

Public Sector Modernisation: Open Government

What is open government?

Who wants open government?

How is transparency achieved?

How to make government more accessible?

How to make government more responsive?

Who monitors open government?

What are the limits to open government?

What is the future of open government?

For further information

For further reading

Where to contact us?

Introduction

Governments are under increasing pressure to open up to public scrutiny, to be more accessible to the people who elected them and more responsive to their demands and needs. Indeed, an open government that meets all these requirements is increasingly recognised as an essential ingredient for democratic governance, social stability and economic development.

From the public's point of view, an open government is one where businesses, civil society organisations (CSOs) and citizens can "know things" – obtain relevant and understandable information; "get things" – obtain services from and undertake transactions with the government; and "create things" – take part in decision-making processes.

The principles of good governance – transparency and accountability; fairness and equity; efficiency and effectiveness; respect for the rule of law; and high standards of ethical behaviour – represent the basis upon which to build open government.

This Policy Brief looks at how OECD countries have responded to growing demands for greater openness, reviews concrete measures for achieving open government, examines the limits to openness and identifies future challenges. ■

This Policy Brief is the fifth in a series looking at the evolving modernisation agenda and how governments can best adapt their public sectors to the changing needs of their society. The first Policy Brief in the series, Public Sector Modernisation, takes an overall view of the issue and other Briefs deal in more detail with individual aspects of modernisation, such as Modernising Public Employment.

What is open government?

Over the past two decades, all OECD countries have invested in building open government but what exactly does it mean? Basically it covers three main elements:

- *transparency*, in other words being exposed to public scrutiny;
- *accessibility* to anyone, anytime, anywhere; and
- *responsiveness* to new ideas and demands.

As used here, “openness” both encompasses and goes beyond the more commonly used term of “transparency”. It introduces two further aspects, namely “accessibility” and “responsiveness”, in order to capture other qualities of the interface between government and the wider community it serves.

The definition may be simple, but implementing it is a major challenge for OECD countries, because open government is not something that can simply be grafted on to existing systems; to be effective it requires a fundamental change within the government system. While building open government is now an objective shared by all OECD countries, their reasons for wanting open government, and their policy choices for achieving it vary considerably.

Some countries, such as Korea and Mexico, have focussed on making government more open to public scrutiny in the interest of fighting corruption and improving accountability. Others, such as Denmark, have concentrated on making government more user-friendly in order to improve service delivery, while Canada and Finland have been more interested in increasing government interaction and partnership with external stakeholders, such as civil society organisations (CSOs), to foster better quality, and more inclusive, policy making. Whatever the reasons behind them, all such measures may ultimately be regarded as contributing to the broader goal of strengthening public trust in government as a necessary precondition for effective public policy.

Governments in OECD countries have two main reasons for building open government. One is the fundamental desire to underpin the legitimacy and credibility of democracy as a form of government. The other is to achieve equally important policy goals such as economic growth or social cohesion.

Open government strengthens democracy by enabling public scrutiny, by providing a bulwark against any undue accumulation of wealth or power in the hands of a few and by providing greater opportunities for public participation. Many government policies for greater openness explicitly acknowledge

the contribution such measures make to enhancing democratic governance. Some countries have gone further still, recognising that more open government alone is not enough to strengthen good governance, and that achieving this goal also requires measures to boost civil society’s capacity to take advantage of open government.

In terms of the economic benefits of open government, comparative research by the World Bank has found that countries with high levels of transparency and effective parliamentary oversight enjoyed a higher rate of economic growth than countries with lower standards.

The OECD’s own work on public governance shows that greater openness has a positive impact on performance in several key areas of government operations, including: regulatory governance, budgeting and expenditure management, and public sector integrity. These policy lessons have been incorporated into a number of OECD recommendations and guidelines which cover all three dimensions of government openness.

But open government also carries potential dangers. Greater openness may allow those pursuing illegitimate goals, such as special interest groups or terrorist cells, to operate more freely by making it easier for them to obtain and misuse information, or undermine other important social values such as equity. An open market for government information may simply mean that those with more education or resources benefit disproportionately. ■

Who wants open government?

