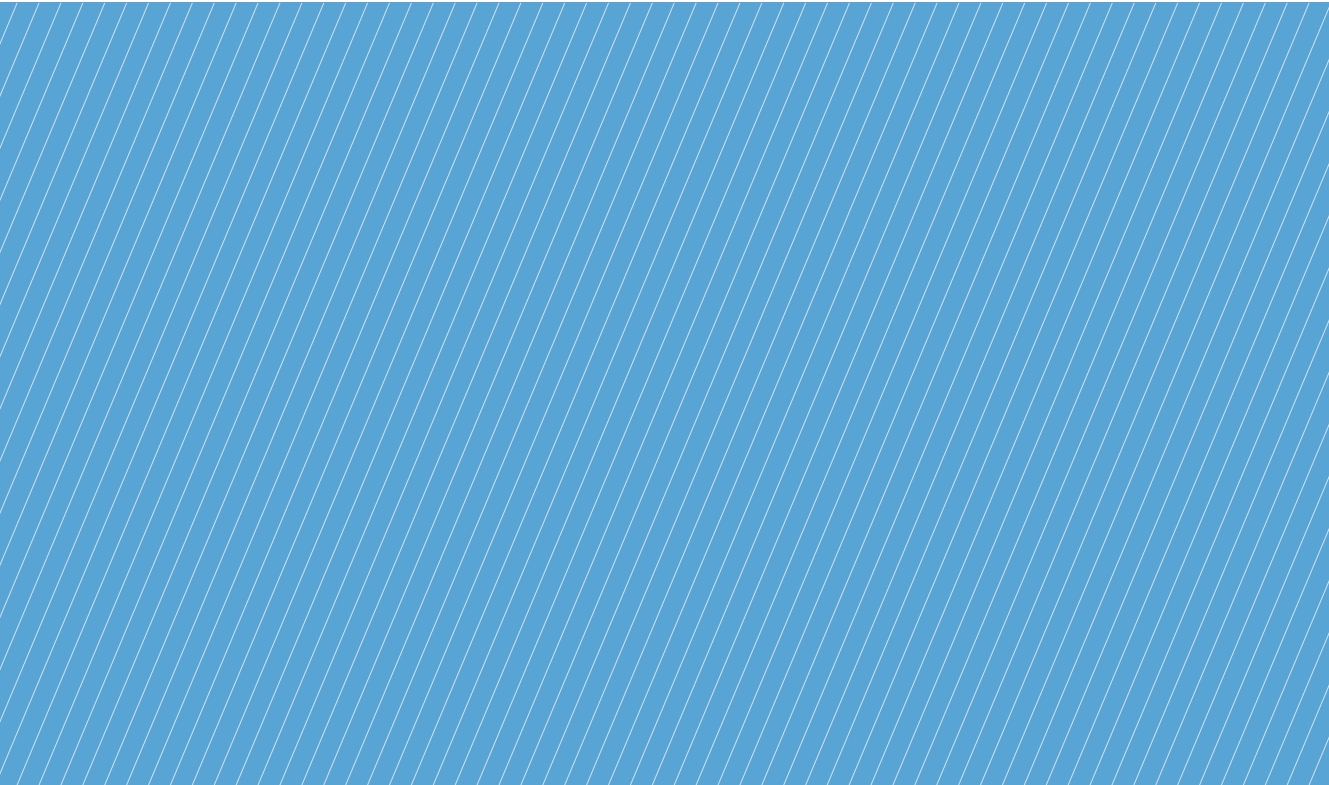# E-DEMOCRACY, E-GOVERNANCE AND PUBLIC SECTOR REFORM REVISITED

– Experiences of The Main Themes of the PADOS project in Finland and Estonia

E-DEMOCRACY, E-GOVERNANCE AND PUBLIC SECTOR REFORM REVISITED

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Foreword from the Ministry for Foreign Affairs of Finland

Finland has been active in the Eastern Partnership at the political and the practical level since the initiative was launched in 2009. Finland remains committed to the original goals of the partnership supporting stability, prosperity and democratic development in the six Partner countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.
In 2014 the Ministry for Foreign Affairs of Finland initiated the PADOS project to promote participatory democracy, open governance and efficient e-government services. The focus was on capacity building of civil servants. PADOS was planned and implemented to complement the EU's activity.

Looking back, I believe PADOS was a good example of successful Member State involvement in the Eastern Partnership. From the very beginning Finland joined her forces with Estonia. With an excellent team of both Finnish and Estonian specialists, PADOS was able to draw on the complementary expertise of both countries.

It was important for us that all six Eastern Partner countries were engaged and on board. It was also essential that the work in the context of PADOS is tailored to each country according to their own needs, and to support their reform processes.

The Partners have moved further away from each other in their relations to the EU. Despite this, the Eastern Partnership should continue to be an umbrella to all six. The EU can modify policy and differentiate, but it should not forget the basic values and principles of the Partnership.

In the renewed European Neighbourhood Policy it was emphasised that the Partners have a sovereign right to build relations and conclude agreements with the EU. We stand ready to enhance our relations with each of the six partner countries, based on mutual interests and commonly defined needs.

I hope the experiences of PADOS prove to be useful for the Partners and for the EU in the future. The positive feedback from partners across the spectrum of the work gives me the reason to believe so. We stand ready to share our best practices from the experience we gained through PADOS.

I wish all participants success, courage and luck to continue the reform work and hope our co-operation will continue on different occasions in the future.

Terhi Hakala
Director General of the Department for Russia, Eastern Europe and Central Asia
Ministry for Foreign Affairs of Finland

Anneli Temmes

PADOS project and publication

The PADOS project (Participatory Democracy, Open Governance and Efficient e-Government Services) was developed in accordance with the initiative of the Ministry for Foreign Affairs of Finland. The project was funded by the Ministry and partly by the Eastern Partnership platform of the European Commission. HAUS, the Finnish Institute of Public Management, was the executing organisation, and it was supported by three Estonian institutions: the Estonian School of Diplomacy (ESD), the e-Governance Academy (EKA) and the Centre for Development and Training of Public Services (ATAK). The Estonian Center of Eastern Partnership was also actively involved in the project.

Working together through three components

The overall objective of the PADOS project was to enhance the transparency and openness of decision-making and governance in six Eastern Partnership countries, namely Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine, and thus support democratic governance. The project worked through three components that all were closely linked with each other and formed the overall framework for the PADOS project. The components were:

Component I: Participation, e-Democracy, Open Governance
The component introduced new tools and methods that would strengthen citizen participation, bottom-up innovation processes, open governance structures and fora, and applications of new information technology to support these.

Component II: e-Governance, Cyber Security, Data Protection
The aim of the component was to support the Eastern Partnership countries in the process of applying information technology and developing e-governance/e-government services, paying sufficient attention to cyber security issues and data protection matters by adopting best practice models from EU countries

Component III: Public Management Reform and New Leadership in a Complex Environment
The aim of the third component was to help the Eastern Partnership countries accelerate public management reforms and open governance by capacity-building activities, exchanging good practices, organising seminars and mutual learning platforms, and piloting new innovative models and approaches.

Project activities

The idea of PADOS was that all three components would be covered in all activities, including country workshops and joint conferences. Still, the workshops programmes differed from country to country according to needs and wishes discussed and agreed jointly.

- The main activities of the PADOS project were:
- Kick-off conference in Helsinki, April 2015
- Helsinki workshop presenting the Finnish experiences and cases, April 2015

- Fact-finding missions and detailed needs assessment in each Eastern Partnership country (May-July 2015)
- Tailored working programme for each country
- Country workshops, 2 days, September-December 2015
- Tallinn workshop presenting the Estonian experiences and cases, January 2016
- Closing conference in Tallinn, January 2016

The measurable indicators of the PADOS project were concretely the number of multilateral and bilateral events and participants, new approaches introduced, participant satisfaction and new formal and unformal contacts.

Several new contacts were created on both the institutional and the individual level. One result of increased institutional cooperation were cooperation agreements signed between partner institutions in civil service training. These agreements form the basis for the future cooperation, and the first joint activities already took place during the last weeks of the PADOS project.

All country workshops were tailor-made and prepared in close cooperation with local counterparts. During the fact-finding missions, several discussions and meetings were arranged and PADOS experts also had the opportunity to visit many public and other organisations. During these visits and meetings it became evident how much work had already been done in many public administrations and how excellent the plans were that had already been developed in several organisations.

The participants of the country workshops were high-level civil servants and experts from ministries, agencies and other relevant organisations. Discussions during the two-day workshops were highly professional, open and interesting. New contacts were created and colleagues could have face-to-face discussions. The Finnish and Estonian cases were considered interesting; both the best practice examples and also lessons learned and mistakes made. In addition, several ideas for future cooperation were raised.

Civil servants and academics as PADOS resources

The activities were undertaken by the Finnish-Estonian team of experts. The experts were mainly high-level civil servants from ministries working with and having responsibility for the development of the relevant components. Trainers and consultants from training organisations were also involved, along with university professors.

Gender equality guaranteed

Gender equality, the reduction of inequality and climate sustainability are the cross-cutting objectives of Finland's development policy and cooperation. All these principles were also embedded in the components of the PADOS project. Gender equality was also achieved in the country workshops: in six workshops 52% of participants were men and 48% women.

The future of PADOS cooperation

One aim of PADOS was to open doors between countries, institutions and people. The project was a real learning project for its participants and experts, and it also brought a lot of joy. Many doors are now open and we want to welcome a lot of traffic through them. Even though the PADOS project has ended (every project - even a good one - always starts and ends!) the contacts and practical cooperation should continue in different ways. Cooperation can be carried out through day-to-day contacts with colleagues from different countries, and our eyes are open for new project opportunities that could broaden the work done as part of PADOS.

Publication at your disposal

The aim of this publication is to share Finnish and Estonian experiences and views on the PADOS themes. The publication can also be used as background reading for development work and training. In this publication we have included short articles written by a number of PADOS experts. The articles cover topics from all three components. The writers of the articles are a few of the Finnish and Estonian experts who have worked on the PADOS activities. They are mainly practitioners, senior civil servants or academics and trainers. Accordingly, the articles may have different approaches: some describing the concrete plans and work implemented in the national administration, others being more theoretical, with a historical perspective. The opinions presented in the articles are those of the authors and do not necessarily represent the official policies.

Words of thanks

I am very grateful to the Ministry of Foreign Affairs for the opportunity to share views on the main PADOS themes through this publication.

I warmly thank all PADOS experts and all authors of this publication.

The publication was edited at HAUS by the PADOS project coordinator Ms Suvi Kivistö; my best thanks also to Suvi.

I hope the publication offers useful knowledge and new ideas for its readers' valuable work!

Anneli Temmes
Managing Director of HAUS, the Finnish Institute of Public Management
Project Leader of the PADOS project

Marge Mardisalu-Kahar

PADOS and EaP multilateral track – Finnish-Estonian cooperation as an example for strengthening the EaP multilateral track and for promoting greater involvement of EU Member States in the ENP

The call for greater involvement of EU Member States in the European Neighbourhood Policy (ENP) has been underlined on several occasions, notably in the recent Review of the European Neighbourhood Policy (ENP) Review as well as in the subsequently released Council Conclusions on the Review. It remains to be seen, however, how the full involvement of EU Member States will be ensured. In the above-mentioned conclusions, the Council calls for regular dialogue in the implementation process of the Review[1]. The multilateral track, in particular, offers additional opportunities to increase MS participation.

Finland and Estonia have both been actively involved in the Eastern Partnership's multilateral dimension, implementing various activities in this framework. The main emphasis has been on the development of the Panel on Public Administration Reform (PPAR), in which Estonia and Finland have been leading member states under the area of e-Governance and Transparency and have had many successful joint projects contributing to the development of e-governance related reforms in EaP countries. In 2012 and 2013, Finland and Estonia jointly organised e-governance-related seminars for the EaP countries, and supported a comparative study entitled Open Governance and Data Security in Eastern Partnership Countries[2].

The Participatory Democracy, Open Governance & Efficient e-Government Services (PADOS) programme, which began in early 2015, has built upon the foundation of earlier work by providing institution-building and public administration support to Eastern Partnership countries under the PPAR, EaP multilateral track Platform 1.

Multilateral cooperation involves the EU institutions, EU Member States and the six partner countries. In addition to the continuous bilateral and multilateral political dialogue, technical work is structured on four thematic platforms. As an institution actively involved in multilateral track activities, the Estonian Center of Eastern Partnership very much values the opportunities provided within the multilateral dimension, whether in terms of opportunities for working together with partner countries or with EU institutions and EU MS in implementing Technical Assistance (TA) programmes. The multilateral track provides an opportunity for strengthening the regional dimension of the EaP. It also provides an excellent platform for greater MS involvement in Eastern Partnership policy. Even though, as stated above, this could be greater.

There have been multiple calls for strengthening the multilateral framework, notably in the Riga Declaration of May 2015[3]. In order to fulfil the underused potential of the multilateral track, it is important to strengthen the link between the bilateral and multilateral dimensions so as to ensure that the latter continues to support partners effectively in their reform efforts, as stipu-

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[1]   http://www.consilium.europa.eu/en/press/press-releases/2015/12/14-conclusions-european-neighbourhood/
[2]   http://eceap.eu/en/portfolio-items/comparative-study-of-open-governance-and-data-security-in-eastern-partnership-countries-2/
[3]   http://eeas.europa.eu/eastern/docs/riga-declaration-220515-final_en.pdf

lated in the Vilnius Declaration[4] and reconfirmed in Riga. To this end, increasing the flexibility of existing financial instruments should also be considered.

In the ongoing review process, "differentiation" has become a new key term in EaP-related discourse, characterising the need for meeting the six partner countries' different levels of ambition in their relations with the EU. This tailored approach should also be more vigorously reflected in the EaP multilateral track, which in many ways still lacks the capacity to respond to the demands of a changing environment.

The Finnish-Estonian PADOS project could serve as one example of how to make the multilateral track more efficient, results-oriented and sustainable by combining multilateral and bilateral activities, thereby demonstrating relevance both in terms of regional cooperation and by addressing the different needs of six different partner countries.

Two major multilateral events addressing questions relevant to all six partner countries book-ended the PADOS programme period. In between the opening and closing conferences, different bilateral fact-finding missions and seminars (financed by Finnish development cooperation funds) were conducted, reflecting the differing needs of partner countries on issues of specific importance. This model ensures greater sustainability, as in addition to the multilateral events it provides an opportunity to organise follow-ups based on the bilateral needs of partner countries. ECEAP has, for instance, utilised the same approach in organising communication-related activities in EaP countries.

The multilateral track, which is one of the platforms for facilitating MS involvement in technical-level work, has a lot of potential in terms of generating and encouraging positive synergies, for instance in sharing experience in AA/DCFTA implementation for some countries, or addressing some relevant sectoral topics for those that have not pursued the AA/DCFTA track. That would also permit increasing tailored peer involvement in the process, something that is highly relevant for all six EaP countries. For instance, there are different aspects to be addressed regarding e-governance developments in Georgia and Belarus. While there are of course many different bilateral TA programmes being implemented that provide many opportunities for peer involvement, using the full potential of the multilateral track would be highly beneficial for all actors involved.

Encouraging synergies between the multilateral and bilateral tracks, while also increasing the flexibility of existing financial instruments for this purpose, would make the multilateral dimension much more efficient and attractive for partner countries and EU Member States alike.

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4   http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/139765.pdf

Niklas Wilhelmsson

Implementation of e-democracy in Finland - new opportunities for effective, transparent and collaborative governance[i]

Introduction

Democracy and the respect for human rights are some of the core values of the European Union. Stable, transparent and participatory democracy is also linked to economic performance. The OECD maintains that there is nothing more important to the progress of our economies and societies than good regulation. In this process, transparency, participation and accountability are important for sustained improvement[5].

Finland and the other Nordic countries can be characterised as open and transparent democracies. According to the widely used Freedom House democracy index, Finland receives maximum points together with the other Nordic countries[6]. The Nordic countries also score well in other international comparative studies[ii] on democracy[7]. Open, fair and transparent government is argued to be an important factor for building trust in a society. According to the European Social Survey, trust in political institutions among the European states is highest in Denmark, followed by Norway, Finland, Switzerland and Sweden. In the same countries people are also most satisfied with how democracy works[8]. Finland and the other Nordic countries are also among the least corrupt nations in the world, according to the Corruption Perception Index by Transparency International[9].

Even though Finland is doing well in terms of democracy and transparency, there is still a need for development, as our societies are changing. Almost all Western democracies have witnessed a decline in electoral participation and party membership during recent decades. We are witnessing a transformation where information becomes more important. Meanwhile, there is growing demand from citizens for open, transparent and participatory governance[10]. Information technologies now make it easier for governments to be more open and for citizens to participate more actively and influence the decisions and laws that affect their daily lives[11]. The Council of Europe´s recommendation on e-democracy suggests that e-democracy has the chance to *"promote, ensure and enhance transparency, accountability, responsiveness, engagement, deliberation, inclusiveness, accessibility, participation subsidiarity and social cohesion"* The introduction of e-democracy is, however, not only about technology. It also requires structural changes and procedural reforms[12].

This article discusses some of the benefits, challenges and opportunities of e-democracy based on case examples of e-democracy policy as e-tools in Finland. The article aims to answer the following questions: 1) has e-democracy in Finland so far had a role in enhancing citizen engagement in public policy making? 2) Have some participation methods been more successful in engaging people into civic activities than other?

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[5] OECD 2015
[6] Freedom House 2016
[7] Democracy Index 2011
[8] European Social Survey 2012
[9] Transparency International 2014
[10] Kaase & Newton 1995; Borg 2013
[11] European Commission 2009, 4
[12] Council of Europe 2009

Theoretical discussion – e-democracy as a pathway towards participatory governance

Almost all Western democracies have witnessed a decline in electoral participation and party membership in recent decades and a change in traditional forms of community activities.[13] Robert Putnam maintains that television and changes in working life have led to a decline in the feeling of community and in the willingness of working for the common good[14]. Other observers point out that it is not so much a decline in civic activities that we are witnessing, but rather a change towards more fluctuating and network-based civic activities[15]. Manuel Castells argues that the material basis of society has shifted profoundly and information has become the central element of cultural, political and economic exchanges[16]. In this view, the internet and web-based communities may have an even greater role in community formation and in developing an active citizenship in the future. This could imply a shift from traditional methods of government towards more participatory governance. Participatory governance focuses on deepening democratic engagement through the participation of citizens in the processes of governance with the state. The idea is that citizens play a more direct role in public decision-making, or at least engage more deeply with political issues.[17]

E-democracy has often been seen as a way of enhancing participatory democracy, which would revitalise democracy and increase trust in government in contemporary societies. Researchers argue that e-democracy has the potential to make the democratic process more open and introduce elements of participation and deliberation into representative systems[18]. In academic literature, this has sometimes been portrayed as a shift towards Government 2.0, which refers to a modernisation in the ways governments engage and collaborate with citizens. It involves both a policy shift in the administrative culture, empowerment of citizens, and harnessing the opportunities of new technologies.[19]

According to mobilisation theory, e-democracy has the potential to engage more people in a broader spectrum of societal activities. According to the theory, e-democracy also increases peoples' knowledge and interest in politics. A more pessimistic view is given by the reinforcement theory that maintains that e-democracy merely has the potential of activating already political active and digitally literate people, thus reinforcing existing differences between social groups[20]. Even though e-democracy certainly has potential, growing information flows set limits for how much people can follow. People have to choose what to follow and participate in from a broad variety of information flows, which may limit the potential of attracting large numbers to participate in societal affairs through e-democracy tools. On the other hand, it has been recognised that decision-making processes have not radically changed, which may imply that e-democracy has just brought about another layer of opportunities for people[21]. What is important to recognise, however, is that the potential of e-democracy may be very limited if it is not properly anchored in decision-making processes.

