14. Collaborative democracy: the citizen's ability to collaborate effectively

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Introduction

Collaboration between a government and its people—not just in service delivery—is one of the most fertile areas for creating potentially successful outcomes for a society, but it remains one of the most challenging of tasks as well. Almost as challenging are collaborations between government agencies themselves.

This chapter examines some of the aspects of collaborating—the active form of the word is important given what the purposes of collaborations are—from two distinct perspectives. The first derives from a variety of experiences as a former consumer/community advocate and campaigner interacting with a number of government agencies and will focus on government–community collaboration; the second perspective is that of a government official and will highlight some of the lessons learned not only in chairing a cross-jurisdictional government task force on a new global issue affecting consumers—mass-marketed global fraud—but from a task force that has significant community and business partnerships in collaboration with its government members.

Collaborating: perspectives of a community 'collaborator'

Many positive benefits can emerge when people are involved actively in decisions that affect them. Collaboration is more than consultation; while consultation is important, collaborating implies a much more interactive process and a level of agreement on how to proceed that no consultation would entail. One key to effective collaboration is enabling (or even helping to create) the citizen, consumer or community voice that permits real collaboration to occur. That voice is often complex, diffuse, uncollected, unorganised and thus not heard successfully unless efforts are directed to ensuring that it is. The task of enabling is not a precise science and there are many examples of attempts at enabling to learn from—good examples, bad ones, honest efforts and others that would be best classed as manipulation. The cooperation that is implicit in the act of collaborating simply cannot occur if one partner cannot voice their concerns and contributions adequately.

The essential ingredients of good collaboration appear to be the relationship that is built, which is sometimes a continuing one, the development of trust within that relationship and the willingness of the public-service area involved, by definition, to give up some of its power to enable decisions to be significantly influenced by the community it is working in partnership with.

These three separate ingredients react—like the ingredients in a good cake mix—to create the end product; that end product is one that can be more easily supported by those who helped ‘mix and bake it’. To develop these essential ingredients further, ‘relationship’ implies honest interaction: openness on all sides to listening and responding to the issues. ‘Trust’ implies that neither side of the relationship is controlling (control can be very hard for a bureaucracy to relinquish). ‘Power sharing’ implies that intelligence or wisdom is in the hands of all the participants to contribute to the result and not just some or one with the ultimate power.

While advocating such an approach for many community issues—and it is clear that not all problems or issues lend themselves to a collaborative approach—it should be noted that choosing to progress a matter collaboratively is far more time consuming and far more difficult than just advising people that a program or solution has been developed for them. It can be more difficult but collaboration is also far more likely to result in a program or solution that is people centred and effective.

Trust and power

‘Talking’ the rhetoric of collaboration is much easier than ‘walking’ it. Two of the difficult areas noted earlier are trust and power.

Trust

Table 14.1 is reproduced from the results of a global survey commissioned for the members of the World Economic Forum for its January 2003 meeting. While the information dates from 2002, the results have been replicated repeatedly in other independent surveys with similar outcomes for business, politicians, NGOs and others—although the results for the media can be quite variable in such surveys.¹ This particular survey is important because of its large size (36 000 responses from people around the globe) and its broad focus on many nations (47 developed and developing countries)—and not just Western industrialised economies. The question in the World Economic Forum survey was, ‘Which institutions can be trusted to act in society’s best interests?’

Table 14.1 Trust in business (World Economic Forum—global)

Source: World Economic Forum 2002, *Voice of the People*.

Although the point of this survey was to examine trust in business, it is worthwhile to also reflect on the position of the 'government' category. In this survey, governments—meaning the public service (clearly distinct from the parliaments or congresses of nations whose results are at the bottom of the table)—are on about the middle of the table, in positive territory. From the perspective of considering collaboration between public-service officials in general and citizens, a ranking halfway up the table is quite reasonable and encouraging. Even more encouraging for collaborative efforts are the results for crucial service-delivery people (public servants in many nations), such as health and education officials. The results show that, in contrast with the position of global businesses, for example, public-service officials are in a far more positive situation in relation to building collaboration with their citizens, which is characterised by trust in the process and the eventual outcome.