Increasingly well-educated, informed and critical citizens expect high quality services, streamlined administrative procedures and a government that takes their views and knowledge into account in public decision making. But their expectations are often not met. In a 2003 UK public opinion survey by MORI, 40% of those interviewed found local public services “bureaucratic” and only 5% regarded them as “open”. The same survey revealed a demand for more information in areas such as why decisions are taken, how public money is spent and how to make a complaint. A similar picture holds in many other OECD countries.

The steady erosion of voter turnout in elections, falling membership in political parties and surveys showing declining confidence in key public institutions in the majority of OECD countries give scant grounds for complacency. In the 2004 Eurobarometer survey of public opinion in the 25 EU member states, 19 of

which are also OECD member countries, two-thirds of the respondents said they tend not to trust national governments. Trust in government is a fundamental element of the democratic “contract” and its decline may have a significant impact on how people perceive, comply and interact with the public bodies that exercise power in their name.

The standards of openness to which both private and public sector organisations are held have become far more demanding over the past two decades – and this trend may be expected to continue in the future. Calls for greater government transparency and accountability have grown, as public and media scrutiny of government actions increases. In many OECD countries, business associations have been among the most vocal supporters of government reforms introducing greater openness and in some cases have even become partners in their implementation (e.g. in running one-stop shops for small businesses).

The rapid rise of civil society organisations (CSOs) has also contributed to independent monitoring of open government. This is reflected in the number of such bodies having consultative status with the UN Economic and Social Council, which has more than tripled in the past decade (from 784 in 1994 to 2 531 in 2004). Their capacity for monitoring government action is enhanced by participation in global networks which can mobilise diverse sources of expertise; and an innovative use of new information and communication technologies (ICT) to collect, share, analyse and disseminate publicly available information. Their adoption of methods used by governments themselves (e.g. social audits, benchmarking) and their capacity to raise public awareness via the media (e.g. by “naming and shaming” or awards for good performance) makes them a force to be reckoned with. Given their prominent role, CSOs themselves increasingly recognise that the principles of openness should apply to their own management as well.

While public pressure for open government may be strong, there is a risk of resistance from those with a stake in the current system, both inside and outside government. Government officials may resist greater openness given that, in the absence of freely available information, they may use their knowledge to win power or influence, for example by selectively releasing information in their possession. Opponents outside government may range from private businesses, such as established government suppliers fearing greater competition, to professional CSOs concerned to maintain their privileged access to policy makers. The history of openness in government is recent, while the history of secrecy is centuries old.

Balancing the need to protect legitimate national security concerns and to ensure public scrutiny of government activities has always been a challenge and is even more so today. ■

How is transparency achieved?

The scope, quantity and quality of government information provided to the public has increased significantly in the past 20 years and the provision of information is now a goal shared by all OECD member countries. But making sure that government information remains relevant, timely, complete, reliable and objective is a challenge for the future, given the ever-increasing quantity available online.

Access to information is a precondition for public scrutiny, a basic building block for open government and is enshrined in the constitutions of some OECD countries such as Austria, Hungary, and Poland. Freedom of information laws are the single most important means of giving substance to such basic rights and their adoption has gathered pace in the past two decades. In 1980 less than a third of the (then 24) OECD member countries had legislation on access to information, by 2004 it had reached over 90% or 28 of the current 30 members (see Table 1). As these laws are very recent in historical terms, their full impact as levers for systemic change in government openness has yet to be felt in many OECD countries.

But efforts to provide greater access to more information will not on their own make government more open or ensure the quality of the information on offer. Simply providing more information is of little practical value without effective systems to allow people to

Figure 1. OECD countries with laws on access to information

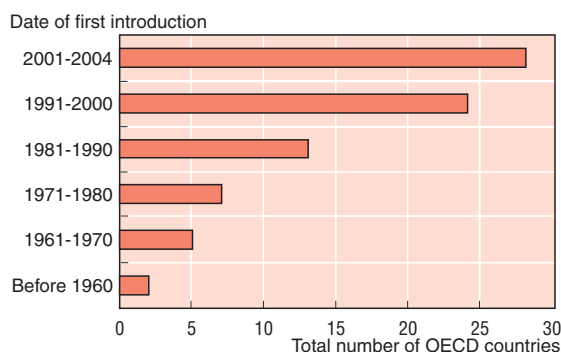


Table 1. Overview of current legislation and institutions for open government in OECD countries