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[13] Paloheimo 2014
[14] Putnam 2000
[15] see Stranius 2009
[16] Castells 2010
[17] Jarl 2003, 130-135
[18] Aitamurto 2012
[19] OECD 2003, 9
[20] Norris 2001
[21] Stranius & Laaksonen 2011, 14-15

According to Heikka, empirical research in the late 1990s and early 2000s followed suit to explore the potential of websites, chat rooms, blogs and deliberation platforms in reviving democratic deliberation. The results of many of these experiments were, at best, mixed. The Web 2.0 environment, emerging in the early 2000s, which allowed easy digital content production, and new tools such as Facebook, were seen to empower ordinary citizens to influence political debate and thus strengthen democracy. A wave of academic literature theorised how digitally empowered individuals and communities challenged and reprogrammed institutional power, and organised collective action. Based on research results, we already know that e-services like Facebook and Twitter have gained importance in political campaigning and political movements, especially among young people[22]. However, the role of more institutionalised e-democracy projects has been more dispersed. On the one hand, the optimism of the early visionaries gained new momentum, as new digital technologies seemed to play a significant role in large-scale political movements. On the other hand, the extent and quality of this role has remained the subject of debate. State-driven e-democracy programmes in particular have often had limited impact.[23]

One shortcoming may be that we all too often focus too much on technology rather than looking at procedures and ways of handling things in a more efficient, transparent and participatory manner. A publication on e-democracy by the OECD that was published in 2003 argues that the initial lessons for online engagement are that 1) technology should be seen as an enabler not a solution: integration with traditional, "offline" tools for access to information, consultation and public participation in policy-making is needed to make the most of ICTs; 2) the online provision of information is an essential precondition for engagement, but quantity does not mean quality - active promotion and competent moderation are key to effective online consultation; and 3) the barriers to greater online engagement in policy-making are cultural, organisational and constitutional, not technological[24]. These are issues which we have tried to take into account while preparing e-democracy services in Finland.

Table 1 portrays different phases in the decision-making process through which people may have the possibility to follow and participate in the decision-making process: 1) access to information is a prerequisite for informed citizenry and participation, 2) e-tools can give people wider opportunities in agenda setting, 3) e-tools can provide wider access to deliberation and consultation in law drafting and policy development, 4) e-tools can be used in the decision-making process, for example by using e-tools in referendums and elections.

Countries have used a variety of e-democracy tools to various extents. Most of these e-tools have either been tools for engaging citizens in the law-drafting process, like Otakantaa.fi in Finland and Osale.ee in Estonia, or for facilitating public debate and the expression of opinion, like Rostra in Denmark. In many countries such tools have been developed at the local level[25]. E-voting has so far only been used to a larger extent in Estonia, where internet voting was first taken into use in municipal elections in 2005. E-voting was tested in Norway in some municipalities in the municipal elections in 2011 and in parliamentary elections in 2013. In the Netherlands and France, e-voting have been used in some elections for citizens living abroad. In

22 Strandberg 2012
23 Heikka 2015
24 OECD 2003
25 Reinsalu 2010

Transparency and access to information	Agenda setting	Consultation	Participation in decision-making
Online access to legislation, government documents, decisions and policy briefs Possibility to follow and monitor decision-makers Possibility to follow political campaign financing and expenditure online	Online citizen initiatives Online municipal initiatives Online youth initiatives	e-tools for discussion and conducting polls and questionnaires used in law drafting and policy formulation e-consultation	e-voting e-referendums

Table 1. E-engagement matrix

Switzerland, e-voting is possible in some cantons[26]. In Finland, a government investigation was carried out on e-voting between 2013 and 2015[iii]. The working group suggested that e-voting should first be tested in municipal referendums. The issue is still pending, awaiting a political decision.

Policy development concerning transparency, democracy policy and e-democracy in Finland

Openness and citizen participation have been subject to active development work in Finland in recent decades. Examples of such development activities are long-running development projects such as the Hear the Citizens project (2000-2005), the Government's Policy Programme on Citizen Participation (2003-2007) and its follow-up the Government's Democracy Network (2007-ongoing), and the Open Government Partnership initiative. Finland decided to join the Open Government Partnership (OGP) initiative[iv] and its membership was accepted in April 2013. Finland has been implementing its national action plan since spring 2013. The cross-cutting theme of Finland's action plan on open government is encouraging citizen participation. The four thematic areas of the action plan are visibility (open procedures), comprehensibility (clear language), facts (open knowledge), and government as an enabler.

During 2009, the joint democracy network of the ministries, coordinated by the Ministry of Justice, prepared a democracy policy document and a final act of the Finnish Council of State concerning the promotion of democracy. The democracy policy document was approved by the Council of State on 4 February 2010[27]. The policy document set the target of Finland being among the top ten countries in e-democracy by the end of the decade. Furthermore, the government submitted its account on democracy policy to parliament in March 2014[28]. The theme of this account is the promotion of openness and citizen participation and e-democracy. The government has also allocated strategic research funds for the promotion of openness and citizen participation.

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[26] Oikeusministeriö 2015
[27] Oikeusministeriö 2010
[28] Oikeusministeriö 2014

Meanwhile the Ministry of Finance's action programme on e-Services and eDemocracy (SADe) was launched. The aim of the action programme was to develop comprehensive e-services for citizens, companies and authorities. The programme was among the government's key projects between 2011 and 2015. The SADe programme comprised eight projects, which were chosen based on significance and cost-efficiency as well as cross-sector collaboration, customer focus, quality and innovativeness. The aim of one of the eight projects of the SADe programme was to develop state-of-the-art e-democracy tools. The project led by the Ministry of Justice developed e-tools for collecting citizen initiatives, municipal initiatives and e-tools to be used in legislative and other consultation procedures. These tools will be discussed in more depth in the later parts of this article.

At the moment, a project is developing a National Architecture for Digital Services. It will be a compatible infrastructure facilitating information transfers between organisations and services. The programme involves creating a national data exchange layer, shared service views for citizens, companies and authorities, a new national e-identification model, and national solutions for the administration of roles and authorisations for organisations and individuals. The purpose of the programme is to simplify and facilitate transactions by citizens, companies and organisations with the authorities. The aim is to improve security, to promote openness in public administration and to improve the quality of public services, to enable cost-efficiency in online services and to improve shared use of information and the compatibility of information systems.
Another government target has been to open public data sources. In Finland, information sources have been opened up diversely, ranging from geo-data to weather, climate, the sea, transport, finance, legislation, statistics and cultural data. Led by the Ministry of Finance, the Open Data

Programme has been eliminating obstacles to the reuse of public data as well as creating the preconditions for open data within public administration. The open data policy for 2015 – 2020 covers the proposals of the programme for the key goals and actions in the field of open data in public administration in Finland. The aim of the programme is to boost productivity by using information effectively in society.

Access to information and transparency

Access to information

The Nordic countries have been characterised as open, in terms of the availability of public documents as well as the rules and procedures within administration. Openness is a core value in Finnish public administration. The openness of procedures is regulated by the Act on the Openness of Government Activities (621/1999), which was revised in 1999, and the Administrative Procedure Act (434/2003), which sets the basic rules of procedures for the administration. In Finland, several databases have been set up during the last decade, in order to increase the availability of public documents and to support transparency and access to information (see table 2).

Many e-services have been developed in recent years to increase the openness of information. However, some public e-services remain fairly unknown to the general public despite extensive information campaigns. Based on data from Statistics Finland's Information Society study (Table 3), it seems that as much as one-third of the population at least occasionally follows local (municipal) decision-making online. Middle-aged people tend to follow municipal matters online to a somewhat greater extent than people over sixty years of age, which probably reflects a tendency of older people being more interested in following municipal matters and decisions by traditional means.

The Government's Project Register (HARE), was first established in 1999. A new version of the register is under preparation and will be launched in 2016-2017. The register contains information on Government projects, including documents, reports and names of members of working groups in law drafting projects, development projects, committees and working groups of the Government.
Finlex.fi is an online database of up-to-date legislative and other judicial information of Finland. The database includes all Finnish legislation, Government Bills, Government agreements and decisions by the Supreme Court and the Supreme Administrative Court. The service also contains translations to English of some Finnish acts and decrees.
The Demokratia.fi (democracy.fi) website by the Ministry of Justice launched in 2014 provides all the Finnish e-democracy services in one place, which makes them easy to find. The website also contains links to various information sources on government activities and democracy-related issues.
The Demokratia.fi (democracy.fi) website by the Ministry of Justice launched in 2014 provides all the Finnish e-democracy services in one place, which makes them easy to find. The website also contains links to various information sources on government activities and democracy-related issues.
The Parliament web-service LATI contains information packages on central law drafting projects including background materials, juridical material, studies and articles on the matter in question and news about the subject.
The opendata.fi service is a portal to Finnish open data and interoperability tools and descriptions. Through the service one can find open datasets, and publish and manage datasets. The service can be used by any natural person.

Table 2. Online registers and tools increasing transparency and participation.

However, the differences between middle-aged and people in their retirement years are small. Young people (people under 29), even if they have the highest rate of internet users, follow local matters and the local decision-making online to a somewhat lesser extent, which probably reflects their generally more modest interest towards local politics.

People also follow the government's decision-making and law-drafting online to a somewhat lesser extent than municipal matters. This may reflect the fact that municipalities in Finland handle issues ranging from roads, housing, schools, healthcare and social welfare services, which are issues close to people's everyday lives. People sometimes find the government's decision-making and law-drafting processes more distant and more difficult to understand. Still, young people seem more interested than middle-aged and older people in following government decision-making and law-drafting online.

Age group	Municipal board or committee matters	Local council matters and decisions	Parliamentary matters and decisions	Governmental matters and decisions	Ministerial bills
16 - 29	19	18	21	17	18
30 - 29	40	33	13	11	17
40 - 49	37	34	10	9	12
50 - 59	35	33	9	8	10
60 - 74	32	29	9	8	7

Source: Internetin käytön muutokset. Tieto- ja viestintätekniikan käyttö 2012 - tutkimuksen tuloksia. Tilastokeskus.

Table 3. Use of internet to follow political decision-making among internet users, spring 2012, per cent

A significant step towards finding public information online will be taken in 2017 when the x-road will open, as citizens can then find most public services in one place and have one electronic account where they can handle issues ranging from signing their children up for kindergarten to making a citizen initiative or participating in a consultation process. Bringing all public online services together and allowing different information systems to communicate with each other will be cost effective and make it easier for people to find public information and services online.

Transparency in party and candidate financing

International comparative studies show that parties all over the world are putting more money into their activities. It is argued that the openness of party and campaign financing increases trust in the political system[29]. Many international organisations are monitoring corruption in political financing. The Council of Europe through GRECO is a central actor in monitoring the transparency of political financing. The Venice Commission and ODIHR have issued guidelines for party legislation. In Finland, laws governing party and candidate financing were strengthened in 2010, based on recommendations given by GRECO in 2007. The goals of the Acts on party and candidate financing are to provide transparency in political campaigning and reduce the risks of corruption. According to the new legislation, parties cannot receive financing from abroad, from certain public authorities or from an anonymous party. All financial support received which exceeds 1500 euros must be reported. The National Audit Office of Finland is monitoring the process and can issue a fine for failure to comply with reporting rules. The law on election financing (273/2009) sets the maximum limits for the funding of political parties and candidates' election campaigns. Campaign funding also has to be reported publicly.

While the laws on party and candidate financing were strengthened, a new web portal www.vaalirahoitus.fi was established. It includes detailed data on party, candidate and campaign financing. Anyone has the possibility on the internet to follow how much and from whom a party or a candidate has received political funding.

The new legislation on party and candidate funding has implied that Finland now has legislation which provides the basis for well-functioning and transparent party and campaign funding, as it sets much stronger rules for reporting political financing and provides greater transparency. A particularly important feature is that the information on party and campaign funding is available online for scrutiny by the general public[30].

Agenda setting

Citizens' initiative

Before 2012 the only element of direct democracy at the national level in Finland was consultative referendums. The possibility of using a consultative referendum has rarely been used in Finland, as only two referendums have been arranged during Finland´s almost one hundred years of independence. The government decided that there is a need to provide more opportunities for citizens to participate. A new form of participation at the state level - the

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[29] Mattila & Sundberg 2012
[30] Mattila & Sundberg 2012

Citizens' Initiative - was taken into use in Finland on 1 March 2012. It required an amendment to the Finnish constitution.

Citizens' initiatives offer citizens a possibility to have their initiative considered by parliament. The objective is to promote civic activity. In order to submit an initiative for the enactment of an act to parliament, a minimum of 50,000 Finnish citizens entitled to vote are required as supporters. A citizen initiative is not an opinion poll. Instead, it is way in which a certain amount of people have the opportunity to put forward a proposal which parliament (i.e. representative democracy) has to discuss and make a decision on. A citizen initiative does not challenge the superiority of representative democracy and the role of parliament. It can, however, provide new opportunities for citizen participation and political discussions. It may also narrow the gap between citizens and representative democracy.

An initiative may be launched by one or several Finnish citizens who are entitled to vote. The launcher of the initiative shall designate one representative and one substitute to take care of the practicalities relating to the initiative procedure. An initiative may include either a bill or a proposal that a bill drafting process should be started. It may also concern the amendment or repeal of an effective Act. If the initiative is formulated as a bill, it shall include the actual sections of the proposed legislation. The initiative shall comprise only one set of issues and it must always include reasons for the proposal. Statements of support must be collected within six months. They shall be collected either in paper form or electronically via an online data system. When the collection is complete, the organiser shall submit the statements of support to the Population Register Centre for a validity check on the number of valid statements of support. If the number of valid statements reaches 50,000, the organiser may submit the initiative to the parliament for consideration. Financial support received for organising a citizens' initiative and its donor shall be disclosed, if the value of the financial support from the same donor is at least 1,500 euros.

Parliament is obliged to take the initiative into consideration, but thereafter it is at the parliament's discretion whether the initiative will be approved or if it shall be amended in some way. Citizens' initiatives are handled in the same way that government propositions are handled in parliament. Parliament arranges consultations for those who have submitted an initiative and for other stakeholders and experts before making a decision. If parliament decides to reject the initiative, a new initiative on the same subject matter may be submitted

Online system for collecting citizen initiatives

The online collection of signatures can be carried out by an online service maintained by the Ministry of Justice, which was introduced in autumn 2012. The service is built on open-source technology[v]. An initiative that is instituted online and for which the statements of support are collected online always require strong e-identification, for example the use of online banking codes or a mobile certificate provided by teleoperators. When collecting statements of support via the online service provided by the Ministry of Justice, the statements of support are confidential. The names of the signatories may only be made public after the Population Register Centre has verified that the number of statements of support reaches the required minimum of 50,000. The service is audited by the Finnish Communications Regulatory Authority. The technical requirements of the system is stipulated in sections 7 and 8 of the law on citizens' initiatives (2012/12).

The effect of citizen initiatives

So far ten citizens' initiatives have passed the threshold of 50,000 signatures and made it to parliament. One citizen initiative has so far been approved by parliament, and in one case parliament has required the government to start law drafting in the field in order to amend the legislation in question. The e-tool for collecting citizens' initiatives has proven highly successful, with an average of 200,000 visitors a month and over 1.3 million signatures collected since its introduction. A total of over 500 citizen initiatives have been launched. Over 90% of the signatures of support have been collected through the e-service. According to the service's user statistics, the reason for its popularity seems to be linked to media exposure and possibilities of sharing initiatives collected through the service on Facebook and Twitter. The statistics show that about half of the people enter the service through social media. If the media writes about an initiative it also seems to give an immediate boost in participation.

A survey of how citizens perceive the Citizens Initiative was carried out in 2014[vi]. 85% of respondents thought that citizens' initiatives have raised important issues in public debate. The vast majority of the respondents (80%) thought that the Citizens' Initiative had improved the functioning of Finnish democracy. The results are in line with the results from the National Election Study[31] in which one-third of respondents said that they totally agree and approximately 50% agreed with the statement that the Citizens' Initiative has improved the functioning of Finnish democracy. The study also shows that 13 % of the respondents disagreed with the statement that citizens' initiatives improve Finnish democracy and 4 % totally disagreed with the statement[vii]. According to the election study, 5.2% of respondents have signed more than three citizen initiatives, 29% have signed one or two citizen initiatives, 45% said that they could be willing to sign a citizens' initiative, and 21% that they had not and would not be willing to sign a citizen initiative[32].

People felt more critical towards how parliament had considered the citizens' initiatives. The reasons for that may be a result of the fact that none of the citizens' initiatives at the time of the study in 2014 had led to direct changes in laws, and parliament at that point were still debating the rules of procedures for handling citizens' initiatives.

Figure 1. The use and perception of citizens' initiatives.

