moving forward.

#### Self interests verses the benefit to society

Dr. Tom Flanagan, Director of Operations in the Office of the Official Opposition in Ottawa states that in many respects the debate around e-democracy shows the warts of our present day democratic system. On the one hand, the self-interest of the parties and candidates to be elected is paramount. Yet, there also appears to be a more egalitarian goal of raising the bar on democracy by encouraging greater voter participation within the political process, not just at elections but in an on-going way.

There are those that would argue the fix is in on e-democracy already because it poses a serious threat to the order and structure that drives the present day political system.

Mark Walsh, Chief Technology Advisor for the Democratic National Committee, believes that there is no natural migration path of political parties in terms of e-democracy as there has been for the

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<sup>28</sup> Thomas B. Riley. *E-Democracy in the Future: Will We See Significant Change?* (Ottawa: The Riley Report, 2002), 6.

corporate sector in terms of e-business. One of the main problems is that the demand for openness, accountability and transparency that drives e-business works against the processes that run political parties. There are too many groups with self-interests that dominate political parties who see no reason to change even though e-democracy might potentially benefit the party as well as society at large.

Carolyn Bennett, MP sees e-democracy as a way to address the issues of transparency and accountability with political parties – something that she believes is very important in today's environment. Dr. Tom Flanagan feels that e-democracy is not going to transform democracy, certainly not overnight. It doesn't offer utopia either. As has been proven in the past, it will be used by people to further their own agendas as opposed to being this great democratization vehicle.

If e-democracy forces political parties to become more open, accessible and transparent, then it bound to have an impact on party structures and processes such as policy development, organization, fundraising, membership etc. Even with political leadership and commitment, to undertake changes on this large of a scale will likely take years to achieve given the consultation and input that will be required once party members become engaged.

In other words there really doesn't appear to be any incentives for political parties to move beyond the status quo, election focus at this point in time. That is not to say that at some future date political parties might not give e-democracy greater attention but at this point in time the number of elected officials experimenting with this approach are still few in number.

#### Educating elected representatives and party officials

The effectiveness of the Internet as a communications and organizational medium has played out many times in terms of mobilizing citizens and interest groups in lobbying legislators. But these examples are mostly short term in nature – here today, gone tomorrow. However, what is the potential of e-democracy as a long-term sustainable citizen engagement approach? Developments within the e-business and e-government sectors may be able to offer us some insight. The increasing attention and investment in customer/citizen centric approaches and solutions, such as

CRM, by business and government would appear to demonstrate that there is potential pay-off for political parties and elected representatives to develop a more direct and responsive relationship with citizens.

In fact, some elected representatives are already thinking along these lines. Reg Alcock, MP (Winnipeg South Centre), who is well known for his pioneering approach to using technology has already developed a CRM-type system that allows him to better serve his constituents. Carolyn Bennett, MP (St. Paul's) firmly believes that e-democracy allows her to dialogue with constituents outside of the traditional means of communications and further strengthens the relationship she has with voters. Within the United States both the Republican and Democratic parties are also experimenting with CRM-type applications although the focus appears to be on fundraising as opposed to citizen engagement type activities.

While these MPs intuitively know that e-democracy offers value to their constituents, there is very little substantive evidence that would make an effective case to other legislators and party members.

A recent report by The Hansard Society in the United Kingdom indicated that one in four Westminster MPs had no functioning email account in their parliamentary office and that 60 percent have no personal web site. Representatives in the devolved assemblies (Scotland, Wales and Northern Ireland) have even lower profiles on the Internet. The report also rated the content and design of existing web sites and found that "all the sites failed to address the issues and problems of visitors in favour of explaining how each legislature works and had search tools that deliver too much undifferentiated information with little interaction".

A similar survey conducted by the Centre for Collaborative Government examined the use of the Internet by Canadian Parliamentarians identified that only 58 percent had official web sites. Furthermore, only 27 percent of those with web sites used any sort of interactive tools, such as feedback forms or online surveys.

Perhaps these numbers are not too surprising given that we are really in the early adoption stage within the overall diffusion cycle. However, if elected representatives are to become champions for change then a greater emphasis on education, knowledge and skills development will be required in order to make them more comfortable in this new medium. If e-democracy is to make a breakthrough within political parties then it will require a critical mass of elected representatives experimenting with this approach.