Power

Creating an incentive for power sharing is a matter for high-level leadership within public services, not only because of the difficulties involved (not least of which are the often incompatible accountability measures that fail entirely to reward collaborative effort), but as a result of two problems that often occur in these situations.

First, in service-delivery areas in particular, there can exist powerful stakeholders who have little or no interest, or in fact a contrary interest, in supporting a more community or citizen-based collaborative process. An example—by no means the only one—is a health department with very powerful provider relationships sustaining non-community-collaborative health programs. In some cases, these powerful interests are well aligned to a collaborative approach, but that will not necessarily be the case. It could be that complementary or countervailing structures or measures are necessary to enable collaboration with the community to occur successfully. Complementary structures can seek to create relationships between providers and community/consumer representatives themselves in an effort to align the goals of the two groups. Countervailing structures can also help to provide a voice to those with less power and access to the department involved. For example, the Consumers' Health Forum established a number of years ago was an organisation that was itself the result of a collaboration between about 20 community and consumer groups and was funded by the Commonwealth Health Department, in part, to expressly assist it to balance the very powerful provider interests that had much greater access to and involvement in programs and policy.

Second is a people problem: people 'feel' losses at about twice the rate that they feel gains. While this effect has been studied primarily in financial markets—and results in some very curious consumer behaviour there—the loss-aversion effects do not apply only to monetary losses; they apply more broadly. The loss effects in sharing power will therefore need to be dealt with ably within a department and the right incentives put into place to counter that strong behavioural effect.

Apart from the three ingredients identified earlier, there is a fourth important element required in the enabling of citizens' ability to collaborate effectively in governance or service delivery. The process needs to occur in a context married to the evidence and that evidence needs to be widely available to the people expected to participate. The evidence—its physical accessibility as well as its comprehensibility—grounds any collaboration and is the mutually agreed basis on which solutions and directions can be explored. While collecting and analysing the evidence is essentially part of the task of enabling collaboration and its community participants, an implication of successful collaboration is a full sharing of the fact base. In general, such availability of information is essential to a program of collaborative democracy.²

While there has been a considerable amount of descriptive material and evidence collected, and much analysis done, there remains a great deal to learn about citizen-government collaboration: what forms of collaboration to use for what types of problems to achieve which outcomes. The encouraging development is a growing realisation that collaboration can be a model for making real progress in a number of areas, including some formerly intractable ones, that the

intelligence and learning about collaboration can be shared globally thus accelerating our learning process, and that there are technical forms of enabling evolving that were not present earlier to assist us in creating effective community voices. The key, however, remains the will and commitment of a public service to initiate and carry these collaborations through to success.

Australasian Consumer Fraud Taskforce: an example of (i) government-to-government collaboration, (ii) government-to-business collaboration and (iii) government-to-community collaboration

A task force is a particularly useful tool for collaboration, especially between governments. Task forces are specific in their focus, they are outcomes orientated and often the discipline of a time-limited task adds to their effectiveness. The Australasian Consumer Fraud Taskforce comprises 19 government agencies across the Commonwealth, states and territories and the New Zealand Government.

Table 14.2 Australian Consumer Fraud Taskforce—government members

Australian Government	State and Territory Governments
<ul style="list-style-type: none"> • Attorney General's Department • Australian Bureau of Statistics • Australian Communications and Media Authority • Australian Competition and Consumer Commission (Chair) • Australian Institute of Criminology • Australian Securities and Investment Commission • Australian Federal Police • Department of Communications, Information Technology and the Arts 	<ul style="list-style-type: none"> Representative of State and Territory Police Commissioners Australian Capital Territory's Office of Fair Trading Consumer Affairs Victoria New South Wales's Office of Fair Trading Queensland's Department of Tourism, Fair Trading and Wine Industry Development South Australia's Office of Consumer and Business Affairs Tasmania's Office of Consumer Affairs and Fair Trading Western Australia's Department of Consumer and Employment Protection
New Zealand Government	
<ul style="list-style-type: none"> • NZ Commerce Commission • Ministry of Consumer Affairs 	

Task-force membership is entirely voluntary. It doesn't have a line in some budget somewhere, and it isn't established by ministers requiring it; it is simply a coming together of a range of government entities to address a problem that is almost impossible to deal with separately, and it funds its activities from existing budgets.