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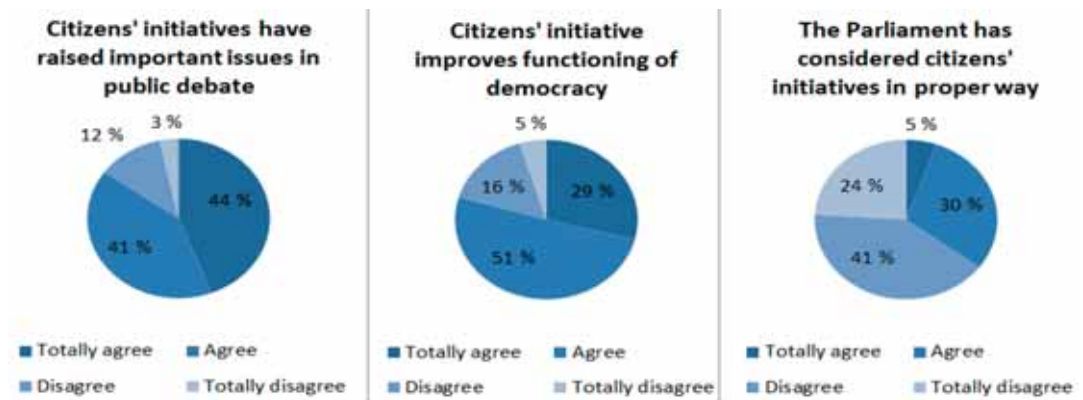
[31] National Election Study 2015
[32] User survey: Citizens' Initiative

The respondents to the online questionnaire were also asked about their views on the rules of procedure for the Citizens' Initiative. Over half of the respondents (57%) thought that six months was an appropriate period for collecting 50,000 signatures for a citizen initiative. However, 42% thought that the number of signatures required should be lower and almost 40% thought that the time limit for collecting signatures should be longer. Only a small minority thought that the time limit for collecting signatures should be shorter (3%) and that the number of signatures required should be increased.

Table 4. Perceptions and use of citizens' initiatives among different education groups.

	CI improves democracy (%)	Signed CI (%)
Education	Agree	Yes
Basic	20	20
Secondary	18	34
Tertiary	12	47

n= 1565

The results of the National Election Study show that a great majority of Finns, irrespective of education attainment, perceive that the citizens' initiative has made Finnish democracy functioning better. Education does not seem to have an impact on how people perceive the citizens' initiative. In line with the mobilization hypothesis, citizens' initiatives seem to have mobilized people to participate irrespective of educational background. The reinforcement hypothesis however seems to hold true in that people with secondary and tertiary education are more active than those with only basic education. Those having completed tertiary education are more than twice as likely of signing a citizens´ initiative, than those having completed only basic education. These results are in line with earlier research on other forms of political participation. Citizen initiatives have also largely been debated in the media. It has also resulted in a more lively public debate, and in occasional gatherings of supporters of initiatives. In general, the public view on citizens' initiatives has been positive and it has been used more than expected. Even people that have launched initiatives that have been rejected by parliament have thought that the attention the issue has reached in the public debate has been valuable.

Local Initiatives

The Nordic states have a long legacy of municipal independence and strong local administration. In Finland, for example, two-thirds of all public welfare services are provided by municipalities. Municipal self-government in Finland is protected by the constitution, and the activities of the municipalities are regulated by the municipal law (415/2015). Municipal law stipulates that the municipalities should provide residents with opportunities to participate and exert influence in the decision-making process at the local level. Local councils must ensure that the municipality's residents and service users have the chance to participate in and influence the activities of the municipality. Participation and exerting influence can be furthered by providing information on municipal affairs and arranging opportunities for views to be presented, finding out residents' opinions before taking decisions, for example. Local matters are usually relevant to a persons' daily life and can thus be expected to interest people.

The residents of a municipality have the right to submit initiatives on matters concerning the municipality's activities. There are three different types of municipal initiatives:

- Municipal residents can submit initiatives straight to their home municipalities as a single individual.

- If at least two per cent of the municipal residents who are entitled to vote submit an initiative concerning a matter falling within the competence of the municipal council, the council must take the initiative into consideration.

- In addition, a minimum of five per cent of the municipal residents who are entitled to vote may submit an initiative proposing a municipal referendum.

Action undertaken as a result of an initiative must be notified to those who submitted the initiative. At least once a year, the local council must be informed of all the initiatives submitted on matters within its purview and of the actions taken as a result. If those submitting an initiative on a matter within the local council's purview represent at least two per cent of the municipality's residents who are entitled to vote, the matter must be considered by the local council no later than six months after the initiation of proceedings on the matter. Residents representing at least five per cent of those entitled to vote in a municipality may submit a referendum initiative. The local council must decide without delay on whether to hold the referendum as referred to in the Local Government Act.

The Municipal Law (415/2015) and the Youth Act (72/2006) section 8 also guarantee young people the right to participate in decision-making in issues concerning them. It has been considered specifically important that young people also have the opportunity to participate.

Online tool for collecting municipal initiatives and youth initiatives

Kuntalaisaloite.fi is an online tool for making municipal initiatives and collecting signatures for municipal initiatives. Residents may make initiatives online to the municipalities that have taken the service into use. The service functions in a similar manner to the services for collecting citizen initiatives. The service is built on open-source technology[viii]. The municipality may also show the initiatives submitted to the service through a widget on its own website.

Nuortenideat.fi is a service where young people may put forward ideas and initiatives. The service provides young people with a low-threshold tool for participation and influence, and gives them an opportunity to express their opinions on how the operation of different organisations could be developed. The service may be taken into use by local governments, schools, NGOs and influence groups for young people. The service provides young people with an easy way to participate and have an influence, and also to express their opinions on how an operation or a service could be improved. In the service you can present your own ideas or support and comment on ideas presented by others. You can also follow how the consideration of your idea proceeds and you'll get an answer and a decision on your idea. Young people can present ideas, support or comment on others' ideas and they can also formulate their idea as a municipal initiative.

Use of municipal and youth initiatives

The Kuntalaisaloite.fi e-tool for the electronic collection of signatures for initiatives to municipal authorities was launched in 2013. It has approximately 20,000 visitors a month. Over 1,300 initiatives have so far been issued through the service. The online tool for youth participation Nuortenideat.fi has around 700 registered users and approximately 4,000 users a month. Since 2014, approximately 400 discussions and initiatives have been launched in the service.

Based on a survey carried out by the Association of Finnish Local and Regional Authorities, municipal initiatives have not been used to a very large degree since they were first introduced in the municipal law in 1976[ix]. According to survey data, only 3-4% of municipal residents have made a municipal initiative. The surveys were carried out in 2004, 2008 and 2011[33]. These studies were done before the e-tool for collecting municipal initiatives was introduced. According to the National Election Study, 11 % has launched, browsed or signed an initiative on the kuntalaisaloite.fi e-tool. 57 % had not launched, browsed or signed a municipal initiative online, but would be willing to do so. 32 % claimed that they hadn't done so and were not interested in doing it.

Table 5. Use of local initiatives and willingness to use local initiatives

Launched, browsed or signed local initiatives at kuntalaisaloite.fi (%)	
Has done one/some of these	11
Has not done any of these but would do	57
Has not done any of these and will not do	32

n= 671

It seems that the e-tool for collecting municipal initiatives would have increased peoples willingness to make or participate in municipal initiatives in only two years. This may partly be linked to the fact the possibility of making a municipal initiative has for long been rather unknown for the public. The e-tool has made it easier to make municipal initiatives but meanwhile also in line with the participation hypotheses increased the peoples' awareness of the possibilities of making municipal initiatives.

In general, it seems as if people are interested in taking part in municipal activities if they are presented in an easy and accessible manner. According to user statistics of the service, one reason for the popularity of the e-service seems to be linked to the possibilities of sharing initiatives through the service on Facebook and Twitter. It seems that the e-democracy tool for gathering initiatives has reinvigorated the municipal initiative programme.

Consultation

Public consultation is important for comprehensive and responsive policy-making that meets the needs of citizens. Consultation has the potential for strengthening the legitimacy of decision-making. Consultation may help in re-establishing trust in government and promoting

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[33]   Paloheimo 2013

public confidence in legal security, because it opens up opportunities for stakeholders to obtain information and express their concerns. Public consultation may also strengthen social cohesion, as it brings together a range of people to discuss policy issues[34].

The OECD 2014 Regulatory Indicators Survey shows that countries have come a long way in terms of improving regulatory quality over the past two decades. They have done this by systematically adopting new principles and tools. The 34 OECD countries and the European Union have generally taken a whole-government approach to regulatory policy and made it a pillar of their public sector reform efforts. In most countries, Regulatory Impact Assessments and public consultation have become formal requirements for the executive branch in the development of new regulations. According to the OECD, stakeholder engagement should be well integrated into each step of the rule-making cycle when identifying a problem and its possible solutions, when developing a set of regulatory options, and when drafting the regulatory proposal. While most OECD countries have a formal requirement to engage stakeholders, it has yet to become part of the day-to-day work of policy-makers and citizens. For that to happen, stakeholders need to be engaged before the final regulatory development phase to ensure meaningful input into the rule-making process. All affected parties should be considered in order to guarantee inclusiveness and a level playing field. According to the OECD, real consideration of stakeholder inputs and the continuous evaluation of engagement practices would improve the effectiveness of regulations.[35]

The consultation procedure in Finland

Finland has a long history of cooperation between the government and NGOs in law drafting. This has traditionally been done through broad-based committees and working groups. The Finnish Constitution, the Act on Openness of Government Activities and the Administrative Procedure Act set the basis for consultation. More detailed rules for consultation are stipulated in the Consultation Guidelines for Legislative Drafting. The latest ones were adopted on 4 February 2016 by the Government Plenary Session. A separate annex, which included a toolkit on consultation for law drafters, was published at the same time. They can be found in electronic format at Finlex.fi, the national electronic legislation database. The main objective of the consultation guidelines is more systematic consultation practices. Stakeholders can expect the same kind of procedures in different ministries, and principles can be better put into practice.

The goals of consultation are openness and high-quality statute drafting. Consultation aims to find out the different views, impacts and opportunities for practical implementation relating to the matter being prepared. With the help of consultation, trust in statutes and democratic decision-making are also improved. In consultations, open and constructive interaction between the drafters and the stakeholders is pursued.

The minimum requirement for written comments in the consultation process is six weeks, eight weeks in the case of a large law drafting project, and longer during holidays. The consultation process is open and anyone may submit their statement on the matter at stake. The consultation period may be shorter, but the reason for this has to be specified in the consultation request as well as in the background note to the draft legislation. The government proposal includes background material. Other background material is usually found on the websites of the ministries

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[34]   OECD 2011, 9-10
[35]   OECD 2015

and on the government website. Official documents shall be in the public domain, unless otherwise provided for specifically in the Act on the Openness of Government Activities.
In legislative drafting, a summary of the consultation process, the received comments, and the effects of the comments on the proposed legislation are written down in the reasons for the proposed legislation. Information on why and for which parts the central suggestions received could not be implemented is also included in the reasons. In bill drafting, a summary of the consultation and the received comments are presented in the reasons for the government bill. In the drafting of decrees and regulations, the summary is included in the presentation memorandum.

E-tools for consultation

The government has published two e-tools which can be used in consultation, the law-drafting process, and policy preparation. The Otakantaa.fi service can be used for questionnaires and discussions during the drafting process, and the Lausuntopalvelu.fi service was created to collect official requests for statements online, which always has to be done before the government sends a bill to parliament.

Otakantaa.fi

The otakantaa.fi[x] website allows both public officials and members of the general public to start discussions on various topics. These include anything, from drafting new laws to mapping needs and ideas for new policies. Stakeholder engagement is possible through comments and is facilitated by tools like polls and discussions. Input that has been gathered on the website can be used by public officials to inform further policy-making. Consultations can be accessed through a website listing the consultations sorted by the organisations that have initiated the consultations. The website uses open source code[xi]. The purpose of otakantaa.fi is to enable, enhance and promote dialogue between citizens and the public administration. The key benefits of e-participation are that it is open to everyone and can be accessed by large groups of stakeholders, it is fast and easy to deploy in organisations (increased cost-effectiveness), it includes a variety of participation methods (tools and methods to support the consultation process), it enables participation with less time-bound or physical limits, and that the consultation process becomes more uniform within different organisations. The service has been highlighted as an example of good practice by the OECD.

Online service for official requests for statements

The Lausuntopalvelu.fi service enables statutory consultation online. It makes official requests for statements available to everyone. The statements given through the service will also be collected conveniently in one place. Requests for statements may be submitted by ministries, local governments and government agencies. The requests for statements and the statements themselves are publicly available to everyone. Statements may be given by NGOs, private individuals, companies and public sector organisations. Via the service, public officials can send requests for comments, monitor the stage of the consultation process and compile summaries of comments by utilising the online tool provided for this purpose. Agencies, organisations and citizens can submit their comments and statements via the service as well as browse statements submitted by others.

Experiences of the use of online tools for consultation

The government's online discussion forum Otakantaa.fi was first introduced in 1999 and has since been renewed and redeveloped several times. Nowadays, the service has between 15 and 20,000 visitors a month. Since 2012 over 300 discussions and polls have been performed in the service. The Lausuntopalvelu.fi service was launched in 2014. Over 550 public organisations and more than 1,000 people have signed up for the service. During that period over 30 official requests for statements have been requested through the service by the government and over 800 statements have been provided by other authorities and NGOs.

The Information Society survey carried out by Statistics Finland shows that a fifth of the respondents had participated in web discussions and 6% had taken a stand online.[36] Data from the Finnish Election Study shows that only 3 % of the population has participated in a discussion on www.otakantaa.fi forum. Approximately 55 % had not participated but claim they would be interested in doing so. 42 % said they had not participated in discussions on the forum and wouldn´t be interested in doing so.

Participated in discussion at otakantaa.fi (%)	
Has participated	3
Has not participated but would do	55
Has not participated and will not	42

n=670

It seems that consultation, as a more demanding form of e-participation than citizens' initiatives and municipal initiatives', have attracted much less participants among the general population than citizens´ initiatives and municipal initiatives. Those who have attained a higher of education are also over-represented among those using the service. It seems that even though social media like Facebook generate a lot of discussion among different social groups the governments' discussion forum mostly interest people advocating particular issues and NGO's more closely following the preparatory face. Based on user statistics from the services, it seems evident that some issues may attract the attention of the wider public and receive a large number of participants, while other issues only attract comments from NGOs and experts specialised in a particular field[37]. It is also context-dependent how well the results of the consultations can be used in policy and law drafting. Earlier studies show that even though these new tools have gained quite significant use in a fairly short time, the consultation procedure in Finland is still often done in a traditional manner by inviting NGOs and other reference groups to be members of law drafting committees or by only requesting official requests for statements on paper or by e-mail[38].

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[36] Tilastokeskus 2012
[37] User statistics from Piwic
[38] Oikeusministeriö 2013

To summarise, even though e-tools have been designed to make consultation more transparent and easier, it seems that it remains mostly a playing field for larger NGOs that have more resources. Some people take part individual actions but it is not that common to be active all the time.

Conclusions

Based on the data it seems as if people in Finland use public services online to a great extent. Some public online services, however, still remain largely unknown to the general public due to the fact that they are competing for people's time and attention with other large information flows. Especially young people seem to be less interested in following municipal matters and the municipal decision-making process online even though they generally have the highest internet user rates. However, young people are more interested than older people in following the governments decision-making and law drafting online. The Finnish x-road service, which will combine a wide range of public e-services into one place, will be of great advantage in helping people find e-services and in facilitating cooperability between different e-services when it is launched.

To answer the first question stated at the beginning of this article, it seems that the e-tool for collecting citizens' initiatives and to a somewhat lesser degree the e-tool for collecting municipal initiatives really have had a profound impact in increasing civic participation. The results also indicate that even if especially the citizens' initiative has mobilized people from all social groups, people with higher education are more likely to participate. Based on the case examples from Finland it seems that people are more willing to participate in activities which are easy to participate in and which do not require too much time and effort. The national citizens' initiative and municipal initiatives are good examples of such services. The Finnish case example also reveals that many people are interested in participating in discussions and polls on matters under preparation. The amount of participants largely depends on how much public visibility the issue gets and if the theme is such that it concerns many people. It seems that more demanding activities such as responding to public requests for statements is still an arena for NGOs. It also seems that public administration still uses fairly traditional methods of consultation, to a large extent. It will take time for the administration to learn new ways of operating and it is thus not so much a question of technologies, but rather a learning process of putting new ways of operation into everyday practice. Education efforts for civil servants and the new technologies integrating e-tools for consultation into the government's document-handling systems will increase the opportunities for an even larger use of e-tool-facilitated consultation in the near future.

E-services have many advantages. Digital services are usually the fastest and easiest way to interact with the authorities, and it is the easiest way to reach out to a large number of people cost-effectively. When the use of digital services becomes more widespread, public service production becomes more efficient, which saves public resources. At best, e-democracy may bring about higher-quality drafting, and the acceptability of drafting may increase. It also has the possibility of increasing trust in government and satisfaction with how democracy works, if it is properly connected to the decision-making process and actually makes an impact. It makes participation easier with less time-bound and physical limits and more uniform processes, thus it has the potential to achieve increased service levels and better productivity. E-participation however requires well-defined processes, legislation and policies. Participation and consultation should always have a purpose and a link to decision-making, otherwise it may even be coun-

ter-productive to its purpose. The introduction of e-democracy requires commitment by the administration and the government. It is also important to ensure continuity. Promoting and marketing services are essential as it has been recognised that many good efforts have failed to gain momentum because e-services have remained largely unknown to the general public.

While developing e-services it is important to recognise that it is the content and the context that matters, not the technology in itself. If we invent e-tools without looking at the processes and new ways of doing things, very limited results can be achieved. Moving towards more collaborative and participatory governance requires increasing openness and customer orientation, and new ways of opening up and publishing government data. It is important that governments and organisations are aware of the benefits of participation and use these to promote involvement.

The starting point is that digital services provided by the public administration must be functional, easy to use and safe. The authorities must ensure that the digital channels are an attractive option to the client. In building digital services, key issues include user-oriented design, renewal of service processes, interoperability of services, and information security and data protection.

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Web sources

www.finlex.fi
www.demokratia.fi
www.opendata.fi

ⁱ Disclaimer: This text only represents the view of the writer, not the Ministry of Justice in Finland.

ⁱⁱ For example the Democracy Index study puts Finland on top together with the other Nordic countries, New Zealand, Australia and Canada.

ⁱⁱⁱ The working group on e-voting ordered an Internet voting feasibility study by Codento. It is available in English online on: http://www.oikeusministeriö.fi/material/attachments/om/yhteiset/D0SiPbpxn/Final_Internetvotingprestudy.pdf

^{iv} OGP was launched in 2011 to provide an international platform for domestic reformers committed to making their governments more open, accountable and responsive to citizens. Since then, OGP has grown from eight countries to the current 69 participating member states.

^v The code is published at:
https://www.kansalaisaloite.fi/fi/ohjeet/palvelun-avoin-kehittaminen

^{vi} The survey was administered on the Citizens' Initiative web service. A total of 710 responses were received

^{vii} The National Election Study is based on a random sample of 1,200 individuals. The survey is conducted by Åbo Akademi University using face-to-face interviews.

^{viii} The code is published on: https://www.kuntalaisaloite.fi/api

^{ix} English translation: "Have your say".

^x The code will be published on github.com, an online portal for software coding and open source projects, in the near future. The Open Data Rest API, providing programmatic access to most of the public data available using the web interface of otakantaa.fi, can be found here: https://uusi.otakantaa.fi/api/open/docs/.