Currently, elected representatives in the United States and Canada rely on two important non-partisan, not-for-profit organizations that provide research, training and tools to assist them in managing technological change. The Parliamentary Centre in Ottawa and the Congressional Management Foundation in Washington assist elected representatives in meeting the challenges brought about by the increasing reliance on technology within their office environments but challenges do exist.

Kathy Goldschmidt, Director of Technology at the Congressional Management Foundation indicates that while Capital Hill staffers need technology to do their job most offices now are using technology as a business tool not as a constituency tool. The fact that a resource and skills gap exists in most offices means that elected representatives are not optimized to adopt and use these new technologies in more fundamental ways as has been the case with e-business and e-government initiatives.

This view reflects the experience by the Liberal Party of Canada (LPC) which has developed, sold and supported (through a partnership with a private sector company) a suite of software called ElecSys. The first product (AdminElect) assists Members of Parliament manage their constituency cases. The second product (ManagElect) is used by LPC candidates during election campaigns to track voter identification and GOTV (Get Out The Vote) activities. Despite the investment made by the LPC in this software suite and the fact that it could assist MPs in managing their constituencies more effectively, it is used by less than nine percent of the caucus.

For the Liberal Party of Canada this is clearly a disappointing return on investment. But, aside from the issue of MPs being comfortable with the technology, the problem with the lack usage by the rest of the Liberal caucus may also be a question of inadequate resources (financial and personnel) being available for citizen engagement activities. The average MP receives less than three dollars per year per constituent to staff their offices, cover off travel and communicate expenses.

However one of the issues it seems that will determine the move towards greater e-democracy type efforts by parties and politicians will be the issue of cost. Realistically, if parties are focussed on the electoral cycle and funds are used to support activities that directly contribute to the election effort, there becomes a competition for scarce resources. If e-democracy is not seen as supporting the election effort then the likelihood of financial support is slim.

Lower operational costs has been a driver in many e-business and e-government initiatives has been demonstrated by e-business and e-government and ICT costs have continued to drop from a price/performance perspective. In recent years, campaign spending in the United States has increased dramatically yet fewer voters actually end up casting a ballot. This same trend holds true in most other western democracies, including Canada. In many respects we have a situation where there are more dollars chasing fewer voters.

#### The cost of e-democracy

Previous sections of this paper have detailed how the customer/citizen centric relationship has transformed e-business and e-government initiatives. To implement these initiatives both public and private organizations have had to make significant investments in their technology infrastructures, not to mention changes to their organizational structures and processes.

Political parties and elected representatives appear to be at a distinct disadvantage when compared to governmental efforts to provide more citizen-centric services. Government departments have considerably more resources available to them than do political parties. Should political parties be concerned about these developments? The short answer is yes. If political parties are too focussed

on the electoral process and ignore the citizen engagement efforts of e-government initiatives then how can they realistically hope to provide alternative views/approaches to the development of policy? It is a question really of investing in a process that will be key differentiator from an electoral perspective but also one that provides legitimacy to elected representatives. For political parties what is the price of losing legitimacy in the policy development process in terms of its members and voters?

While business and government funding models can support these new investments, one has to wonder whether political parties will ever have access to same levels of funding that would be required to implement similar large scale, citizen-engagement infrastructures.

In previous sections of this paper, other cost issues have been identified. These include the costs of transitioning to an e-democracy approach. Some costs would be fairly straightforward – the cost of hardware, software, support, training etc. The more intangible, and perhaps significant, costs would be the changes required to political party structures and processes that have been institutionalized over time. More importantly changes would need to be ratified by party members which would likely mean a substantial effort over a long period of time. A more likely approach though would be to see a more gradual adoption of e-democracy type activities within both electoral and party related activities. This is a perspective that Tom Flanagan shares. Any change in terms of e-democracy or use of technology within the Canadian Alliance will be incremental as opposed to overhauling their traditional processes.

The question then becomes what will be the cost for political parties should they want to move towards a more voter centric e-democracy model? We know from e-business and e-government efforts that these approaches are expensive. At this point in time, the costs of such a system can only be guessed at. In the United States both the Republican and Democratic parties are starting to bring CRM to the political process. However efforts here are focussed more on fundraising than they are on citizen engagement.

