

## Commentary

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### The Liberal State in a Digital World

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THE IDEA THAT WE ARE—or should be—moving from an “industrial age government” to an “information age government” is a staple of political rhetoric. But has the information age significantly altered government in the liberal democracies? And if it has not yet done so, should we expect the liberal state to change in any fundamental way, or be entirely replaced, because of the chain of consequences set in motion by new technology?

Since the early development of computers, there have been, broadly speaking, three phases in thinking about the potential of new technology to improve government. Beginning in the 1950s, the application of digital technology to the public sector was conceived of as *automation* and the hope was mainly for greater efficiency and control in governmental operations. A second phase, dating from the 1980s and rising to a climax in the following decade, pitted two alternative visions against each other—*privatization* and *reinvention*—each premised on the idea that the information age made traditional forms of public administration obsolete. Finally, in the most recent phase, *digital democracy* has become a central theme of visions of new forms of governance based on the diffusion of cheap computing and online communication.

Each of these phases has brought some notable but far from revolutionary achievements, and that is what we should continue to expect. Digital technology does enhance some features of democratic government, but the fundamental problems of democracy are not susceptible to technological solutions, and the same developments that strengthen some democratic capacities degrade others. In this new environment, it will be a struggle just to maintain some of the minimal conditions of political accountability that democracy requires.

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### Phase 1: Automating the Status Quo

The U.S. federal government, particularly the military, was initially a leader in the development of computers, and from World War II to the 1960s, the state stood on the frontier of information technology. The application of computers to the public sector raised expectations not of radical change but of doing what government agencies already did, only faster and more cheaply—that is, automating the bureaucratic status quo.

Top-down control and economy of administration were the primary purposes of computerization. Computers were supposed to cut paperwork and costs, reduce crime, and give managers and policymakers better information. The pursuit of control is at the core of bureaucratic administration. Bureaucracy is ideally supposed to ensure adherence to rules through such means as hierarchical command, specialization of functions, uniformity of procedure, and formal documentation. By limiting individual discretion, these elements of bureaucracy are supposed to increase the capacity of the state to carry out whatever purposes animate it. Democracy, far from being antithetical to bureaucracy, has often stimulated its growth. Scandals regularly prompt demand for new rules. The progressives who brought America the popular referendum and direct election of senators also introduced unified budgetary control and stricter rules about the award of government jobs and contracts. They sought as well to professionalize administration and make it more scientific.

Computerization fit the progressive bureaucratic paradigm perfectly. The introduction of computers in the 1950s and 1960s coincided with budgetary reform efforts that were intended to give chief executives and their finance officers greater control over how money was spent. Computerization offered the promise of achieving the elusive fiscal goals of unified control and accurate cost accounting for public services. The very nature of early mainframe computers seemed to dictate centralized control, although line agencies fought to get their own computers. Thus, the most widely anticipated effect of computers on government was the centralization of power. Greater executive control over the bureaucracy was an explicit reform objective, but many critics feared that computerization would augment the state's dominion over the individual, and this concern focused the attention on privacy protection. These anxieties were hardly unreasonable. At all levels, government was oriented not to the computerization of service but to the computerization of constraint—that is, to computerizing functions such as police, revenue collection, and motor vehicle licensing. Within the service agencies, computerization chiefly involved functions in

back offices such as record keeping. The "backstage" locus of automation concerned both supporters, who thought the public might not appreciate the value of computers, and critics, who thought the public might fail to appreciate the threat to privacy.

The early decades of computerization did bear positive fruit. The mid-twentieth century saw enormous growth in government, and after 1955, computers helped public agencies cope with the sheer increase in transactions. Despite the rise in federal expenditures in the United States, the number of federal civilian employees fell; productivity gains from computerization helped to make that possible. But by the 1980s, new developments in both politics and information technology led to a dramatic turn in thinking. Instead of improving bureaucracy, the goal became overthrowing it.

### **Phase 2: Privatization versus Reinvention**

The rise of conservative antigovernment sentiment in the Reagan era coincided with a shift in the relationship of government to technological change. The private sector had now moved into the forefront in the use of information technology. In 1983, a Reagan administration commission was stating the obvious when it declared that although the federal government in the 1960s had been "the acknowledged leader in using state-of-the-art computer hardware and software," the government had fallen "farther and farther behind." The technological lag of the public sector was particularly evident at government's front end—that is, where the public had direct contact with government. By this time, businesses were using telecommunications and information technology to improve customer service and produce a wider array of products tailored to different tastes; consumers had become used to the convenience of automated teller machines (ATMs), credit cards, and free, round-the-clock calls to 800 numbers. By comparison, public agencies were far slower to take up the new possibilities. The shift from mainframes to minicomputers and the rise of personal computers also turned earlier assumptions upside down; instead of favoring centralized control, the new technology could be a means of decentralization.