Juhani Korhonen

e-Government in Finland - success stories and lessons from Finland

Finland, together with other Nordic countries, has succeeded well in several international e-government rankings in recent years. Commonly, Finland has been at least in the top ten, or very often the top five countries in the world or in Europe. There are several reasons and factors that explain the Finnish success. Below I will highlight some of the most relevant factors.

Success in international comparisons does not mean - of course - that the government of Finland has not had setbacks in the past. Neither does it suggest that the Finnish government will not have challenges in deploying ICT in government services and reforms in the future. Finland is facing severe economic and societal challenges in the coming years. Economic growth is very slow and competitiveness of the economy has weakened in recent years. The population is ageing, which will cause a relative decrease in the workforce in the future and an increase in health care expenses. A shortage in the workforce will mean in the future that government will be competing for the same employees with private sector. At the same time, citizens and businesses will demand better public services.

In order to respond to these challenges, the Finnish government has agreed to take a variety of measures and reforms in its current programme. Digitalisation of government is one of the main action points of the programme.

The government has set a target in its Programme of May 2015 that Finland should made a productivity leap in public services and the private sector by grasping the opportunities offered by digitalisation. Furthermore, the government has set a specific objective that public services will be digitalised and they should become more user-oriented. Past governments have supported the use of ICT within government, but this is the first government to state that public services should be primarily digital. The idea is that this will enable a leap in productivity that is necessary for general government finances. In general, digitalisation will be a cross-cutting theme in the government strategy.

E-government and public management trends

Information technology in Finnish government has a long history. The very first IT systems were put into operation over 50 years ago when the Social Security Institution and the Postbank acquired their first computers in 1958. The first central government IT organisations also date back to same era, when an IT unit was established in the Ministry of Finance 1963, followed by the Government Computer Centre in 1965. The Government Computer Centre was privatised in the 1990s and later on it merged with one of the main IT companies.

While the early decades were a time of centralisation, the paradigm changed in the early 1990s along with a new public management trend. Performance management and performance-based budgeting meant in principle that each government agency was itself responsible for providing and organising all their resources, including IT services and IT systems (decentralisation). Agencies were able to acquire IT hardware and systems according to their own specific needs. The side effect of this was that there were no incentives for cooperation between government agencies. Government agencies developed e-services, but they were few, isolated and difficult to find. The whole picture of public e-services was scattered.

A number of successive information society programmes were launched at the end of 1990s until mid-2000. They speeded up the development of electronic government. At the time, information technology was mainly seen as a support function for the whole administration.

During the past ten years, several new IT strategies have been drafted and adopted. Large development programmes have also been launched, especial the Action Programme on e-Services and e-Democracy (SADe Programme) between 2009-2015.

The paradigm has gradually evolved. The aim has been to develop more user-centred public e-services. As a result, a great deal of new advanced e-services were launched for citizens and businesses. At the end of 2014, there were over 680 different central government e-services. Although there are several individual advanced user-friendly public e-services, the overall picture of e-government remains somewhat fragmented.

Governance structures in information management were also reformed. Common IT services (known as infrastructure IT services) for government agencies have been consolidated in one IT service centre (http://www.valtori.fi/en-US). Thus, the past ten years have meant partial recentralisation of IT functions from single government agencies.

Key factors for successful e-government from the Finnish perspective

High-level support

Probably one of the most crucial factors has been political support for promoting e-government over the past two decades. Naturally, this applies to any other reforms of the government as indicated in the article, "A goal without implementation is just a dream", also in this publication. All governments since the mid-1990s have advanced information society development and thus the usage of ICT within government, by launching several large programmes as noted above. In some cases the political will came directly from the top of the government: the Prime Minister chaired the main steering and advisory body of the information society programme of 2004-2006.

Political support alone would not have been sufficient to promote the reforms. The top hierarchy of government, i.e. the most senior civil servants, have had a key role in launching, managing and implementing e-government reforms. A number of central government agencies, such as Taxation Authority, the National Land Survey, the Social Security Institute and the Transport Safety Agency, have been regarded as forerunners in using ICT and developing e-services[39]. The top management of these agencies have had a clear vision for reforming their services and organisation with ICT.

Compatible legislation with digital government

Given that the Finnish government has used ICT for decades and has launched a number of major programmes, it might be surprising that legislation has not had a prominent role in this development until recent years. In the past, government agencies managed with existing laws and decrees and tried to apply them to the modern context. The first legislative measures were

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[39] Report of the Finnish State Treasury, 15 December 2015

taken at the turn of the century, when the European Union's two directives, namely the Data Protection Directive and the so-called PSI directive (the Directive on Reuse of Public Sector Information) had to be implemented.

Therefore, the legislation in the area of e-government is fairly young. The main law in this field - the Act on Information Management Governance in Public Administration – was issued as recently as in 2011. There are about 15 different acts that regulate freedom of information, data protection, electronic signatures, electronic procurement and other specific issues of e-government.

The core legislation has to be compatible with the development of digital government. Some lawyers, however, may argue that the opposite should be true: the government and its processes – whether digital or traditional – should comply with all the legislation that is applicable to the government and its procedures and functions. While we can agree with this view, we may also argue that some parts of the legislation (e.g. those parts concerning administrative procedures, or what information can be shared) were drafted in the past and for a traditional, paper-based government. Thus, the old legislation does not fully fit with a modern society in which the digitalisation process is changing ways of working, doing business and how government agencies meet their customers. In the worst case, it may hinder the development of sophisticated and user-friendly e-services. On the other hand, modern, updated legislation has an important role in supporting the development e-services across the government and at the same time ensuring data protection and privacy.

A great deal of these old laws and decrees have been amended and several new laws have been adopted. However, discussion is still ongoing on whether further and more profound changes would be needed in the legislation.

List of major laws related to e-government:

Act on Information Management Governance in Public Administration (2011)

This Act lays down provisions on the obligations of certain authorities in public administration when conducting information management tasks. The purpose of this Act is to improve the efficiency of activities in public administration and to improve public services and their availability, by laying down provisions on information management governance in public administration and on promoting and ensuring the interoperability of information systems. The Act also requires all government agencies to consult the Ministry of Finance on IT projects whose overall expenditure exceeds 5 million euros or are otherwise significant.

Act on Electronic Services and Communication in the Public Sector (2010)

The objective of this Act is to improve the efficiency of services and communication, as well as information security in the Public Administration, judicial bodies and enforcement authorities, by promoting the use of electronic data transmission.

Act on Government's common ICT services (2013)

The Act regulates the provision of common ICT services within the state administration. It established a new organisation, the government's ICT centre Valtori, which is responsible for providing and producing common ICT services like data centres, networks, work-

stations and communication services. The government organisations are still responsible for the development operation and support for the business-specific software. The purpose of the Act is to improve the efficiency, quality and interoperability of the common ICT service in government offices.

Act on Government Security Network activities (2015)

The purpose of this Act is to ensure - in all external circumstances - disruption-free functioning and continuity of communication between the state leadership and the key security authorities, as well as other actors. It also aims to secure the availability, integrity and confidentiality of information required for decision-making and leadership. The Act applies to the Government Security Network, the use of its services, and other security network activities.

Act on the Openness of Government Activities (1999)

The Act on the Openness of Government Activities (amended in 2002) provides for a general right to access any official document (including electronic records) in the public domain held by public authorities and private bodies that exercise public authority. Those requesting information are not required to provide reasons for such a request or to verify their identity, unless they are requesting personal or other confidential information. Replies have to be made within 14 days.

Personal Data Act (1999)

The Personal Data Act, which came into force on 1 June 1999, replaced the previous act of 1988, which was the first law concerning data protection in Finland, aiming at preventing violations of integrity at all stages of data processing. The functional objective was to promote the development of and compliance with good data processing practices. The main principles of the protection of privacy remained largely unchanged in the 1999 Act. It accommodates the constitutional reform and the EU Data Protection Directive (95/46/EC).

Act on Strong Electronic Identification and Electronic Signatures (2009)

The Act on Strong Electronic Identification and Electronic Signatures entered into force on 1 September 2009, replacing the Act on Electronic Signatures issued in 2003. It is founded on the principle that users must be able to trust information security and protection of privacy when using electronic identification services. The Act's objective is to create common rules for the provision of sound electronic identification services, and to promote the provision of identification services and the use of electronic signatures.

Proper base registers form the foundation

The main registers of government – which we call base registers, such as the population register, the company register, the real estate register etc. – are the cornerstones and foundations of a modern e-government. These registers are maintained by the Population Register Centre and local register offices, the National Land Survey of Finland, the National Board of Patents and Registration of Finland, the Tax Administration and Statistics Finland. In Finland, these registers form the core of our public sector data management infrastructure. They enable the delivery of high-quality, cost-effective and secure services.
In order take full benefit of the data of these registers, they have to fulfil certain criteria. The

Finnish base registers are comprehensive both in terms of their geographic coverage and data content. Secondly, the base registers – as with all registers – must ensure that all data remains accurate and up-to-date, and protected against unauthorised changes (integrity of data). The organisations operating base registers have a responsibility for ensuring the quality and reliability of the data they hold.

In Finland, demand for the data from base registers has been high. Many significant administrative and judicial decisions are taken on the basis of information derived from the base registers. They have enabled many sophisticated services, such as register-based censuses. Since 1985, the census has been executed from existing databases. Information is collected from 30 different databases at end of each year to Statistics Finland. There are many benefits to this: census results are available within months rather than years; information quality is high (e.g. no problems from people understanding question differently); low costs - costs are about 17 US cents per inhabitant vs. 6 US dollars when last made in the traditional way[40].

The Business Information System (BIS) – joint working across organisational boundaries – is a service jointly provided by the National Board of Patents and Registration and the Tax Administration, which allows users to submit information simultaneously to both organisations. Businesses and other organisations can lodge their details using a single notification form to both authorities, avoiding duplication.

Pre-filled tax returns have made life easier for taxpayers. Employers provide information on salaries; banks submit details of tax-deductible loan and mortgage interest payments, while dividend-paying enterprises provide details of all dividends paid out. If a citizen is happy with the tax proposal, they don't need to do anything. If there is something to be corrected or amended, they can do it online. This process, whereby data is collected from different stakeholders, means that only a third of all taxpayers need to amend their tax returns.

Base registers are also used in several other services, such as the change of address notification service, the Finnish geoportal, identity checks directly from the register (and the abolition of birth and other certificates) and streamlined motor vehicle registration and licensing[41].

Openness of government and trust towards government

Openness of government is a value in itself. It has been a core value of Finnish government since the early 1950s, when the first law of openness of public documents was adopted. In 1999, the law was completely revised by the new Act on the Openness of Government Activities. Openness and trust are linked together. Open government and its transparent way of conducting its activities build trust towards government.

Civil society's confidence towards government helps a government to plan and implement major e-government or any other reforms in its administration. Trust is also vital for the use of government e-services. Customers want to be sure that their issues are reliably handled in e-services and that their data is safe. If people were to lose their trust in the government's e-services, they would not use electronic services anymore. The whole investment in e-service systems would be rendered useless.

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[40] Information from the Population Register Centre
[41] More information about Finnish public base registers can be found online at:
http://www.maanmittauslaitos.fi/sites/default/files/VRK_PERTIEVA_2011_GB.pdf

In Finland, citizens' trust towards public administration has traditionally been very high. It is still at a fairly high level, but a recent OECD survey suggests that this trust has clearly decreased over the past few years. The weak economic situation might have been one of the main reasons for the decrease. Also citizens' and customers' demands have increased more rapidly than the government has been able to respond them.

The Finnish government has already taken measures to regain citizens' trust and to maintain it at a high level. Understandable actions and procedures of government and clear language are the basic elements that build the confidence of citizens. Consultation methods, particularly electronic ones for the use of public sector organisations, have been developed, and citizen's participation in service design has been encouraged. Also a 'Handbook for Open Government' has been published, including methods for consultation of different citizens' groups. In order to share good practices for promoting openness, the Finnish government joined the international Open Government Partnership programme in 2013.

A fairly recent reform has been the opening up of government data. Openness of government and open data are not the same thing, although they are linked together. Open datasets will support the openness of government. The open data policy and open datasets, however, also have another purpose: to take full benefit of data resources by opening them in machine-readable format for the use businesses and other stakeholders. It is assumed that businesses can usually create better services and applications based on open data than the government agency itself.

Led by the Ministry of Finance, the Open Data Programme (17 May 2013 – 30 June 2015) was set up to eliminate obstacles to the reuse of public data, and to create the preconditions for making data open within the public administration. Ministries, government agencies, municipalities, enterprises, NGOs, various organisations developing the sector and citizen bodies have been collaborating in the implementation of the programme.

Interoperability and cooperation within government

Interoperability within government is a prerequisite for sophisticated e-service provision. However, interoperability is not properly understood among top management. It is quite often regarded as a technical issue, which is not the full understanding of the matter. Interoperability is much more than a technical topic. It can be a semantic, legal or cooperation issue between organisations. In addition, the political context monitors how well government organisations cooperate with each other. One of the best illustrations of different aspects of interoperability can be found in the European Interoperability Framework of 2010, published by the European Commission[42], which developed the ISA programme:

As Figure 1 shows, technical interoperability is at the very bottom of the pile. Today, internet technologies dominate and typical technical interoperability problems can be solved quite easily. In the Finnish administration, the Achilles heel of interconnection between different systems usually lies at higher levels of interoperability. In some cases it is about semantics. The same concepts, sometime even simple ones, such as addresses and names, can have slightly different meanings and formats. In other cases, strict legislation may prevent the exchange of data

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[42] European Interoperability Framework (EIF) for European public services. Communication from the Commission 'Towards interoperability for European public services', COM(2010) 744 final, Annex 2, 2010.

Figure 1: Interoperability levels, European Interoperability Framework 2010.

between organisations. The Finnish government is continuously and currently working on these issues to overcome the obstacles for smooth interoperability. If there is no proper interoperability, then there are no seamless e-services either.

Some lessons learned

The Finnish government – as most likely many other governments too – strive for a productive e-governance model that saves financial resources. At the same time, its electronic services would be user-friendly and meet the customers' needs.
Based on Finnish experiences, there are a few lessons to learn in order to achieve this goal:

- Strategies have to be consistent and visions and overall objectives clear enough that they are easily understood across the government and among different stakeholders. Too many strategies may provide obscure vision and target.

- Political support and commitment for the top management of organisations are fundamental for e-government reforms. If there is no clear political will or no commitment from the top management, it is difficult to initiate and carry on reforms.

- Cooperation and the sharing of information between government agencies help to meet the needs of citizens and customers. Cooperation between organisations is one level of interoperability.

- No one should rush to modify existing services to electronic ones. Some procedures (or services) might not be needed at all – either in traditional or electronic format. For example, the abolition of requirements of birth certificates or similar notes might not be needed in all the cases they are required.

- Customers' needs should be the main focus in service design. E-services are not just formulas on web pages. They might be better than nothing, but probably they help customers only little. We should aim higher. All services and processes should be revised.

- Avoid large IT projects. There is a high risk of failure – in terms of considerably exceeding budgets or deadlines, or usually both. Large projects should be divided into smaller projects.

It is also good to note what is not an issue in e-government development: technology. Of course technology may cause problems and IT systems may go down for a while. But technology itself is not an issue. The challenge is the ability to use and deploy technology in different government services and functions. And above that is a matter of will and commitment to reform services.

In the future: Digital government and public sector modernisation

As we have seen in recent years and decades, technology has changed rapidly and continues to change. New innovations and phenomena (IoT, big data, block chain) will emerge, although we have hardly adopted all the past innovations within government. As noted before, technology is not necessarily the issue – a great deal of reforms and modernisation of government can be done with existing technology. Still, new technology and its innovations will most likely find their way into public administration in future. Information and communication technology will regardless be the core element of government's functions and administrative processes.

Digitalisation is a wider phenomenon than just deploying ICT in organisations. Digitalisation will – if full advantage is taken from it – bring about profound changes in the ways organisations (including public sector) operate and do business. Furthermore, it is argued that some public sector organisations may disappear (like some businesses have vanished or are at such a risk). This is what we might verify in the future.

Finnish academic Osmo A. Wiio has argued that "the near future will be overestimated and the distant future will be underestimated"[43]. This surely will apply to the impact of digitalisation within government. We expect too much from the next few years, while we do not see what will happen in ten or twenty years.

Can we say anything about what will happen in the near future? Perhaps we can predict and anticipate something for sure:

- Digitalisation will be the main tool for transforming government administration into something more efficient and more effective. Digitalisation will change the ways to serve customers as well as the internal procedures and processes of administration.

- Cross-border services will increase. Public services are ever more used and information will be acquired from other countries by government or private organisations or by citizens.

- Public trust in government will become a major issue. It will also affect how digital government and its services are designed and organised.

- It is easy to predict that cyber threats and attacks as privacy threats will unfortunately increase.

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[43] http://osmo.wiio.net/in-english/; https://en.wikipedia.org/wiki/Osmo_Antero_Wiio

What will remain:

- Need for customer-centric reforms. Despite the fact that is has been a cliché for several decades, the most successful services and organisations are those which focus on their customers.

- Digital government or e-government is not just about tricks or nice new gadgets – it is more about a proper understanding of government processes and where and how ICT and digitalisation can change the way things have been done before for the better.

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Janek Rozov

Implementation of the services owner concept in the Estonian public sector

Before the implementation of the services owner concept in Estonia's public sector, we had a complicated overview of the services that the state offers. This is largely due to a lack of structure and sense of responsibility in the way the services are presented and delivered. For the end-user, this entails time and money spent on finding out where and how certain services are offered, and who offers them. For the state it means a lack of overview of whether or not it is developing the right services and if it is being done efficiently. Only 8% of institutions have an overview of the cost of services across channels and have assigned (on various levels) people who are responsible for services. This became evident through a questionnaire that was administered by Ministry of Economic Affairs and Communication (MEAC) in December 2014 which was sent to ministries, agencies and inspectorates. The questionnaire was filled out by 50% of the survey recipients. The responses showed that only 40% know what services they offer and only 24% have an overview of user satisfaction across channels. In the public sector at the governmental level, we have a lack of responsibility for the quality of services at all managerial levels. The state lacks an accurate overview over where, what and at what level and quality the state and local agencies offer services, and what channels are used in order to provide services. There is no legal regulation that supports the concept of service owners.

Without there being people responsible for service quality, it is quite hard to answer questions such as how many services an institution offers; how often these services are being used; what the quality of these services is like and what the cost of administering and providing these service is; i.e. the cost of a public service which is also a prerequisite for changing over to an activity-based state budget. This may lead to a duplication of development activities and the unsustainable use of budgetary resources. Without mapping services, it is difficult to recognise which services can be offered across institutions in order to initiate cooperation and development of these services. It is difficult to know whether or not we are developing the right services and if it is being done efficiently.