	Freedom of information	Privacy/data protection	Administrative procedure	Ombudsman/commissioner	Supreme audit institution
Australia	X	X	X	X	X
Austria	X	X	X	X	X
Belgium	X	X		X	X
Canada	X	X		X	X
Czech Republic	X	X	X	X	X
Denmark	X	X	X	X	X
Finland	X	X	X	X	X
France	X	X	X	X	X
Germany		X	X	X	X
Greece	X	X	X	X	X
Hungary	X	X	X	X	X
Iceland	X	X	X	X	X
Ireland	X	X		X	X
Italy ¹	X	X	X	X	X
Japan	X	X	X		X
Korea	X	X	X	X	X
Luxembourg		X	X	X	X
Mexico	X		X	X	X
Netherlands	X	X	X	X	X
New Zealand	X	X	X	X	X
Norway	X	X	X	X	X
Poland	X	X	X	X	X
Portugal	X	X	X	X	X
Slovak Republic	X	X		X	X
Spain	X	X	X	X	X
Sweden	X	X	X	X	X
Switzerland	X	X	X		X
Turkey	X				X
United Kingdom	X	X	X	X	X
United States	X	X	X		X
EU	X	X		X	X

1. No national Ombudsman, but extensive coverage provided by subnational ombudsman institutions. A government-appointed commission oversees implementation of the law on access to public information.

identify and retrieve the specific information they want. Centralised registers of current laws and regulations are an important tool for enhancing access to information on statutory obligations and, by the end of 2000, had been adopted in 18 OECD countries.

The spread of Internet access at home, school and work has increased the importance of online tools for access to government information. The Internet is the medium of choice for all OECD countries when providing a potentially vast number of stakeholders with an unprecedented degree of access to government information at marginal cost and high speed. In addition, electronic systems can offer powerful tools for searching, selecting, and integrating the vast amounts of information held by the public administration as well as presenting the results in a form that can be readily used by citizens and businesses. Indeed, the advent of e-government has led to the

virtual abolition of physical limits to access, thereby obliging governments to argue the case for disclosing or withholding information on its merits. As e-government advances, some OECD governments have issued standards for public authorities to ensure the quality, consistency and coherence of online information.

The publication of annual reports, performance data and public accounts are an important tool for ensuring public scrutiny of past government actions. But they do not enable stakeholders outside government to monitor government actions today nor examine their plans for the future. The publication of strategic plans, legislative timetables, forthcoming projects and upcoming consultations are all important features of government openness and provide the conditions for key public stakeholders to prepare, and hence contribute more effectively to, policy making by government. ■

How to make government more accessible?

Governments are more accessible and user-friendly today than they have been at any point in history. Measures to reduce physical, organisational and linguistic barriers; cut through “red tape”; use clearer language and expand online service delivery have all helped. The challenge for all OECD countries now will be to meet ever higher demands from citizens and business for streamlined transactions, tailored services and ubiquitous access.

Building open government that is accessible to anyone requires, at a minimum, provisions to ensure equal treatment. Administrative laws do so by defining the basic conditions for citizens’ access and establishing mechanisms for holding administrative authorities accountable for their decisions. They provide guarantees for citizens in their interactions with government, uphold the rule of law and give substance to constitutional rights. More than 70% of OECD countries have such laws and codes, which generally predate freedom of information legislation. They often include provisions to ensure that citizens who are potentially affected by administrative actions and decisions have the possibility to receive prior notice of, and defend their interests in, a given decision-making process.

Today’s users of public services expect them to meet their individual needs, offer choice and provide means for seeking redress. More than half of OECD member countries have introduced citizens’ charters with the aim of providing high quality, easily accessed and customer-centred public services. By introducing service charters, and establishing redress mechanisms, governments have provided citizens and businesses with a means of assessing their own experience as users of public services against declared standards of service.

Cutting through “red tape” to make it easier and less costly to do business with government is a key concern for governments and businesses alike. Policy measures to reduce administrative burdens can also contribute to improving access through one-stop shops (both physical and electronic), providing assistance and advice in complying with regulations (e.g. to small and medium-sized enterprises) and Web-based portals and electronic forms. In 2000, out of 28 OECD countries surveyed, 26 stated that they had a government programme to cut red tape.