But it appears that political parties are gradually increasing their IT expenditures. According to a survey conducted last year by the E-Voter Institute IT investment is predicted to increase over next few years. The report stated that “Leaders predict that by 2008, Internet budgets will represent one in four dollars spent in a campaign budget, nearly double what they expect in 2004. Until then, leaders expressed hesitation about being able to reach desirable voters because of the limitations of the Internet for targeting constituents, the Digital Divide and the resistance of their clients to try new approaches.”<sup>29</sup>

The issue for political parties is one of financial sustainability. Parties can’t afford to ignore the long-term repercussions of declining voter participation. They are becoming increasingly reliant on corporate donation as the number of donations from individuals is declining.

If the issue is greater engagement of voters in the political process then perhaps the time has come to consider rewarding political parties and politicians for their efforts in this regard. If we are at the beginning of a new era of greater citizen engagement, whether it is through e-democracy or traditional methods, then maybe we need to consider building in financial incentives in order to move to the next step? More incentives are required for political parties and candidates, not disincentives.

### Metrics of e-democracy

Robin Clarke makes the point that “Its starting point is that public involvement should be about both achieving better quality decision and democratic renewal. Public involvement for better decision-making offers instant returns, though a firm body of evidence is urgently needed to win over doubters. Public involvement as a means to democratic renewal is a trickier and, in reality, a long-term goal.”<sup>30</sup>

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<sup>29</sup> *E-Voter 2001: Dawning of a New Era – Measuring the Initial Impact of the Internet on Political and Advocacy Communication* (E-Voter Institute, 2001), 2.

<sup>30</sup> Robin Clarke, *New Democratic Processes* (London:IPPR, 2002), 53.

If the consensus is that e-democracy is an approach worth pursuing then would it not make sense to develop a set of metrics to assess its success or failure? Robin Clarke's point is a good one, if public involvement is about achieving better quality decision making and democratic renewal then it will be important to develop a set of criteria by which practitioners can determine the success or failure of their efforts. From a political party perspective how will success be defined? If the decline in voter participation can be reversed, is that an appropriate indicator of success? More importantly though, what does e-democracy mean from the perspective of voters/citizens? Will it mean they view the political process as more open, transparent and accessible? Or will citizens place a greater emphasis on the ability to cast a vote on major issues facing governments at all levels?

For elected representatives it will be important to have an evaluative framework that can be used to determine the effectiveness of their citizen engagement activities whether they are traditional or Internet based. The important thing is to be able to measure, evaluate and then respond with corrective action if needed. Presently, elected representatives are evaluated on their efforts only at election time. The challenge for political parties utilizing a more citizen-centric, e-democracy approach will be developing effective evaluation frameworks that can be used on an on-going basis.

#### What does e-democracy look like?

What will e-democracy look like within the political environment? If e-business and e-government initiatives are any indication, it will be increasingly like the CRM model. But this is merely a guess at this point in time. Building on the base that has been started by their elected representatives, political parties need to start experimenting on a more systematic basis with e-democracy approaches. As the previous section mentioned parties also need to start evaluating what works and what doesn't and building an inventory of what their elected representatives are undertaking in this area.

One evolutionary path might be the adoption of a more life-cycle approach to managing member and voter relationships. Automobile manufacturers use this life-cycle approach in developing and

marketing their various product lines. For political parties, moving to a more responsive party model could be accomplished through use of databases and adaptive CRM models. The downside would be the inherent cost to such a system, the disruption it might cause to existing processes and the impact the new approach might have on individuals' privacy and security. Given the low regard by which political parties are held by the general public, this might be a difficult hurdle to overcome.

It isn't a case of one e-democracy model or approach works for all but rather building an e-democracy model that works for them. Political parties vary in their structure, the constitutions that govern their activities as well as the environment they must operate within. Therefore, how parties respond to e-democracy challenges and opportunities will likely be both unique and reflective as they are today.

Where does this lead us to with respect to e-democracy? It points to the need for more sustained citizen engagement by political parties than has been the case to date. The fact of the matter is that parties have stopped interacting with voters in a sustained way and perhaps have turned to technology as one way (perhaps seen as the easiest way) to re-engage citizens. The IPPR study points to the fact that local councils in the UK who have taken a long term approach to citizen engagement have found that the participation rate in elections tended to be higher than in areas where this approach was not taken. This would tend to suggest that parties and elected representatives who make a priority of engaging citizens on a regular and sustained basis would reap the rewards at election time.