In order to take a step closer to a more structured and standardised delivery of services, the Department of Information Society Services Development within the MEAC has developed the concept of service owners. The concept was approved by the Estonian Ministers Cabinet in June 2015. The concept supports the necessity of appointing service owners and describes the service catalogue which both the public sector and customers can benefit from when improving their services.

According to the government decision, the overall responsibility for the quality of services must rest with the secretary generals within their areas of governance. Overall responsibility within this concept for the quality and management of public services, including e-services, within ministries and areas of governance (including when possible foundations and non-profit organisations carry out public duties) is understood as the secretary general's. The service owner has to be responsible for the provision of service-related business processes and the development of public services. The task of the service owner is the optimisation of service processes and the search for opportunities to make services more convenient and financially rational, as well as the realisation of these goals, based on the value generated through the provision of services. Primarily, the management of public services comprises having an overview

of the direction of the development of public services and making sure that the public services offered are relevant and up-to-date. For successful implementation, we need three dimensions: leadership, a network of owners, and a working technical solution.

As a result of managing, every institution has appointed a person who is responsible for the quality of services offered to the end-user. It is important to agree on the inter-institutional division of responsibilities and tasks in the organisation and the development of public services, and the methods of their coordination (starting from "soft" measures like information exchange, analysis, counselling, good practice and the development of networks, and ending with "strong" measures like legislation and monitoring). We have organised regular meetings of the "service owners' cooperation network", involving "service owners" that were assigned by secretary generals. The supporting legal framework or "strong" measure, in our case the regulation "Principals of the services management and info governance", will be approved by the government in autumn 2016.

We have launched a first version of a service catalogue (in Estonian) in order to have a platform on which to display services in a unified manner, including the description of the service and the priority of channels through which it can be used. Its transparent view in the web helps end-users in seeking information about services, and public sector organisations in getting an overview of the quality of services. The catalogue helps to increase the awareness of citizens about the services that the state provides, and helps the public sector to organize and optimize its services. This can then lead to various benefits over time. We use a commonly-agreed reference data model known as CPSV-AP (Core Public Service Vocabulary Application Profile – supported by ISA, the European Commission's programme for Interoperability Solutions for European Public Administrations). The model helps us in service mapping process because it is based on uniform principles. As a result, we will try to create a comparable view of services according to the customer's point of view. The catalogue enables minimum requirements for the description and administration of public services to be established.

Today, the services catalogue consist of more than 1,400 services from 90 different public sector organisations.

The benefits of the service owner conceptions are already clear. For citizens, our service catalogue customer view aids transparency – they can see the tools and services available, and how their government is spending money. Having a statistics-led view of our service catalogue has helped our organisation to understand where we are in terms of quality, and how we can develop and improve the ICT framework. With this view, our staff can see what happens when they change something in an internal process or information system, and how it might affect customer experience. They can compare the 'as is' situation with the 'to be', and calculate whether there will be additional benefits. Based on this, we can then decide how and where to invest money to make the most impact.

Useful links:

Services Catalogue view for customers (services information search) EST:
https://www.mkm.ee/et/teenuste-otsing

Services Catalogue view for customers (services information search) ENG (few services):
https://www.mkm.ee/en/service-search

Services Catalogue statistics-led view EST:
https://www.mkm.ee/et/statistika/valitsus

Services Catalogue statistics-led view ENG (only few services):
https://www.mkm.ee/en/statistics/government

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Tuija Kuusisto

System Modelling for Cyber Security Strategy Implementation and Management

Introduction

The evolving digitalisation of society is continuously shaping the global political, financial, societal, security, information and technological networks and structures. This provides opportunities for the new and traditional actors to create and enhance, produce and deliver digital and physical products and services. The internet of everything, service robots, big data, mobile access and social networking are examples of technologies accelerating digitalisation. The change in society is not, however, limited to the technologies available or to virtual environments and digital services. It transfers society, governments and non-governmental organisations to endlessly expanding, global information networks. These networks are an unknown terrain, where values, norms and objectives often appear as vague and weird.

Digital world, cyber world and cyberspace are common concepts referring to the new terrain evolving through digitalisation. One of the definitions of cyber world is 'The earth with its inhabitants and all things upon it related to or involving computers and computer networks' (Kuusisto & Kuusisto 2015a). This definition is related to the term cyber environment defined in (ITU-T 2008) and Hathaway and Klimburg's (2012) thinking when they referred to ITU (2011), and ISO (2012) argue that cyberspace contains people and social interaction in the networks in addition to hardware, software and information systems of the internet.

The overall frame of reference of this article is global information networks. Derived from the definitions of information and networks as presented in Cambridge (2016), the term global information networks is defined as a large system consisting of many similar parts that are connected together to allow facts about someone or something to be communicated between or along the parts. The term emphasises the significance of global interdependencies and the continuous flow of information in cyber world. These global interdependencies occur in the physical, logical and social networks of cyber world. The actors and activities of global information networks are complex. Complexity thinking and system modelling provide the means to identify phenomena of complex systems. This article regards global information networks as complex systems and applies system modelling in order to approach them.

Digitalisation and global information networks provide opportunities and raise threats to society and its vital functions that are not technological by nature. The opportunities cannot be utilised and the threats cannot be solved only by technological improvements and solutions. Global information networks host a variety of interdependent actors, activities and systems that adopt new ways to implement activities on and by these networks. A single actor can implement a set of activities and publish information that causes unpredictable cascading effects. Actors implementing harmful or hostile activities often seem to be able to act whenever and wherever they choose. The rights, responsibilities and resources given to the security authorities frequently limit the attempts to prevent threats and investigate harmful activities. This challenges the senior leaders of society and security professionals aiming to ensure the security of the vital functions of society.

Nation states published cyber security strategies few years ago in order to set national targets for security on global information networks. The achievement of the targets presented in the

strategies often requires interaction and collaboration with the information and communication system and services providers. Most of the providers are global or local business actors. This means that the governmental and non-governmental organisations have to collaborate in all security situations to assure cyber security and defending the vital functions of society from threats. On the other hand, even the major business organisations need a host state or states to have access to high-level digital potential. This potential is based on the cultural heritage, social structures, existing prosperity, science, research and development, education system and infra-structure, as well as international business and trade (Kuusisto & Kuusisto 2014). So, nation states collaborating with global and local enterprises are often the actors that have the most impact in cyber world.

Next, this article refers to the social system model. It is a theoretically motivated framework and methodology for identifying the major characteristics of a situation through the analysis of relatively small information sets. It is an approach which enhances strategic thinking. The article demonstrates the approach with a case study about cyber-related news published in the main newspaper in Finland in 2013-2016. The results of the case study visualise cyber phenomena and characteristics. They support the identification of activities needed to be taken to proceed on the strategic path to the target state of cyber security strategy.

Finland published the document Cyber Security Strategy as a Government Resolution in 2013 (Finnish Government 2013). The implementation plan of the strategy was published in 2014 (Security Committee 2014). It consists of 74 activities. In 2015 the status and impact of the strategy implementation plan were evaluated. There were 16 activities that were considered to have had a significant or clear impact on cyber security of society. The article briefly describes the activities that were considered to have had the most impact.

A Social System Model

The protecting of society and its vital functions in cyber world is about social interaction between people. The article applies a social system model for increasing understanding about cyber characteristics and phenomena. The results are applied for identifying challenges on the path towards strategic aims described in cyber security strategy. Kuusisto (2004) applies complexity thinking and system modelling (Ball 2004, Holland 1996, Kauffman 1995), communication and cognition philosophy (Bergson 1911, Habermas 1984, Habermas 1989), and sociology (Parsons 1951), and presents a complex and emergent social system model. The model is outlined in Figure 1 (Kuusisto & Kuusisto 2014). The model considers social systems as information-driven activity cycles in a structure. This is based on an early discovery (Aristotle) of a feature of all systems, which states that systems consist of a structure, actions and information, as depicted in Figure 1. A system will produce activity when the right kind of information is fed into its structures. The produced activity will act as input information for the systems to produce more activity.

The bottom layer of the social system model consists of information, the next layer structure and the top layer activities. A social system has an initial and a goal state, and the communication orientation of the system is internal and external (Parsons 1951). The first two columns of the social system model represent the initial state of the system, and the third and fourth columns represent the goal state. The orientation of interaction is internal in the first and last columns of the model and external in two middle columns, as outlined in Figure 1.
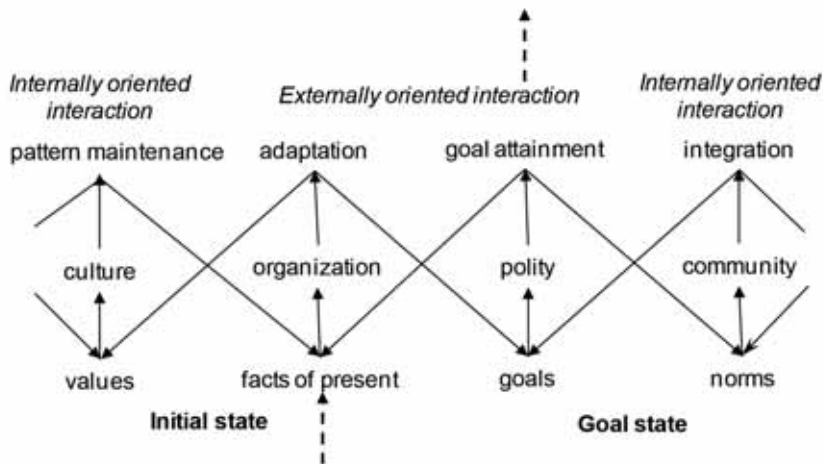
Internally oriented interaction   Externally oriented interaction   Internally oriented interaction

pattern maintenance   adaptation   goal attainment   integration

culture   organization   polity   community

values   facts of present   goals   norms

Initial state   **Goal state**

Figure 1: The social system model (Kuusisto & Kuusisto 2014)

The activities of the social system model are adopted from Parsons' (1951) outline of a social system (AGIL). They are adaptation (A), goal attainment (G), integration (I), and pattern maintenance or latency (L). Pattern maintenance is maintaining the stability of culture and its values through the processes that articulate values with belief systems such as ideology (Parsons 1985). In the cyber era, this includes maintaining patterns defining the structure of digital society, such as identity and privacy.

As derived from Bergson's (1911) and Parsons' (1951) thinking, information flows shape the social system. Information is flowing from values to norms through culture and pattern maintenance and to goals through community and integration and to polity, goal attainment, facts of present, organisation, adaptation and finally back to values. In addition, information flows from an action to its neighbouring information class and external information enters from facts about the present. The external world is influenced by the social system model's actions driven by goal attainment. The model is thus complex and emergent.

The model is applied for the studying of a complex system such as global information networks and cyber threats by first selecting the hierarchical structural level at which the system to be studied is perceived. For example, if the selected level is the national government level, the system is perceived at the national government's point of view. The next phase is to populate the model with information about the system by following Krippendorff's (2013) content analysis research technique.

Content analysis is 'for making replicable and valid interferences from texts (or other meaningful matter) to the contexts of their use' (Krippendorff, 2013). It is an increasingly popular research technique. It is preferably performed with abductive inferences that are drawn across dissimilar areas, from particulars of one area to particulars of another area (Krippendorff, 2013). When the social system model is populated with information about the system, an abductive inference is made with each placing of an item of information into one of the classes of the model. Complex systems evolve over time. Therefore, the placing of items into the classes of the social system model is often grouped by time periods, e.g. the sets of results are formed on an annual basis. The results of populating the social system model with the information about the system to be studied are the emergent phenomena and characteristics of the system. They can be used to focus the more detailed study of the system.

The social system model has been applied in information security research (Kuusisto 2004), situation awareness research (Kuusisto & Kuusisto 2005), (Kuusisto & Kuusisto 2007) and in information security culture research (Kuusisto & Kuusisto 2009), as well as in cyber world research (Kuusisto & Kuusisto 2013a,b), (Kuusisto & Kuusisto 2014, 2015a), operation art research (Kuusisto et al. 2015b) and cyber security strategy research (Kuusisto & Kuusisto 2016).

A Case Study about Cyber-Related News

In this chapter, the social system model approach is demonstrated by a media survey about cyber-related newspaper articles. The news articles were published mostly in Helsingin Sanomat (2013-2016). Finland is ranked first in Reporters Without Borders' freedom of press ranking (RSF 2015). Finland has succeeded well in several international evaluations concerning the availability of latest information and communication technologies and advances in eGovernment, e.g. (Dutta et al. 2015). So, the emergent phenomena identified by studying news published in Finland can be considered to describe some of the global characteristics of information networks.

The number of articles collected over a couple of months in each year amounted to between 100 and 200 articles. Groups of students from the University of Jyväskylä categorised the articles according to the social system model. The results of the media surveys of 2011 and 2012 are published in (Kuusisto & Kuusisto 2013a,b). Results from 2013-2016 are visualised in Figures 2-4 (Kuusisto 2016). The key to interpreting the symbols are as follows: 0< 2%, X = 2-5%, XX = 6–11%, XXX > 11%; exponential distribution.

	Interaction is ...	Interaction is externally oriented		...internally oriented
action	Pattern maintenance	Adaptation	Goal attainment	Integration
	xxx	xxx	xxx	0
structure	Culture	Organization	Polity	Community
	xx	xx	x	x
information	Values	Facts of present	Goals	Norms
	xx	xx	xx	x
	Initial state		Goal state	

Figure 2. The focus areas of cyber-related news in 2013, 0< 2%, X = 2-5%, XX = 6–11%, XXX > 11%.

The media surveys in 2011-2016 show that the focus areas of public discussions about cyber issues have been pattern maintenance, adaptation, facts of present and goal attainment. In general, actions have been discussed more than information, and information has been discussed more than structures. First the emphasis was clearly more on the initial state than on the goal state, but currently the focus is balanced. Goals have been addressed and citizens have been discussing them. The goals and directions of cyber have not, however, been widely discussed and agreed. Goals need to be further defined to support the forming of norms. The internal integration of the community needs to have commonly agreed norms as the departure point.

Interaction is ...	Interaction is externally oriented		...internally oriented
action	Pattern maintenance	Adaptation	Goal attainment	Integration
	XXX	XX	XXX	X
structure	Culture	Organization	Polity	Community
	XX	X	X	XX
information	Values	Facts of present	Goals	Norms
	X	XXX	XX	X
	Initial state		*Goal state*	

Figure 3. The focus areas of cyber-related news in 2014, 0< 2%, X = 2-5%, XX = 6–11%, XXX > 11%.

The key findings of the 2013-2016 results show that the degree of external discussions in society about organisation increased in 2013, decreased in 2014 and increased again in 2016. It has been a matter of general interest as to what the responsibilities of organisations will be and which organisation will be responsible for what. The decision-making apparatus has been changing, and goals have revealed themselves in a different way than before; they seem to have not been under any control. A strong need to organise the cyber world seems to be imminent and it is still unclear what the organisation, polity, community and culture structures will be in the future.

Interaction is ...	Interaction is externally oriented		...internally oriented
action	Pattern maintenance	Adaptation	Goal attainment	Integration
	XXX	XX	XX	X
structure	Culture	Organization	Polity	Community
	X	XX	XX	XX
information	Values	Facts of present	Goals	Norms
	X	XX	X	XX
	Initial state		*Goal state*	

Figure 4. The focus areas of cyber-related news in 2016, 0< 2%, X = 2-5%, XX = 6–11%, XXX > 11%

Results from 2016 indicate that discussions about norms are increasing. People are interested in the contents of norms: What are the directions in which the norms will guide the world and how will the world be perceived in the future? In addition, discussions about the ways to integrate the various communities started in 2014 and continued in 2016. Integration needs mutually understood norms and understanding about what a safe community to belong to looks like and which other communities can be integrated with. The future of 'me' and the concept of 'us' in cyber

world is becoming clearer. Advanced countries, enterprises and social networks are interconnecting to form a future cyber community where the vital functions of society take place.

Cyber Security Strategy of Finland

Finland published the document Cyber Security Strategy as a Government Resolution in 2013 (Finnish Government 2013). It defines the vision and the key objectives for protecting society and its vital functions against cyber threats. The vision defined in the strategy includes the statements that 'Finland can secure its vital functions against cyber threats in all situations' as well as 'citizens, the authorities and businesses can effectively utilise a safe cyber domain and the competence arising from cyber security measures, both nationally and internationally'. So, the strategy aims that Finnish society will gain from the benefits of digitalisation in a secured way.

The Cyber Strategy consists of ten strategic guidelines. The first three strategic guidelines cover the activities of all the authorities and are thus the most significant. The first guideline is 'Create an efficient collaborative model between the authorities and other actors for the purpose of advancing national cyber security and cyber defence.' Finland, as a country with a population of only about 5 million people, has a tradition for strong collaboration and support between authorities. The Security Committee (2016) is a formal body that assists the government and ministries in enhancing comprehensive security and coordinating proactive preparedness. The Security Committee guided the forming of the Cyber Strategy and decisions to apply the collaboration model between authorities to the cyber world.

The implementation plan of the strategy was published in 2014 (Security Committee 2014). It consists of 74 activities. Most of the activities require interaction and collaboration with the information and communication system and services providers. The majority of the providers are global or local business actors. So, the collaborative models between the authorities and actors applied in Finland needed to be extended for the cyber world to include private companies.

In 2015 the status and impacts of the strategy implementation plan were evaluated by the government. There were 16 activities that were considered to have had a significant or clear impact on cyber security of society. Most of them are related to the public-private relations area. The activities that were considered to have had most impact are:

- The design, implementation, delivery and use of the Government Security Network (TUVE) and sector-independent ICT services (TORI) produced by Valtori, the government's ICT centre established in 2014.

- The establishment of the National Cyber Security Centre Finland (NCSC-FI). It collects and delivers information on the cyber security situation in Finland and supports actors protecting and recovering from cyber threats (NCSC-FI 2016).

- The provision of a special training course for authorities about cyber security.

- The establishment of SecICT body for central government information security management. SecICT is a network of experts managing information and cyber-related incidents affecting central government.

- The establishment of the JYVSECTEC cyber security research, development and training centre in Jyväskylä, Finland (JYVSECTEC 2016).

The major characteristic of these activities is that they have created novel organisational or decision-making structures or have changed the existing structures. In addition, they have improved performance and competence by enhancing processes or delivering new ICT services or training. The key findings of the media surveys presented in the previous chapter indicate that there is a strong need to organise the cyber world and refine and shape the organisation, polity, community and culture structures. The activities of the Cyber Security Strategy implementation plan that have had a major impact have focused on organisational structures. In order to proceed on the strategic path to the target state of the Cyber Security Strategy, the need for organising polity and community structures needs to be evaluated. In addition, the media surveys show that discussions about norms are increasing, and discussions about the ways to integrate the various communities are growing in number. This indicates the areas to be studied further to enhance the strategy implementation plan.