E-government can significantly lower barriers for citizens and businesses by reducing costs and providing access to government information and online services for all, whether in the capital city or a remote rural area, 24 hours a day, 7 days a week. Where

e-government initiatives currently fail is in ensuring access to all since not everyone has access to the Internet nor the skills to use it. All OECD countries’ e-government strategies recognise that all stakeholders and users must continue to have the choice of online or “offline” information, transactions and services for the foreseeable future. ■

How to make government more responsive?

Public consultation for law and rule-making was once rare. Today, it is increasingly accepted as a valuable means of improving the quality of public policy while strengthening its legitimacy. Further efforts to improve tools, mainstream procedures and integrate the results of public consultation in established decision-making processes will be needed if governments are to become more responsive and adaptive in the future.

A decade ago, with the OECD 1995 Recommendation on Improving the Quality of Government Regulation, member countries pledged to ensure that regulations are: “... developed in an open and transparent fashion, with appropriate procedures for effective and timely input from interested parties such as affected businesses and trade unions, other interest groups, or other levels of government.” The systematic assessment of positive and negative impacts of regulations and their alternatives has helped many governments to reduce regulatory costs to business, while maximising the effectiveness of government action in protecting public interests. Consultation procedures are central to this process. In 2000, just over a third of OECD countries required regulatory impact assessment (RIA) documents to be publicly released for consultation. Consultation has proven to be an effective way of obtaining information on the nature, size and distribution of costs and benefits directly from those most likely to be affected.

Governments increasingly realise that they will not be able to effectively implement policies, however good they are, if citizens and business do not understand and support them. Initial experience has shown that, to be effective, consultation must have clear goals and rules defining the limits of the exercise and government’s obligation to account for its use of the input received. The place held by laws and regulations governing public consultations vary considerably among OECD countries – from those such as Switzerland where it is a fundamental feature of the constitutional system to those where it is relatively limited in scope, application and impact. Some countries have legal requirements to consult with specific interest groups, such as trade unions and

professional associations, or with indigenous peoples in order to safeguard constitutionally protected rights during policy making. Several have adopted guidelines which require ministries to provide a summary of the consultations they have undertaken when submitting draft laws or policies to the Council of Ministers or equivalent.

The unprecedented degree of interactivity offered by the Internet has the potential to expand the scope, breadth and depth of government consultations with citizens and other key stakeholders during policy making. Despite its promise, online consultation for policy making is new and examples of good practice are scarce. Few expect new tools to replace traditional methods in the foreseeable future. Initial experience indicates that they are most effective when integrated with “offline” tools for consultation, such as combining online discussion groups and “face-to-face” consultations. ■

Who monitors open government?

As open government standards and public expectations have risen, existing institutions for ensuring oversight such as Supreme Audit Institutions (SAIs) have evolved and new ones, such as Ombudsman offices, have appeared. When coupled with the growing role of civil society organisations and the media, public scrutiny of government has reached unprecedented levels – and shows no signs of abating in the future.

Supreme Audit Institutions are of central importance in exercising oversight of the executive branch and ensuring accountability for the use of public funds. All OECD countries have an SAI, in most cases an independent authority whose head is appointed by the legislature and which reports directly to it. SAIs provide independent review of public accounts, as well as of the execution of government programmes and projects. While SAIs in most OECD countries date back to the 19th century, or earlier, their functions, tools and scope of action have evolved considerably to meet the oversight challenges posed by modern government.

Ombudsman offices are of far more recent introduction in most OECD countries. In 1960, only Sweden, Finland and Denmark had such institutions; today, 90% of them do. Ombudsman offices are generally appointed by legislatures and offer an important point of contact for citizens’ complaints, appeals, and claims for redress in their dealings with the public administration. While their recommendations are rarely binding, they have proven to be a powerful source of pressure on governments to take remedial action.

While official institutions for public oversight, such as Supreme Audit Institutions and Ombudsman offices, continue to shoulder the main responsibility for ensuring adherence to such standards, new and highly vocal private watchdogs in the form of CSOs have emerged and constitute an important resource for monitoring open government. When taken together with traditional sources of independent monitoring of government performance (e.g. media, international organisations, rating agencies), the modern version of the “fourth estate” exercises powerful pressures, and advances vocal demands, for openness. As governments scramble to respond, what at first sight appear to be piecemeal reforms do, over time, produce a cumulative effect and once standards for openness have been raised, there is no uncontroversial way of going back. ■

What are the limits to open government?