Fraud in this instance refers quite specifically to a new phenomenon that for a few years slipped under the radar of policy and enforcement organisations. The phenomenon is 'mass-marketed global fraud'—essentially low-value, high-volume economic crime, much of which emanates from jurisdictions that are hard for enforcers to reach. Complaints were being recorded from consumers by numerous Australian agencies but the crimes involved fairly low sums (often in the hundreds of dollars only), with no assaults or weapons or public-threat dimensions to raise urgency issues.

Such acts of fraud are often better known as scams; they involve the ubiquitous advance-fee frauds such as fake lotteries, the Nigerian letters or emails, false

competitions, false billing (directed particularly towards small businesses), pitches from clairvoyants and other nonsense, through to the bigger money of 'phishing'³ and cold-call investment schemes. Organised criminals had found a new, relatively low-risk, highly lucrative way of making money, and the pattern of the approaches to consumers was similar, if not identical, globally. New technologies have made this possible and, in particular, the Internet provides such cost-effective global reach for the criminals that the losses to economies are now calculated in the billions of dollars. Research carried out in the United States and the United Kingdom found that between one in 10 and one in 13 of each population, respectively, were responding to these scams; the monies were, of course, almost invariably transmitted overseas.

It took some time too to make the links to identity-fraud attacks and money-laundering schemes (often in the form of employment scams) that abounded. The example of an employment or 'money-mules' scam reproduced here masquerades as an advertisement for a part-time job; as one can well appreciate from the language used, many vulnerable people have been caught up in this type of activity without understanding that they were becoming embroiled in international money laundering. Often these ads use familiar large company names, easily deceiving people.

Figure 14.1 Example of an emailed employment ad

Subject: Work For My Company And Earn A lot Monthly!!!

Would you like to work online from home/temporarily and earn constant payment? We are glad to offer you a job position in our company, XXX

We permanently need new people to occupy the position of Processing Manager, able to receive and send payments between our partners' clients and our company...

***** REQUIREMENTS *****

—Honesty, Responsibility and Promptness in operations; PC with Internet and e-mail access; We don't work with persons under 18; Postal or Mailing address.

YOUR ROLES ARE:

1. Receiving payment from our Customers
2. Cash Payments at your Bank
3. Deduct 10%, which will be your percentage
4. Forward balance after deduction of percentage/pay to any of the offices you will be instructed to send payment to.

It became clear that the problem of mass-marketed global fraud did not 'belong' obviously to any one agency; it belonged to multiple agencies and only by collaborating might consumers be successfully reached to prevent them from responding. It is also the case that sharing the problem has helped everyone with the task of dealing with these issues when they arise as consumer complaints. For example, no state police department had the time to follow up a pensioner's loss of \$264, for example, to a fraudulent lottery letter, but how to convey that message in an effective way that would also help prevent future victims was not clear.⁴ As with many global enforcement issues, no-one had the reach into the main jurisdictions involved (mainly in Eastern Europe) to achieve efficient enforcement action (though recently there have been a few successes). Further, no-one had a clear responsibility as the key agency for trying to 'arm' consumers, since stopping the billions of global approaches by email and letter was all but impossible.

Purposes and activities of the task force

The task force was therefore created to gain a shared understanding of what was going on in Australia in relation to mass-marketed fraud and to agree on a consistent public message and approach across all the agencies. It has commissioned and jointly funded major research by the Australian Bureau of Statistics, which is under way, into the prevalence of Australian responses and the losses involved; it has also developed a yearly campaign to raise awareness of the issues publicly. In fact, hardly a day goes by now without a major scams story in the media—and, more often than not, accompanied by the task force's advice.