Conclusions

This paper refers to a social system model as a theoretically motivated approach for increasing strategic thinking. The approach allows the phenomena of a complex system to be outlined in a short time, with a limited amount of information and few resources. The paper demonstrates the approach with a case study about a media survey of cyber-related news. The media surveys conducted in 2013-2016 shows that a strong need to organise cyber world seems to be imminent and it is still unclear what the organisation, polity, community and cultural structures will be in the future. The discussions about norms are increasing in number. What will the direction in which the norms guide the world be and how will the world be perceived in the future? In addition, the number of discussions about the ways to integrate the various communities is growing. Integration needs mutually understood norms and understanding about what a safe community to belong to looks like and which other communities can be integrated with.

The core of the Cyber Security Strategy in Finland is the collaboration between the authorities and public-private collaboration for the cyber security situation, and understanding and protecting the vital functions of society from cyber threats. The implementation plan of the Cyber Security Strategy was evaluated in 2015. The major characteristic of those activities of the implementation plan that have had the biggest impact is that they have created novel organisational or decision-making structures, or they have changed existing structures. In addition, they have improved performance and competence by enhancing processes or delivering new ICT services or training. This follows the key findings of the media surveys, indicating that there is a strong need to refine and shape the organisation, polity, community and culture structure. The activities of the Cyber Security Strategy implementation plan that have had the most impact have focused on organisational structures. To proceed on the strategic path to the target state of the Cyber Security Strategy, the need to organise polity and community structures should be evaluated. In addition, as the media surveys show, norms and the ways to integrate various communities are areas that can be studied further in order to enhance the strategy implementation plan.

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Katju Holkeri

A goal without implementation is just a dream

How to carry through successful reforms in public governance We can have important goals and plans, but still fail to implement reforms. How have we succeeded in Finland to ensure that we complete our projects and end up with real, desirable changes?

Implementation should be taken into account right from the very first steps of planning and continue all the way through the process. There is no point in reform suggestions that cannot be implemented. Traditionally in Finland, continuity and carrying out reforms have been considered our strengths. We have also succeeded quite well in supporting implementation.

In a world where rapid change and complicated issues have become a daily reality, being strategic has been emphasised a lot. This had led in some cases to a phenomenon where strategies follow strategies even before the proper implementation of the previous one. Therefore, paying attention to the implementation is crucial. Strategies and goals do not implement themselves. A strategy that does not include a plan for implementation does not go very far. A goal without implementation is just a dream.

A recent project for reforming the government's steering framework (OHRA) suggested that the Government Programme of Finland should outline the key objectives without specifying in great detail the actions to be taken. It also proposed that the Government Programme would be strategic in nature, setting out three to five key policy objectives. The OHRA project aimed at reforming the government's steering framework, to enhance the impact of the implementation of the government's strategic insight. This called for defining the principles of the steering policy from the perspective of steering frameworks as a whole. Previously, steering frameworks have been developed separately from each other. Now the goal is to strengthen the strategic steering of government in order to make policy, regulatory and resource steering more integrated, and to strengthen their information base and implementation capacity. The idea behind the OHRA project was that the government would have one strategy process that would be consistently supported with information, so that the government's key objectives are clear and the processes are steered in order to support the achievement of these objectives, meaning that resources and powers are obtained to carry through the required changes.

The current Government Programme is now a strategic one and work is underway to further develop the core processes of the steering framework jointly.

Picture 1. The OHRA project at a glance

Nevertheless, what other measures could we take to ensure good implementation in our reform projects?

Evidence base - the future is not what it used to be

Reform projects in Finland tend to follow a rather similar life cycle. When a new government is elected, it soon starts to implement its Government Programme through new reforms. Thus the autumn after an election is a time when project plans are finalised.

But how can we be ready for this busy time? There is a lot of information about previous work, and evaluations and research already exist. This evidence base is unfortunately quite scattered. It has happened more than once than when a project starts, the gathering of background evidence only begins then. It also happens that this evidence base is only backward looking. It includes data on previous work, evaluations and assessment. This is of course very valuable data, and a lot of work has been done in Finland since the 1990s to increase evaluation both in terms of quantity and quality. But we need also forward-looking information. What are the most challenging future issues in the particular area of work? What are the trends we should take into account?

As a result, many government terms ago it was decided that ministries need to be better prepared for future terms and that there is a need to look further than just around the corner. A new tool, Future Reviews of Ministries, was created. This is a tool which ministries can use before elections to see and analyse what the major issues during the next term in their specific field will be. These reviews were designed for political parties. The idea being that they can use these reviews, as background material, in whatever way they want or need, when setting the targets for the coming parliamentary period. This was the original meaning of the exercise of producing the Future reviews. However, as a bonus they also form part of the evidence base for projects during the parliamentary period.

It is the Government Programme that defines what the goals are for the future. But the Future reviews include a lot of background information and data about future challenges, and this can also be used as part of the project work.
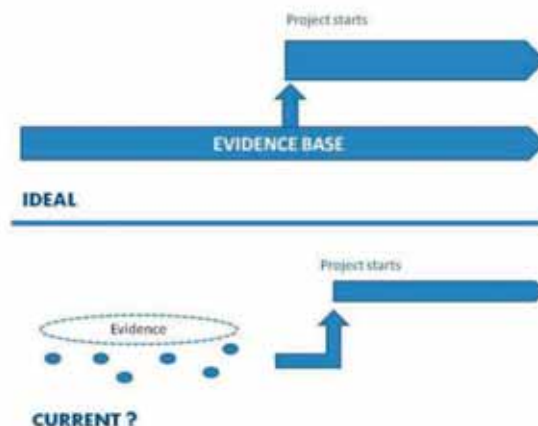
Picture 2. The challenge of a fragmented evidence base.

From working together to sustain success - just do it

Finland is a small country. Traditionally we have also been rather like-minded. Could it be that we do not always see the challenges facing us in the different areas, and furthermore what if we keep looking for the same solutions even if the times have changed? Better maybe to ask for an outsider's view? And this definitely is something that we tend to do.

In international evaluations, one of Finland's strengths is exactly this use of international comparisons and analysis. We value outsiders' views of our challenges, lessons learned in other countries and also international recommendations to us. But we do not copy and paste directly from these. They are part of the material used for analysis and decision-making.

Lately we have commissioned the OECD to perform Public Governance Reviews of Finland. OECD named the first report on Finland 'Working together to sustain success'. It pointed out that one of our challenges was to ensure collective commitment - something that is really crucial for implementation. The second OECD review was done together with Estonia. When we asked the OECD what their key message would be to us in three words, they said 'Just do it'. With this they meant that we have good goals, and we know what is needed. What we are missing is putting these thoughts in action, implementing.

As mentioned above, we do not take the recommendations as read, but they do often make the right points and help to make the interpretation of what is needed at this particular point in time. When starting a project, an international comparison is often made hand-in-hand with the project work. It is not always the best option. It would be perfect if we already knew, or at least had a general picture of what other countries were doing in this area, and what their structures or processes or ways of functioning were. This way we can actually use it during the work, from the very beginning.

The OHRA project (Reforming the Steering Framework) can be seen as a wonderful experience from this perspective. We actually had the OECD Public Governance Review and its recommendations as a basis for this project. We asked four other administrations (Austria, Scotland, Sweden and the United Kingdom) to continue with us to discuss the challenges that the central points of governments (meaning in the Finnish case the Prime Minister's Office and the Ministry of Finance) face in four workshops. We were not looking for joint solutions, but the discussions allowed us to look in the mirror and ask what Finland actually looks like. However, this was a special case - a special opportunity to have such close cooperation with other countries.

But if you cannot have this, you can still have something. In all our projects we look at what the situation is in other countries. Looking at all available research literature and analytical reports from international organisations is a good starting point. Sometimes you get lucky and you find that there is a single study or a book that takes you a long way to getting the right information about other countries. This was the case in the survey we did about our state agency structure, which was a very difficult subject area as there is no clear definition in many countries of what exactly an agency is. However, European administrative sciences and research in that area once again genuinely helped. One book (Governance of Public Sector Organizations edited by Per Laegreid) had research articles from a large number of countries. If this had not been the case, it would have meant a lot of work finding reports and information from other countries, state by state. There is of course always the possibility, if resources allow, to commission a researcher to do such

work. In this particular project, however, there were no financial resources available for this and the timeline of the entire project was six weeks.

What is the situation like in Sweden? What about the other Nordic countries? That is a question one should be prepared to answer in a Finnish project. It helps a lot that we share a language, as Finland is bilingual and we do understand Swedish. But it helps just as much to have networks: you help me, and I will help you. We are always happy to answer questions about the Finnish administration as there always comes a time when we need to use the trust capital that we built up in order to ask colleagues abroad about their administrations. However, before asking for a favour of this kind from an international colleague, we first try out all the other options. Time is a scarce resource and it is good to ask difficult questions of a colleague in another country and not the ones you can get answers to from elsewhere.

Engagement right from the beginning helps with implementation at a later stage

In Finland we say that openness is an underlying value in our administration. We always try to be proactive in sharing information and we do engage with stakeholders and other groups in most of our projects. However, often we fail to do this early enough. When planning a new project, we need to think about how and who we need to engage into the process before the project starts. Engagement does not happen by itself -- it needs to be planned into the process. It is not just about informing others about the process and asking at the end of the project if everybody likes the suggestions of the final report. It is about engaging not just the usual suspects by traditional means of consultation, but all kinds of groups and using different means that are suited to the specific project.
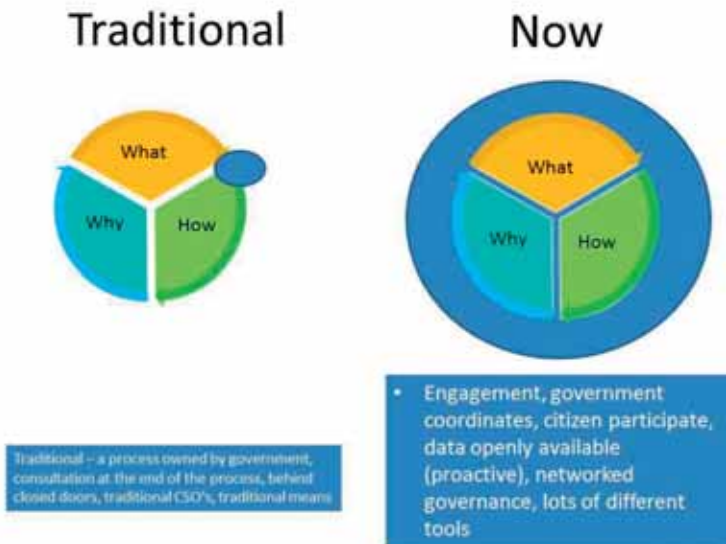
Picture 3. Engagement has changed.

There are many challenges to engagement during a project and its implementation. However, there are many tools to help in this process. The Finnish online project register of government projects is a place where all information about a project (such as the members of the working group, its goal and the relevant reports) is available to the public. For actual engagement there are several e-tools available, but it is important to include face-to-face engagement as well.

The challenges are to remember to allocate time and other resources to engagement. It needs to be planned well for it to be meaningful to all. Another challenge is to find the best possible ways to help all those interested in giving their views and ideas. Although they are widespread, there are still relatively few actual evaluations of what has worked well and what has worked less well. This is a learning process for the Finnish administration that is still halfway to being finished,
but we do know that the dialogue has to start early. Externally it is important to listen to citizens, businesses, civil society organisations and other stakeholders. This will not only help implementation, as people know more and have been able to influence the project. It will also afford a better and wider evidence base. It helps us to see other options and it also enables us to be prepared for the challenges that will be faced during implementation.

Political support

The line between policy-making, decisions and implementation is not as clear as it used to be. The implementation of projects are affected by new decisions being made at the same time. So even though the roles between politicians and civil servants have to be clear, there is a need for dialogue and steering in all phases of a project. This has been a strength in Finland. In practice this has previously meant that there has been a ministerial group in charge of public governance reforms. Projects that were about to start were taken to this group for information and are to be discussed by a group of ministers. This ensured that in addition to the steering from the minister responsible for the particular area of reform, there is wider whole-of-government discussion and stock-taking. The ministerial group was also kept informed during the preparation phase of the proposals and it made a decision on whether to take the proposals to the government meeting or whether additional preparatory work was necessary. The group also followed the implementation process of the different reforms with regular updates.

The current government's ministerial groups are organised slightly differently, and are in line with the government's most important strategic goals. Each of these goals has a ministerial group that steers the reforms for its own area.

In implementing reforms, strong political commitment has been one of Finland's strengths. That, linked with the commitment of the most senior civil servants, is absolutely crucial for the implementation to have a chance of succeeding.

Winning the hearts and minds of civil servants

Internal engagement and openness is vital. First of all it is not possible to achieve external openness properly if the organisation is not internally open and engaging. You cannot separate these two from each other. But what are the different ways of engaging different co-workers or internal stakeholders? The first question is often: who should be in the actual working group? In Finnish projects these people used to be representatives of their ministries. They still are,

but nowadays more focus is given to getting the right skills from the ministries on board the projects. The members of a working group need to be there not just to safeguard their ministry's viewpoints, but to co-create solutions with other ministries. Furthermore, they need to be people who are not just good specialists in their areas and thus important when planning a project's proposals, but who are people who can get others to listen to them. They are messengers of the project and its goals in their own administrations and administrative fields. So it is a balancing act between representation and finding the right kind of people and the right combination of skills.

It is also highly important that there are no partners left with the feeling that they are somehow excluded from the work. We often aim at rather small working groups in order to achieve better dynamics in the group's work and discussions, which is not easy if the group is huge, but we often end up having all ministries involved. We need them on board to get their views and to ensure that when the proposals are turned into action in the implementation phase, they won't turn their heads away, saying 'We were not involved,' or 'This is not my business. It is once again about commitment and their commitment helps to turn proposals into actual changes in their administrative fields.

Not to underestimate the power of repeating the message

Why and how do we come up with a good slogan for the project? There have been many projects with just their long, official names that have still been well implemented. But wouldn't it help to have a clear message with only a couple of words describing what the project aims to achieve?

A good slogan does not just pop into one's head. Our best slogans like 'From decisions to changes' have actually been a product of a relatively long process of crystallising what the most important goal the project is trying to achieve is. A title or slogan for a project is not meant to be an advertisement. It is needed to be a shared thought of what is important - Words that would motivate us as well as many other people in the public sector. A slogan is like a note to remind us of the direction.
For our performance management project we chose to repeat again and again that the direction of change was towards 'more strategic, lighter and more horizontal' performance management. Everything we did - all the suggestions and all the implementation work - was to serve those three goals.

Working together for success

Most public administration reform projects naturally concern those agencies involved in implementation and not just ministries. It is often possible to include a number of agencies into a working group, but not too many if the aim remains to avoid the group becoming too huge. It is also important to have civil society organisations or other stakeholders in the working group. But there is a limit to how big a functional group can be. For these reasons, project or development area networks have become very popular. For those areas where there is longstanding development work, a network is an excellent thing. In Finnish performance management work, there is a network of people from all over state administration but also people from organisations and businesses. It was developed following an evaluation project to help with the mapping of a development path. It has been supporting implementation and helping to identify new development areas for many years now. It has more than 100 people and meets regularly to exchange views and best practices.
The same goes for open government work where there is a network of representatives of the state agencies. The members of the network have been nominated by their own organisations'

steering groups. Thus they also report to their own agency's leaders about new work, shared best practices and state of implementation in the area of open government.

One part of the network's job is visits to the other organisations of the members of the network. This visiting brings new viewpoints and angles to the discussions. Peer learning and knowledge-sharing are important to the success of implementation.

But it is not possible to have a big network for each project or even for all development areas. First of all, because a network is not something you can order, there also needs to be demand from bottom-up, not just from the top-down perspective. And networks need managing as well. That means organising events, places and times for exchange, and sending out information about new proposals. Every project needs a wider dialogue than just inside a working group in order to ensure that we choose the right proposals and tools for implementation. And when a new network is not an option, then we try to ensure this wider engagement of agencies in other ways, like using the events of the existing networks, and organising workshops or seminars.

Sometimes it is important to involve everybody. After a short project to map the situation of Finnish state agencies from a whole-of-government perspective, a reform project started to define the principles and steps for development. We decided this was a moment in the reform process where each and every individual working in an agency should have the opportunity to express their opinion on what should be done for the state agencies as a whole. The tool chosen for this was brainstorming on the internet. Over 4,000 people responded, and the number of comments received was way over 16,000. The results played a very important part in forming the principles for future action.

We need training, networks, guidelines, workshops and more to help achieve the change. But above all we need a clear message of commitment from the leaders. Without a clear message, people divide into three groups. There are the 'We will do it anyway' enthusiasts (often in some way development people themselves or people who in their own work need and see the necessity for change). The second group is the neutral ones. They do not in any way oppose the change but do not want to actively start anything without a clear signal that this is what the leadership wants. The third is the most challenging. They oppose the reforms, as often it is something that from their perspective is not moving things forward. It is important in the implementation work to be honest about this. There are also actual losers in many reforms, so these people are not always complaining just because they are used to it, but because they have good reasons to do so. The bigger picture and the fact that in the reform the pros outnumber the cons is not visible to them. This is because they only see the one part of the picture where it can be that things take a turn for worse, even if it is for a short period of time and even if in the long run things improve for all concerned.

Sharing Best Practices

Traditionally, the idea has been to give guidelines, recommendations or orders to the administration to carry through reforms and changes. But they are not always sufficient or suitable. Therefore, a handbook was produced performance management development, for instance. Compared to orders, it has explanatory texts, case examples and more background information. It is not easy to create a thorough handbook and keep it up to date. Therefore, in performance management work as well as open government work, we have chosen to produce similar information but in another format, one that is easier to update and use. This is by producing not one large book but

shorter info cards – one or two pagers that together form a short handbook but which can be updated more easily, and new cards on new subjects can be added. The info cards are online and it is also much easier to print out the ones you need without having to print the whole handbook.

But handbooks are just text and people's wishes. In order to implement them you need to reach the people. Finland is a relatively small country, but you can never meet everyone. As a result, we have developed the networks that we mentioned earlier. We needed to get a network of committed people who would then also spread the work and disseminate the best practices. This is also why an idea has been put forward to collect and publish experiences and best practices to go along with the info cards. These are called experience cards and provide information on best practices but also on what challenges have been met in the work.