Openness is just one of many cherished public values citizens would like to see from government. They also expect equity, efficiency, responsibility and due respect for individual privacy in the use of public power and resources. Openness in the public realm should not endanger individual rights to privacy. All governments hold significant amounts of information on individual citizens, often of a sensitive nature such as health records. So any legislation promoting freedom of information requires equally strong provisions setting out limits to access in the interests of individual privacy and data protection if public trust is to be maintained. Over 90% of OECD countries have passed legislation in this field.

Over the past two decades, all OECD countries have taken steps to resize and reform their public sector (e.g. through privatisation, contracting out) albeit to different degrees. Today, the public-private interface is a “grey zone” where the boundaries between the two sectors are not always clear and the rules to be applied can easily be confused. Yet citizens and businesses expect continuity in the rules allowing them to trust their interlocutors (whether they be ministries, independent public agencies or private sector subcontractors) and demand full accountability for the use made of public funds collected through charges and taxes – regardless of who is spending them. Clear guidelines for, and strong oversight of, the application of openness provisions by private enterprises and agents providing publicly-funded services are needed in order to prevent intentional abuse and innocent mistakes from undermining efforts to build openness and trust. Over two-thirds of OECD countries have adopted legislation setting out the standards of behaviour expected of public servants, while many countries also use codes of conduct and guidelines.

Another key challenge for all OECD countries is to preserve government openness while ensuring national security and effective law enforcement. Since the events of 11 September 2001, several OECD countries have issued new guidelines or legislation setting limits to existing statutory provisions for access to information. In many countries, the lack of a precise definition of “national security” together with a greater degree of discretion for public officials when deciding whether to withhold information has meant that secrecy, rather than disclosure, is now the default position. But any attempt to dilute or reverse previously declared standards will be perceived as a step backwards by many sectors of public opinion – even if it may support other cherished policy goals such as the fight against terrorism.

Most open government reforms are undertaken with the ultimate aim of strengthening public trust. But openness may also undermine trust. Within government, ensuring the basis for public trust in terms of responsible decision-making may require a degree of confidentiality to ensure that hard truths are told, mistakes are not covered up and frank advice to ministers is not replaced by self-censorship. Outside government, conducting public affairs in full view, and under the lens of sensationalist media, may even have contributed to current levels of public disaffection and cynicism – prompting governments to invest in even more public communication. The end-result may be a downward spiral of trust as members of the public perceive – rightly or wrongly – an attempt by government to manipulate public opinion. While the causal link between government openness and public trust remains to be proven, it is likely that the response to this crisis of confidence lies in greater efforts to meet rising public expectations and to assess the effectiveness of government measures for openness.

Parliamentary oversight, judicial review, independent scrutiny and vigorous public debate remain the most effective means of reconciling these many conflicting goals while preserving established standards of open government. ■

What is the future of open government?

Today, there is substantial convergence between OECD countries in terms of their formal institutional arrangements for open government (see Table 1). As in many areas of public governance, however, context matters. When it comes to the implementation of

open government measures, the differences between OECD countries are still greater than their similarities and much remains to be done to ensure that open government standards are applied in practice.

Among the many challenging issues yet to be addressed, the following appear to merit further attention and, above all, open debate:

- *Assessing the relative merits of openness*: public officials need clear criteria for deciding the merits for or against openness in concrete cases – who will provide this guidance?
- *Openness vs. equity*: does government openness empower previously marginalised groups, or does it simply increase the risk that well-endowed special interests will gain undue influence? How can public awareness of, and capacity to use, openness provisions be enhanced?
- *Private partners and public scrutiny*: can independent media, businesses, think tanks, professional associations and civil society organisations play a greater role in fostering open government and monitoring its performance?
- *Participatory vs. representative democracy*: will the inclusion of a wider range of actors in open decision-making undermine representative institutions? Or will elected officials simply have to invest more time and energy in explaining their proposals, seeking citizens’ views and providing reasons for their decisions?

How open governments are in the future will be the result of key policy choices being made today. Based on the recent experience of OECD countries, it appears that greater levels of government transparency, accessibility and responsiveness have fuelled demand for even more openness – one which shows few signs of abating in the future. Better tools for self-assessment, as well as comparative benchmarking based on key indicators of government openness, may contribute to reaping the many opportunities and benefits, as well as how to address the risks of and limits to, building open government. ■

For further information

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For further reading

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