## **6. Where do political parties go from here?**

How should political parties respond to the challenges and opportunities offered by e-democracy? The following is one suggestion on how political parties could be encouraged to become more aggressive in their e-democracy efforts.

### Financing citizen engagement - encouraging parties to think longer term

One of the principle e-democracy challenges for political parties is finding the right balance between financing the electoral needs of the party, the on-going organizational, communications and policy development processes, and reaching out to encourage greater participation of people within the political process. Currently, parties are only rewarded for winning elections, which poses a problem from a citizen engagement perspective, as there is no incentive for them to engage in e-democracy activities on a broader scale.

If political parties were to be rewarded financially for undertaking broader citizen engagement activities then some positive changes might be possible. There is some precedence for this approach where political parties in Germany have received government funding for undertaking education and citizen engagement activities. While the details would need to be worked out, the idea in the Canadian context would be that recognized political parties would receive a funding allotment from government (i.e. Elections Canada) that would go to citizen engagement, education and outreach type activities. These citizen engagement funds would provide parties with the incentive to invest and experiment in new approaches and mediums. From an e-democracy perspective, this funding could potentially be used by parties to fund innovative on-line citizen engagement approaches either through their elected MPs or at the constituency level. It also means that parties would not have to make a choice between financing their election efforts or funding e-democracy initiatives. These new funds would mean parties have the flexibility and capacity to undertake both activities.

Political parties could augment this allotment with funds of their own but all parties would be expected to account for this funding through appropriate disclosure mechanisms. This would hopefully provide an incentive for parties to develop a useful evaluation mechanism that would reduce public skepticism over political parties receiving additional public funds.

The public funds are also an indication that greater citizen engagement in the political process is the responsibility of other organizations, not just political parties. It also recognizes that political parties need to strike a balance between the need for electoral success and the requirement for

greater engagement of the general population in the decision making and policy development processes.

## **7. Conclusion**

The potential of e-democracy as an important and complementary citizen engagement process is just beginning to be realized now by political parties. To date, a small but growing number of elected representatives are experimenting with e-democracy approaches and, as a result, are beginning to challenge the status quo within their various parliaments and political parties.

The pervasiveness of e-business and e-government within most western democracies are driving fundamental economic and societal changes that are also having ramifications on the political landscape. The traditional political engagement models do not appear to be as sustainable as they once were.

While e-democracy appears to pose some interesting and compelling challenges for political parties this phenomenon is still relatively new and therefore hasn't been subjected to the full test of time. If history is any indication, change will likely occur at an evolutionary as opposed to revolutionary pace before e-democracy and its various iterations will be assimilated into the mainstream political engagement processes we are familiar with today.

However, since the ICT revolution was born, the pace of change has increased substantially on year over year basis, as borne out by the proliferation of e-business and more recently e-government initiatives. In order to counteract the recent decline by citizens in the political process political parties should seize upon the opportunity offered by the e-democracy movement and begin spending more time and energy experimenting, molding and adapting this approach in order to reinvigorate the political process.

Political parties are pragmatic. E-democracy is not the panacea that will alone revitalize declining voter turnout and antipathy towards parties and politicians. Parties should acknowledge the publics'

appetite for change in the political process as an opportunity to re-examine their own internal processes and structures. This examination should, at the minimum, evaluate how these existing processes and structures could be improved or enhanced through the judicious application of technology and new e-democracy type approaches.

Just as e-business and e-government customer/citizen centric initiatives are different, the evolution of e-democracy will likely be dependent upon a number of factors. These include the state of the local technology infrastructure, the level of knowledge and use of the Internet by the elected representatives, and, perhaps most importantly, the financial ability of the political system and parties to respond to this opportunity.

It's not that political parties have not kept up with the Internet revolution – they have when it comes to using for electoral purposes. Where they have missed the boat is internalizing that knowledge to create a more dynamic and citizen centric political engagement process. There is still time – but those responsible for the stewardship of political parties have to realize that change is required and take the necessary steps to do something about it.

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