Pilots have been used in the Finnish administration to carry out reforms in several steps. Often when a pilot starts there is already a plan on what follows, and this may be more pilot organisations and in the end the whole administration. In this way pilots are useful for getting valuable lessons on the implementation for the organisations that will be following in the same steps. Currently, Finland is attempting to shift the development culture from just producing large reforms to also developing smaller and quicker experimental projects.

Enough but not too much

Our job in the centre of government is to plan and help start the implementation. Are we helping public sector organisations to take care of rest? Are we concentrating too much on our job, giving the rest of the public administration more and more reforms to implement? Are we causing reform fatigue and not letting organisations finish the last processes properly before breathing down their necks with the next one. On the other hand, a lot of changes are needed urgently in the public administration to guarantee the sustainability of the Finnish economy. It is always a balancing act to have enough reforms but not too many. To be able to achieve the changes needed, the important thing is that we take care to ensure that we do not work just with words but also with concrete actions – implementing.

Change should be a friend. It should happen by plan, not by accident.

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Top-down and bottom-up approaches to local government mergers: a need for synthesis

The main purpose of this article is to demonstrate that successful institutional policies should synthesise top-down and bottom-up approaches. This need is perfectly demonstrated in the modern theories of policy analysis (Sabatier 1999). However, these theoretical considerations should be better operationalised in empirical analysis. We aim to give certain outlines of such operationalisation, drawing on our experience of research of merger policies in Estonia and Latvia, with the references to the analysis of merger policies first of all in Denmark and Finland.[44]

What is effective policy?

First of all, the reforms should be considered in terms of the policy process and change management. Basic discussion in research literature about how to ensure effective and efficient policy-making arose in the 1960s, as soon as failures of complex policies became evident. The first reaction to that discovery was the accusation of bureaucrats being resistant and, later the search for the conditions of perfect administration, which can automatically ensure the implementation of policy directives (Hill, Hupe 2002). Supporters of the classic top-down perspective soon realised (Hogwood, Gunn 1984) that preconditions of such conditions would be rarely met in the real world. Contingencies of the policy context may substantially restrain initial plans and force their adaptation to make actual policy feasible. However, policy-making should remain a top-down enterprise in which the intentions of policy-makers should dominate and the policy can at best be adapted to changing contexts (Linder, Peters 1987). Those arguments were countered by advocates of the bottom-up perspective. They insisted firstly that the success of a policy is highly dependent on street-level officials, who can not only have the capacity to control the situation in concrete sites of policy implementation, but also have better knowledge of the situation to make necessary corrections to the policy (Lipsky 1980/2010). Therefore, the wider discretion of street-level actors in policy implementation and the formation of policy ownership among them should become an important component of the policy design. Second, Elmore (1979) argued that many policies aim at changing habits and incentivising different groups of people. Thus the identification of readiness and capacity of those groups to follow the policy directives should be established in advance by policy designers (or backward mapping) in order to achieve the expected outcomes. Third, as a result the organisation of the policy process should be structured rather differently according to programme logic as compared with the typical politico-administrative hierarchy. The implementation structure (Hjern 1982) that ought to be conducive to smooth policy implementation should be structured as nested hierarchy or a network-type arrangement. Paul Sabatier tried to reconcile those perspectives in his seminar article (Sabatier 1986). He demonstrated firstly that those perspectives must not be considered as opposite but different strategies, which may be applied in case of different types of policy. Briefly, problems which are well structured (Dunn 1981/2008) and are located in a homogenous and passive policy context (i.e. are targeted at the solution of technical issues) are better solved by top-down polices. Problems which are poorly structured because of the highly fragmented structure of

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[44]   Our research was supplemented by week-long study visits to government institutions, local government associations and local authorities in Denmark and Finland in 2010, 2011 and 2012.

the target groups and a policy implementation that is dependent on the motivation and capacity of people to respond to the policy initiative must be deal with by policy which is designed and implemented predominantly through bottom-up actions. The second, policy strategies emerge as a result different perceptions of the policy process from the angle of top policy-makers endowed with the political mandate for sovereign decisions, on the one hand, and policy target groups who interpret policy initiatives from specific and often varied and contradictory interests on the other hand. When policy success depends on the latter, the former should carefully take into account this diversity and the controversial set of target group interests.

From 1990 onwards different synthesising perspectives of the policy process were developed (see: Sabatier 1999). They consider the policies as a result of collective action, organising and learning (manipulation) in order to trigger – by policy entrepreneurs -- attention shift in interpreting the public policy problem in order not only to gain majority support but also to form the policy ownership of constituents. Accordingly, policy is not simply designed and implemented as a kind of predefined strategy with certain outputs, but policy outcomes that are 'happened upon' as a result of complex muddling through (Ch. Lindblom). This does not mean that the role of political elites is declining, but that their overall ability to influence outcomes of processes are assessed more realistically, which means that instruments like formal laws and orders (directives) are applied more flexibly. If the issues are badly structured and understood by scientific-rational instruments (like causal analysis), the issues should also be interpreted, including from the viewpoint of their legitimate solutions or feasibility. Hence, in addition to causal explanation and action planning, the normative patterns should be designed, i.e. clear goals as attractors and landmarks (lighthouses) of choices established. This enables constituents of the policy process to be oriented and integrated into an implementation structure (networks) not only by directives (to subordinate the predefined scenarios), but also by indicative instruments which enable at best an assessment of whether the process is proceeding appropriately and in the expected direction; this also presumes the application of direct control and sanctions a flexible instrument of influence and coordination, such as consulting and strengthening the capacity of constituents through training and learning. Hence, the content of policy as a plan or a project is changing. Rational design is complemented by the constructivist interpretations of an issue and policy process; all stages of the policy process should be designed through adaptive learning. Design as adaptive learning of action patterns (arenas) at the implementation stage is becoming even more important than the formation of predefined policy programmes by political elites (Linder, Peters 1987; Peters 2015).

How to manage changes

These developments in policy theory, which mirror actually practical experience in research as well as in actual polices, meant a profound change in the understanding of the nature of social change and its management. The conventional evolutional theory of change conceives development as an alteration of relatively quiet period of routine management and probably incremental changes (fine tuning existing patterns) on the one hand, and short-term interruptions on the other, which result in more or less profound (breaking) and radical replacement of existing structures and practices, i.e. reforms. Nadler-Tuschmann (1989) in the framework of the classical paradigm of change, differentiated between anticipated and reactive organisational changes. The former is a carefully prepared reorientation (frame bending) of the organisation's development, which tries to avoid a sharp break in existing practices and to promote continuity with past values and principles. Later, Streeck and Thelen (2005) demonstrated how such incremental changes can result in profound qualitative institutional

shifts. The reactive change means more or less spontaneous reaction to unforeseen pressures that often emerge because of neglect of rudimentary signs that herald profound shifts in the development and a need to respond with some measures. Those reactions could be identified maybe not as revolutions but primarily as breakdowns or frame breakings (Nadler and Tuschmann 1989). They are focused on the creation of a new formal context that may (or may not) overcome the deep crisis. In the public sector the long-term immunity to changes may result in stalling (stagnation) and developmental traps.

Today, the issue of qualitative changes is more and more considered in the framework of the nonlinear theories of development, which initially draws on the Darwinian theory of punctuated evolution (Hay 2001) and today profoundly relies on Luhmann's theory of attractors (Ford and Ford 1994; Morgan 2007). Briefly, the development is continuously the process of selection of best or optimising patterns that may not be revealed on the surface or inside of existing formal institutions. A shift in the development takes a long time and punctuation may be identified and deliberatively carried out as a symbolic replacement of the facade and surface structures of the system or organisation. Sometimes political leadership uses a spontaneously arising crisis for this aim (like in 2007-8), but for its utilisation of its impetus, the political leadership should carefully (as Nadler and Tuchmann foresee) prepare for that moment. If political leadership is not ready to confirm qualitative changes and is oriented continuously to the status quo ('the state building is completed' thesis in Estonia), those qualitative changes are already restrained when early signs appear and the system is moving towards a dead-end or is stagnating. The second important aspect of this understanding of the qualitative change is that it can be focused not on the direct replacement of old patterns with new ones, but on the changes in the minds of people to shift their preferences from old incentives and values towards new ones (Kotter 1995, Senge et al. 1994). Third, systemic changes do not mean the comprehensive reshuffling of everything; instead they focus on the rearrangement of selected critical links (or archetypical structures) after which the system begins self-reorganisation, and mainly learning mechanisms enable the acceptable development vector to emerge. Thus, the reform is mainly a trigger for that process of self-organising and we can at best ensure that this organising-learning process is moving towards the preferred path, but actually we should expect to have many unintended outputs and outcomes. The more we try to rely on detailed predefined direct impacts/interventions, the less we can and are inclined to learn from the practice and the less we can influence the largely spontaneous path of change. Rittel and Webber (1973) demonstrated that even in spatial (physical) planning the issues are wicked. Those issues can be more or less taken under control and we are able to influence the path of their development (or as Foucault argued – to achieve their normalisation (Foucault 2004). But they cannot be understood and solved definitively.

On the one hand, reform as a punctuation can be the first introductory stage of the qualitative change, as an intentional political trigger to promote long-term rearrangements and adaptations in the future. This type of policy may emerge as a reaction to the urgent issues or as a result of sudden shifts in political balance in a country, after which the new majority is eager to demonstrate its innovativeness. In Steereck and Thelen's (2005) typology (developed further by Pollitt and Bouckaert (2009: 143) those are either earthquake or boomerang types of reforms. Usually, radical reform are accompanied by sound political rhetoric and demonstrative interventions which gradually fade as soon as the reorganisation of formal structures are enforced. Implementation routines diminish public attention, as indicated by Anthony Downs. Hence, is the first impetus always strong enough to produce profound change? It is relatively rarely that we meet an analysis of the long-term effects of those triggers. What we know is that

few reforms are successfully completed before new ones are launched. That is, the earthquake scenario is rare and the boomerang scenario much more frequent. Brunsson and Olsen (1993) emphasise the forgetfulness of politicians and society with regard to reforms. The cyclical alteration of public administration reform paradigms over time was demonstrated by C. Hood (2000) and P. Light (1997), i.e. that new reforms are actually failed but forgotten reform paradigms from the past. [45] Kotter (1995) has discovered that in two of ten cases, the first signs of progress disappear within two years after a reform has launched. In sum, we cannot judge the success of a reform after the policy punctuation falls back from the extraordinary period of interventions to the regular practices of development. We can identify within a short period instrumental outputs – economy, structural rearrangements, etc. – but we cannot judge whether the frame bending has happened that is indicated in changes of organisational culture and the structure of the incentives of the main actors.

On the other hand, reform as punctuation may merely be symbolic rearrangements that confirm the previous qualitative changes within a long period that might result in the profound redesign of internal mechanisms and the capacity of organisation or societal subsystems. In the aforementioned typology, this is the stalactite or frame-bending policy scenario. Issues that are not on the political agenda of the day may and frequently are treated and managed in a systemic agenda at various other levels of governance (Birkland 2005) on a case-by-case basis. The qualitative change is largely a result of a series of ad hoc responses to pressures from the institutional environment or changes in the preferences of actors. When issues tend to be wicked (i.e. they do not have universal cogent and final solutions), it is rather difficult to raise them to the political agenda because they can be politically intractable. However, this does not mean that the issue is not managed in individual cases and by non-political actors: by bureaucracy, civil society actors. (the Estonian civil service reorganisation, which lasted from 1996 to 2012, is an excellent example of so-called 'lurking reform'.) Actually we evidence here another type or style of qualitative change that is carried on through learning and piecemeal innovation. These changes are carried out predominantly in a bottom-up way. From an institutionalist perspective, the change via learning effect is preferred by rational choice (North 1990) and sociological institutionalism (Olsen 1998) as a more sustainable and risk-averse way of achieving purposefully institutional effects.

We should also keep in mind that classical reform starts with the breakdown of existing structures and creates a more or less extensive transition period. This period, which produces confusion and discomfort in a society, contains not only political risks, but what is much more important is that it may reduce support for the new goals, values and incentives, i.e. a gradual erosion of policy ownership among constituents. This -- not errors or miscalculations of policy designers -- is the main reason why reforms fade and are forgotten, and do not have any evaluation of their immediate outcomes. In other words, the reform of social subsystems is a kind of 'rebuilding a ship in the sea' (Elster et al. 1998), and in case it concerns existential issues of everyday life, people (target groups) would prefer the status quo or gradual ad hoc changes instead of the radical breakdown of existing practices. Actually, as we will see, for public administration reform to be sustainable, it needs to synthesise both styles of policy-making in order to reduce weakness and risks of radical reform (earthquake), and rely on the strength of bottom-up policies while neutralising its main shortcomings.

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[45] M. de Vries (1999) demonstrates that there are reform generations or cycles, which alternate the main focus of re-engineering, but which return to old themes after the full cycle is completed.

This new interpretation of the policy process and mechanisms of change management are unfortunately only gradually changing the understanding of the concept as well as mechanisms of public administration reform (see: Pollitt, Bouckaert 2009 ch.8). This also enables the interpretation of local government merger policy from a more balanced or dialectical angle.

Merger of municipalities as a tool for managing wicked issues?

How can we best handle wicked issues, which are difficult to include on the political agenda, and successfully carry out a comprehensive reorganisation of the local government system? Is it possible to decrease the wickedness of the local government capacity issue and other root causes of reform in order to launch it as a decisive comprehensive reorganisation of local government units and intergovernmental relations?

The wickedness of the local government capacity issue has two main causes. First, the most difficult is to launch and achieve legitimacy of institutional or constituency policies (Lowi, Ginsberg 1990). Those policies directly concern the status quo of public service and disturb everyday governance in general. In the case of regular administrative reforms, compliance could be ensured by imposing decisions on the administrative hierarchy and by paying lip service to subordinates. However, local government mergers should also receive formal legitimacy by each council, who should approve the territorial configuration of the new unit. Attempts to force councils to merge, or even temporary replacement of council by the commissioner (as in Australia) has resulted in a boomerang effect after councils re-establish their sovereignty (Dollery et al. 2008). Forcefully merged communities cannot achieve the necessary integrity, and internal tensions between local units would prevent sustainable development in the longer term. As emphasised previously, the final outcome of the reform is the emergence of common meaning and value space of the new unit, and the harmonisation of cultures and practices of management of local government organisations. So the merger reform should have to pass a huge number of veto points unless it could be launched as comprehensive and breaking reform.

Second, the extent of urgency (performance failures) and dimensions of capacity that should need improvement may be tremendously different in case of different local government units. They may in practice also be mutually controversial: issues of access presume even contradictory measures and tools compared with issues of quality of services. That is, it is rather difficult to find a clear causal argument for reform throughout the country. In research literature on mergers in the US and the UK between 1959-2001, only in 39% of cases was the positive causal link between the size of local government and their performance effectiveness found; in 8% of cases the economy of scale found proof, in 24% of cases the presence of a U-curve was found, and in 24% of cases the negative scale economy was found (Byrnes, Dollery 2002).

Aalbu et al. (2008) revealed that in those countries where reform debates focus on various single capacity or democracy issues and which try to find a causal explanation for the needs (or absence thereof) of the change, the result was endless debates without any perspective to find a coherent solution (a reform programme) that is supported by the majority. This is a classical mechanism when the problem situation is transforming into a poorly structured meta-problem (or mess of issues) (Dunn 1981: 148-150) which cannot be consistently structured in the framework of a coherent comprehensive reform programme, but instead would presume tailor-made case- by-case solutions. In that case the task is to create the political-institutional

environment with a need for permanent (mutual) learning and innovation on the agenda for all local government units. This is a tremendously complicated task indeed, and presumes a high level of integration and cooperation between municipalities and their peak organisations. (Airaksinen, Haveri 2010)

However, there is the other route of policy design that targets the reduction of wickedness of the issue space. Aalbu et al.'s (2008) empirical study of reform rhetoric indicated that in those cases where policy debates at the first stage of reform can focus on future challenges and opportunities, i.e. where political elites are trying to define goals and purposes of the development of the local government system as a whole, comprehensive merger reforms are feasible because those debates could be much better structured politically. Example include the relatively successful reforms in Denmark in the mid-2000s and in East German states at the beginning of the 2000s (Baldersheim, Rose 2010). We have to realise that mergers of local government units is a solution to certain kinds of issues to which problems are attached post hoc. As early as in 1972, Cochen, Marsh and Olsen (1972) indicated in their seminal article 'A garbage can model of organisational choice' that often decisions are made not by following traditional causal sequences (problems should be attached to a certain solution), but vice versa: solutions comes first as soon as they become feasible and problems are attached to those solutions. A merger as a reform ideology is a similar shortcut in identifying policy goals and objectives which directs political discussions largely away from debates over multiple root causes. In this way, the wickedness of issue space could be reduced that would emerge in the case of a completely bottom-up scenario. This is exactly the design perspective presumes to avoid as the strategy of policy-making.

How to synthesise top-down and bottom-up approaches in merger reforms

In the research literature, rather different styles of merger policy have been analysed. There are cases of completely top-down reforms, as in Australia (Dollery et al. 2008), as well as completely bottom-up or hands-off voluntary mergers, like in Estonia up to 2012. However, the majority of comprehensive top-down reforms are actually mixed with elements of bottom-up policies. The recent Estonian experience as well as the Finnish and Dutch experiences indicate that predominantly bottom-up merger policies would also trigger meaningful changes in the local governance system as well as intergovernmental relations when they are skilfully combined with elements of a top-down approach. Moreover, bottom-up mergers would have strengths which are at the same time considered weaknesses in comprehensive compulsory reforms.

The first question of the merger policy design is: why in certain cases are political coalitions able to retain the necessary integrity and to implement comprehensive reorganisation of municipalities for a longer period; whereas in other cases (Finland) coalitions cannot ensure the necessary integrity and fail to implement planned policies after careful and sophisticated preparations? The second question is: whether the comprehensive reorganisation of formal institutional-territorial patterns of municipalities would ensure automatically sustainable quali- tative changes (or frame breaking) from a long-term perspective or in what cases they may fail to meet expected outcomes; and what are perspectives of anticipative incremental responses to capacity issues of individual municipalities; what might the impacts of voluntary mergers be on their individual as well as overall performance of local governance?

Balancing top-down policy with bottom-up devices

Denmark and Latvia followed rather different paths in ensuring such political integrity. Those two scenarios promote a rather different scope of formal institutional change, and would also ensure different depths of qualitative changes in local government performance in the long term.