Conservatives and liberals responded to this situation in different ways. To conservatives, the failure of government to keep up with information technology confirmed the need for privatization. As many corporations were outsourcing specialized functions, so government should do the same—indeed, the state should generally cut back its size and role. The information revolution thereby provided a legitimiz-

ing rhetoric for policies that conservatives had long favored for other reasons. To liberals, the logical response to public sector lag was not to privatize government but to "reinvent" it by making public agencies more flexible in organization, more focused on results rather than procedures, and more responsive to "customers." The Clinton administration's National Performance Review, led by Al Gore, embodied this approach and linked it to the information revolution.

In the same period as this debate was playing out, the Internet was becoming a popular medium, and the vision of a reinvented state increasingly emphasized the use of online communication in making government more customer friendly. The focus on improving government at the point of contact with the public involved more than a pretty new interface; electronic access offered the promise of better integrated and more consistently delivered services. But besides improving government's output, the Internet also awakened an interest in giving citizens more input. And with the development of the Web and tools built on it, that interest has gained traction.

### Phase 3: Digital Democracy

Digital media have unquestionably expanded the democratic repertoire. Political campaigns and social movements now have cheap, instant means of communication that circumvent the established mass media, and they can use those resources to mobilize followers, coordinate their activity, and aggregate contributions of money, labor, and knowledge.

The successful use of new media in politics has raised expectations about its use in government, particularly for three purposes—increased transparency, collaboration, and participation. Transparency is the most readily achievable of these goals. Just as some early advocates of "teledemocracy" envisioned, the Internet now provides instant access to government documents and data, and allows the public to track legislation and regulatory decisions. The idea of transparency has grown, moreover, into the notion of government as a "platform" that routinely makes granular data available in a form that enables others to build applications on top of it. Here, the goal of open government moves from transparency to collaboration and participation, which raise more difficult questions. Other ideas along these lines call for crowdsourcing proposals for government action and putting such proposals up for electronic voting.

The further one moves along the spectrum of actions from transparency to participation, the more vexed the idea of digital democracy

becomes. Even though the digital divide has narrowed, any reliance of government on digital technology will put people with less income and education at an inequitable disadvantage because of persistent differences in digital skill as well as access. Moreover, where online participation is opened up, highly committed minorities and special interests are likely to dominate. In a crowdsourcing initiative after the election, the Obama transition effort invited the public to submit and vote on ideas, but the results were embarrassing. As the *New York Times* reported, "In the middle of two wars and an economic meltdown, the highest-ranking idea was to legalize marijuana, an idea nearly twice as popular as repealing the Bush tax cuts on the wealthy. Legalizing online poker topped the technology ideas." Conceived this way, digital democracy recapitulates the classic problems of direct democracy—skewed participation and lack of deliberation.

Other difficulties with the idea of revitalizing democracy through online communication arise from the indirect effects of new media on traditional mechanisms of political accountability. By providing an alternative platform for advertising as well as news, the Internet has undercut the sources of newspaper revenue, plunging journalism into a deep crisis and weakening the ability of the press to keep watch on government, particularly at the state and local levels. Resources for journalism are now disappearing from the old media faster than the new media can create them. Furthermore, newspapers have assembled a broad public, including many people who have bought a paper for the sports or crossword puzzle but nonetheless scanned the front page and learned something about the news of their community and the world. Online, however, they can go to a sports or puzzle site without any exposure to the news.

In the early years of television, when the evening news was on all three available channels, the national news had a similarly broad public. But beginning with cable television, the advent of new media has brought a profusion of choices of different kinds of entertainment. The share of the public who regularly follows the news and public affairs has declined, though those with the most interest in politics (usually people with strong partisan commitments) have access to more news and a wider range of opinions than before. Despite the cornucopia of information, the politically attentive public has diminished and become more sharply divided along ideological lines.

The gains for democracy from new technology are real, but unfortunately, so are the losses. It may be a long time before we can add them up and determine the net impact. In each phase, early enthusiasms have run up against stubborn and uncomfortable limits, even as new

democratic possibilities have opened up. We are still in the midst of tremendous ferment in technology, media, and politics, and the creativity now being unleashed is our best hope that when the digital revolution finally runs its course, free societies and popular self-government will be left standing.

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