The interesting aspect of this task force was that it grew organically—people in government decided that they needed to work together—though the impetus did come initially from the Australian Competition and Consumer Commission as a result of its global connections into the mass-marketed fraud work of the International Consumer Protection Enforcement Network. The other interesting aspect is the level of willingness to support the task force from the private sector and consumer and community groups, which is perhaps not surprising, as there is no inherent conflict of interest and everybody shares the problem. There are some 40 community/consumer groups involved and a similar number of private-sector businesses that support the annual campaign—and their support is real. We expect the push from the private sector to be focused outwards on its customers (such as being on the front page of their web sites) and inwards towards their employees, who are just as likely as anyone else to be responding to these frauds.

Figure 14.2 Example of message produced by the Taskforce

Conclusion

The ANZ Bank, for example, among other strategies, implemented the message in a picture on the back of its ATM receipts during the campaign. For its employees, ANZ also bought a large order of paper shredders (to prevent people facilitating identity theft by putting intact personal information in their garbage bins) and offered them at an attractive discount to staff (who, in some cases, only really understood identity theft for the first time through the task force material on their intranet and staff newsletters, and its inclusion as an agenda item in departmental meetings), achieving dramatically high take-up. This is an example of effective collaboration between government agencies and a private-sector partner. The task force has large numbers of similar stories to tell from community groups such as the Salvation Army, all the other banks, all the major telecommunications providers, and so on. The task force's government members have reiterated to all the partners that it is the repetition of the message

across a variety of trusted sources that is the campaign's goal (as opposed to simply a media blitz, which alone can often fail to change consumer behaviour).

As a government group, the task force has all of the dimensions of difficulties and tensions created by working across such a large group of players, including the usual federal–state stresses. The working relationship is, however, one of strong trust, even when the agencies are nervous about their chairman or minister not necessarily being 'the lead star' out there. A 'motherhood-and-apple-pie' issue helps, but doesn't overcome the difficulties inherent in such collaborations or the time consumed in keeping the group focused on the key outcomes and time lines. It helps to ask regularly: do we want to continue this collaboration? Is it worth our time and effort? What needs to change? Each agency has to answer these questions for itself.

To conclude, it is important to collaborate but it is also important to be realistic about when to do so and to be cognisant of the substantial expectations that are raised in a collaborative setting. For agencies considering a collaborative approach, the amount of time needed to make the relationships work at all levels must be factored in. Despite the difficulties, collaboration can be a formidable tool for governments, not only in creating 'buy in' for certain social outcomes but for getting to the right outcomes in the first place.

The Australasian Consumer Fraud Taskforce is one example of the strength of successful collaboration. This task force represents the coming together of a number of government entities to tackle a growing global issue, which would be impossible to deal with separately. While mass-marketed global fraud is a continuing problem, the measures and procedures that have been put in place, and which have been outlined above, provide strong evidence that collaboration as an interactive and cross-institutional process can foster positive outcomes.

ENDNOTES

¹ The results in this survey in relation to defence forces—at the top of the table—are inconsistent with a number of other surveys. The timing of the World Economic Forum survey, conducted within a year of the 11 September attacks, could account for the particularly high ranking of the armed forces in this result.

² An important initiative of the Australian Government in 2006 was to make available, free on the web site, all of the statistical information produced by the Australian Bureau of Statistics.

³ Phishing refers to an email that purports to come from a consumer's financial institution, usually carrying a warning message about security, and providing a live link to enable consumers to verify their account and password details. The email message, which in itself is usually very professional, links to a web site that mirrors almost perfectly the financial institution being 'phished'; the real web site is provided by criminals seeking passwords and accounts to defraud the consumer and possibly engage in further identity theft.

⁴ High-tech crime units of the police forces were quickly on the job in terms of phishing attacks, as were the banks and credit card companies; that activity, however, was directed quite properly to closing the phishing sites. Shutting them down does not prevent the initial email attacks from occurring and continuing to reoccur, and does not deal with other types of mass-marketed frauds that abound.