In Denmark (Status 2009), the political debates over merger policy were focused on the design of new institutional patterns of local governance - initially the new distribution of central-local powers and the introduction of new principles of local government. Through such a normative or future-oriented approach (design approach), the Danish political elite was able to substantially reduce the wickedness of the merger issue at the policy formulation stage and to focus debates on the goals and purposes of the policy core. This enabled them to hold political debates as well as a sophisticated power games in the framework of highly structured politics in a horizontal dimension (reaching strong consensus among the peak institutions – parties, local the government association) as well as in vertical dimensions (policy responsiveness of the party elite at the local level). That is, at the policy formulation and legitimation stage, political peak organisations effectively dominated and restrained the access of poorly articulated and controversial individual demands from below, which could waylay policy debates from core institutional issues to secondary or implementation details of individual constituents. At this normative level of future patterns, selfish political and individual interests cannot be allowed to play an obstructive role. At the policy implementation stage, the bottom-up approach and the broad involvement of constituents prevailed. Local politicians have complete discretion to select the partner-municipalities and to work out management patterns of the new municipality. Moreover, they have the option not to merge but to be involved into cooperative patterns. Very few municipalities opt for this perspective because of highly cumbersome mechanisms, which obviously disadvantage small individual municipalities. By taking this bottom-up approach, the party preferences and former practices of cooperation played an important role, which considerably eased the accomplishment of post-merger rearrangements. These background variables increased the trust between partners, which is important for successful negotiations (ARTTU 2012). In designing post-merger reorganisation in Denmark, the managerial and analytical angle was pronounced, based on rather sophisticated analysis as well as managerial skills. The legitimacy of merger policy was also supported by the successful merger of five municipalities on the island of Bornholm in 2003 and by the analysis of its lessons (Christoffersen et al. 2005). A critique of the Danish reforms suggested that the political majority was achieved through sophisticated power games as well as the weak involvement of citizens in the process (Blom-Hansen 2011). However, in Denmark the involvement of citizens into local governance at the grass roots level – into the management of service provision organisations through user boards – is rather developed. So at the implementation stage (redesign of service provision organisations), their participation was ensured because of favourable institutional contests (which we cannot observe in Estonia and Latvia). At the same time, the leadership of Danish municipalities was perfectly aware that the changes in formal structures and borders is only the first and maybe the easiest stage of the reform, and the harmonisation of performance practices and organisational cultures is the most important task in achieving the goals of the reform in the long term. [46]

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[46] These conclusions and observations were developed jointly by the authors during a study visit to Danish municipalities between 14 and 17 November 2011.

In Latvia [47] the stability of the merger policy on the government's political agenda was caused by other variables. The reform was launched in 1998 and implemented in 2009 after several waves of triggering and stalling. The first wave of the Latvian reform was the abolition of extremely small municipalities, which took place in the Nordic countries in the 1960s. Actually this was the final stage of post-communist reorganisation that has lagged behind, thus having similar roots with the reforms in the East German states. In other words, a different kind of normative pressure took place here. Second, large cities and towns were not involved in the reform, and the municipalities surrounding them were not attached to cities. Instead, these surrounding municipalities established their new offices in the city. Hence, a large segment of the local elite had no strong motivation to resist, and the political elite in the cities had a clear interest in the merger policy. Second, and in contrast to Denmark, where local government associations played a key role, in Latvia the local government association did not command enough powers to exert sufficient political pressure on the policy design. Third, directly elected county councils had been replaced in Latvia by a consultative board of municipal council chairs in 1996, but the majority of county administration tasks were transferred to the local offices of central government. The county officials – first of all in education and planning – saw the reform as a chance to get into service in new, large municipalities which had an urgent need for highly qualified staff. Fourth, and most importantly, the specifics of Latvian merger policy were that it was triggered by rather splintered coalitions. In contrast to Denmark, the key role in the policy design was played by the Ministry of Regional Development and Local Government. This is due to a large extent to the reform in Latvia being seen as a highly technical exercise in revising municipal borders.[48] Whereas in Denmark the main focus of the reform policy was conceptual issues of the local government institution being worked out by politicians (experts were let out of commissions), in Latvia the government focused from the outset on the drafting of new map of administrative-territorial division of the country. The first of these was composed in 2001 by spatial planning experts who held dominant positions in local government in Latvia. Consequently, three other versions were drafted; the last one being commissioned by parliament. So, the formation of the policy core document was not subject to high-level party competition and conceptual-normative debates. However, it became a highly political (and wicked) issue after the draft map was issued: individual municipalities actively lobbied central government and parliament to achieve a favourable territorial configuration. According to the Latvian law 'On Administrative Territories and Populated Areas' section 7/2, municipalities should have 4,000 inhabitants, the town centre should have no fewer than 2,000 people, and the distance from villages to municipal centre should not exceed 50 km. In Latvia, voluntary mergers preceded compulsory mergers (in the mid-2000s) which were not obliged follow the restrictions presumed by the reform law. After intensive lobbying, as many as 47% of the new municipalities in Latvia did not meet the formal requirements of the law concerning the size of the municipality. One of the main purposes of the reform – to create municipalities of a more uniform size – was not achieved.

True, there were several tools applied which increased the coordination and smoothness of accomplishment of the reform for municipalities. Here the top-down approach perfectly served

[47] This summary is largely based on the comprehensive field study and survey in Latvia and its report to the Estonian Ministry of the Interior (Sootla et al. 2011)
[48] At the first stage the perfect strategic-analytical document was prepared by NALAD experts: Pyndt H., Lundtrop S. (2000) Implementation of Local Government Administrative-Territorial Reform in Latvia – Incentives and Criteria for Forming New Local Authorities

the immediate goals of the reform. The government issued two guidelines. The first was guidelines for the implementation of reform actions (merger project, a kind of merger agreement) (Apvienośanas 2008). The second was a set of instructions for the development of the new municipal statute (Novadu 2009). They were indeed comprehensive and detailed consulting materials for the coordination of the policy implementation for municipal elites, who had little experience of reorganisation and its management (which we can also find evidence for in Estonia). However, the mission of these guidelines was merely to support local actors in accomplishing changes in formal institutions, and provide assistance in designing effective management mechanisms and the new municipal space (provided mainly as organograms). When in Denmark local political elites largely had carte blanche in designing their own tailored pattern of local governance, in Latvia the individual design was overtly formalised (largely a fill-the-gaps exercise) that increased the top-down orientation and reduced bottom-up contributions and responsibilities. True, this was presumably the only way to ensure the accomplishment of the formal stage of the reform in smaller municipalities, whereas in larger municipalities much of the creative approach to policy design was revealed (i.e. in the municipalities of Ogre and Talsi, where in-depth case studies were conducted). While in Denmark the top-down style was effectively balanced by the active involvement of the local elite and also civil society at the implementation stage, in Latvia the role of civil society organisations at the local level was negligible. Hence, in Denmark the careful combination of top-down and bottom-up measures obviously increased the tailor made style and sustainability of reform implementation from a long-term perspective. In Latvia, different circumstances and variables increased the domination of top-down style at all stages of policy-making, whereas the style of the core policy document in particular substantially increased the wickedness of the reform process and did not effectively mobilise local actors to get involved in creative policy design. Besides, the reform in Latvia did not trigger substantial changes in the institutional dimension, i.e. in intergovernmental relations, which have been seen as the main advantage of top-down comprehensive reforms. While in Denmark the merger reform served as a kind of trigger for the qualitative changes and presumes a long period of creative reorganisation, in Latvia the reform largely finalised the more or less spontaneous changes in local government development after the collapse of the communist system. Hence, Latvia is initiating – still unsuccessfully -- a new round of institutional policies to meet the high demands of local governance in the EU.

Strengths and opportunities of bottom-up merger policy

Estonia and Finland provide an example of when the failure to develop top-down reforms could benefit from some obvious strengths of bottom-up merger (capacity-building) policy and sustainable local development in the long term. Bottom-up mergers do not result in such palpable changes in a general formal institutional setting. As a result of voluntarily mergers, new municipalities in Estonia faced certain disadvantages in the early stages of development, such as the reduction of central government grants or the loss of subsidies to local transportation. Voluntary merger negotiations frequently start as a zero sum game in the context of low trust. As a result, the main focus of the merger agreement is to achieve a guarantee against substantial changes in the previous performance/finances and for sustaining service organisations despite their obvious inefficiencies (Kondas 2012). It is true that in the Netherlands, where both types of mergers, initiated by the county government and by municipalities themselves, are practised, there is no indication that the former are more profound and consistent than the latter. Probably the most negative outcome of voluntary mergers is the emergence of low capacity areas between strong municipalities, which hinders further mergers and even cooperation in the region. Finally, voluntary mergers have not resulted in profound changes in central-local relations. However, a

long-term analysis of the process reveals a slightly different picture.

Nevertheless, we should not underestimate the advantages of different scenarios of policy development, when gradual long terms changes may precede a qualitative shift in systems of local governance. The thesis that bottom-up merger policy might ultimately be even more sustainable has also been demonstrated by Finnish researchers (Airaksinen, Haveri 2012). However, our thesis is that this sustainability could be ensured, especially when those bottom-up incentives are complemented with elements of top-down policies, initially by increasing the role of central government as a mediator and facilitator of voluntary mergers. In this chapter I can substantially draw on lessons from the ARTTU research report, which coincides with our main findings to a large extent (Meklin, Pekola-Sjöblom (2013).

Our analysis of Latvian mergers (Sootla et al. 2011) forced us to revise several of our earlier conclusions that we made in the analysis of individual Estonian mergers (Sootla et al. 2008). The main conclusion was that voluntary bottom-up mergers may have weaknesses, but top-down merger policies can also have them, which substantially hinders the qualitative changes and outcomes after formal institutional reshuffling.

Away from universal to tailor-made solutions

The first thesis is that nowadays, policy can no longer rely on universal tools and universal solutions, either in different national-cultural contexts (Pollitt, Bouckaert 2009) or for individual municipalities which, from some perspectives, resemble each other (Meklin, Pekola-Sjöblom (2013). We discovered in the Latvian case that the top-down approach in the context of weakly structured politics and insufficient capacity at the grassroots level may erode the sustainability of qualitative institutional changes, i.e. the transformation of culture and behaviour of core actors because of their rather passive stance in the reform. We discovered extensive differences in the involvement of and consulting with citizens in Estonian and Latvian mergers. There is a clear link between the extent of involvement and satisfaction of citizens regarding merger policies. Bottom-up mobilisation and formation of policy ownership is becoming a precondition for successful change management and sustainable outcomes. This would be the first clear advantage of bottom-up merger policies from a long-term perspective.

Shift from instrumental to institutional policy goals

There is an obvious shift in the policy rhetoric of mergers which we observed in recent years in Estonia and Finland. In the past, the thesis about small communities' incapacity and belief in the economies of scale and scope, quantitative savings, avoiding duplication and excessive bureaucracy, have been provided as the main rationale for mergers. More recently, other issues, primarily those related to institutional development and management capacity, have moved to the forefront of policy rhetoric. It means that not merely quantitative extension but the introduction of qualitatively new innovative patterns of local governance is becoming the main focus of the reforms. Thus, the focus of core policy tasks is shifting from the drafting of new territorial configurations to developing new institutional patterns and capacities. One of the main lessons of the ARTTU study in Finland was: 'While the debate concerning local government reform tends to revolve around the past and the present, local government structures are built for the coming decades.' Decision-makers need to break with the present and forecast and plan for the future." Meklin Pekola-Sjöblom 2013: 63. This would result in a more normative and ideological stance of policy debates at the level of articulated interests which, as we have evidenced in Denmark, enable us to rely on structured politics and reduce

the wickedness of the merger issue for different constituents. Thus, the main weakness of a bottom-up approach is that diminishing and more sustainable perspectives would become the subject of policy reflection among constituents.

Changing concept of the reform policy

We argue that the very concept of reform as a change management process is about qualitative transformation, drawing on the experience and needs of merger policies. This shift also indicates a more flexible combination of top-down and bottom-up approaches. First, the reform is increasingly planned and launched more as certain trigger or release of the status quo than the direct interventionist reorganisation of formal institutions. This will put increasing emphasis on the mobilisation of local actors as well as on 'the importance of change management spanning several years[, which] is highlighted in the realisation of development potential.' Ibid: 64. In an age of interdependence and uncertainty, the nonlinear understanding of evolution and punctuations is becoming a required approach in change management. Second, we have to revise the very concept of comprehensively planned reforms. In a democratic society, especially where interactive policy is valued, such complex issues as the capacity of municipalities cannot be decided and solved in the framework of holistic strategies of intentional social engineering (design). Finland is a good example of a country where top-down mergers, being permanently on the policy agenda, have never succeeded (Sandberg 2010). However, we can evidence a simultaneous application of various policies in the past decade – PARAS, ALKU, SEUTU and many others (Moisio 2015) -- which have to different extents succeeded. Although the PARAS policy did not result in comprehensive mergers, this should not be considered at all as a policy failure (Sandberg 2015). We can return to the thesis of J. Olsen (1997), which argues that direct interventions cannot be a good device for successful institution-building, whereas adaptation through successful policy learning would be a more appropriate style of modern policy-making. All those policy programmes in Finland presumed a period of self-analysis within an extensive period. Programmes like ARTTU provide not only excellent reflections for the participants of reform, but also lessons for senior policy designers. In Estonia, the merger policy was launched in 2015 as multi-stage programme because of difficulties to reach a consensus on all issues, but mainly because of the lack of experience of designing more complicated institutional policies compared with simple instrumental mergers, which were the subject of attention for almost two decades.

Third, as in the case of lessons emphasised in the ARTTU report, the mergers policy programme provides different solutions for different municipalities, regulating institutional goals only in very general terms. At the current stage, the goal of the reform is to introduce – as a result of mergers – municipalities which have simultaneously sound capacities for strategic management (which presumes centralisation in a certain dimension) and a decentralised structure (to ensure participation and to avoid extending the peripheries). For the latter goal, municipalities can themselves select rather different decentralisation instruments that are dependent on their political affinities and objective parameters (size, density of population, communication, etc.), which are not prescribed but provide recommendations (like other aspects of organisation-building). This is a considerably different approach to the one used in Latvia to achieve rapid coordination of developing formal statuses of municipalities. It is expected that the process of finding appropriate patterns of decentralised management structures could last one or even two electoral periods (eight years). Fourth, these supplementary devices of bottom-up policy design and implementation in Estonia run simultaneously with the substantial increase in the government's role in bottom-up negotiations.

Central government has taken – through its consultants and evaluation commissions -- a rather significant role in mediating and facilitating voluntary merger negotiations in order to increase mutual trust, professional expertise in arguing, and in the management of the negotiation process. This might be particularly important in new member states like Estonia and Latvia, where there is not only a widespread lack of trust and consensus among the local elite, but also insufficient management and analytical capacity when compared with their Nordic counterparts. (Study visit 2012) Finally, in the absence of well-structured politics at local level but in the absence of general articulated or organised resistance to the merger policy, some actors are becoming individual veto players at negotiations. Not only can they restrict the possibility of reaching a consensus in their own area (negotiations) using different tools of obstruction - they might also eliminate reasonable configurations of mergers between neighbour areas. We expect local interests to be soundly articulated and followed in the framework of merger policy. However, there should be certain limits established in case of the populist manipulation of methods of framing techniques, based on negative emotions and fears (Zahariadis 2003). As a result, the balanced top-down and bottom-up policies should not exclude the interventionist style in individual cases in order to ensure that the public interests of other constituents are not violated. This has also been a common practice in Canada (Vojonvic 2002), where voluntary mergers are practised.

Conclusion

We have revealed that a more sophisticated conceptual approach enables the discovery of 'low visibility adaptations' (Barzelay, Gallego 2006), which may considerably influence the outcomes of policy. As a result, the approach that firstly relies on synthesising different strategies of policy-making and secondly draws on a more recent understanding of mechanisms of changes would be more effective in implementing the dynamics of government reforms. Instead of focusing on immediate outputs of reshuffling formal institutions and taking the reform rhetoric as a basis for assessing policy outcomes, it is reasonable to focus on the analysis of a change process and its management that enables the dynamics of changes in complex systems. We also discovered that better design of policy-making arenas at different stages of the policy process would reduce the wickedness of policy issues and hence increase the consistency and sustainability of changes.

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Aare Kasemets

Estonian post-Soviet governance reforms and control of corruption measures 1992-2016

Introduction

This article is an elaboration of recent study articles, PADOS project presentations and control of corruption monitoring reports.[49] Estonia has been a post-communist positive outlier, which made according to international comparisons perhaps the most spectacular progress in the world, from a totalitarian regime to an open access democracy in less than twenty years. Estonian data shows improvement in all four dimensions of control of corruption (box 1) since the restoration of its independence in 1991. The first free elections ousted the Soviet-time nomenclature from power and during the first government of Mart Laar (1992-95), the main control of corruption measures were applied. Estonia pioneered important liberal economic reforms, adopting a flat tax rate and a very advanced eGovernment, inspired by Finland. It also had the most radical policy towards Soviet-time judiciary, replacing most of it. Normative constraints are also high, with public opinion intolerant of particularism, an active civil society and a free press. This article tries to explain why Estonian elites succeeded in promoting good governance and anti-corruption more than most other CEE countries in 1991-2011, and also why, since 2012, we have been able to observe some political stagnation.

The general context is related to the institutionalisation of 'Western' good governance concepts into a relatively small and mobile Estonian governance system where the hidden existential question has been how to fulfil the statehood functions with limited human and financial resources. The key sociological question behind it seems simple: what explains the relatively advanced social control of corruption in Estonia and what kind of forces have been the main drivers of institutional changes?

The author has been an insider of Estonian reforms and thinking on other former Soviet Union countries. It is necessary to note that we cannot borrow every good governance and control of corruption model from other countries like Finland or Denmark, but we can use some ideas and examples from other societies to build up our own national integrity and control of corruption institutions, e.g. value-based thinking and decision-making routines. A one-size-fits-all approach does not exist.[50]

The first part of the article provides a brief overview of the terms and relatively new theoretical framework: a four-dimensional control of corruption equilibrium model.[51] The second part is divided into several sub-points starting from Estonian success story rankings in

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[49]   A.Kasemets (2012) The Long Transition to Good Governance: the Case of Estonia. Looking at changes in the governance regime and anti-corruption policy - ERCAS Working paper 32, available at: http://www.againstcorruption.eu/publications/page/3/; A.Kasemets (2015) Estonian governance reforms and control of corruption measures with some comparisons of EU, CEE and post-USSR countries (74 slides). Presentation at the Finnish-Estonian PADOS project seminar in Moldova, 12-13.11.2015. The author has also been a research correspondent for two EU-level anti-corruption projects, e.g. EUROVISION (2012-2016) and ANTICORRP (2012-2017).
[50]   See also M. Andrews (2010). Good Governance Means Different Things in Different Countries - Governance 23, no 1, p. 7

different global indices and explaining the local context and the role of the political elite, and then shifts the focus to current the situation - the 'battle with stagnation'. Finally, the third part includes some conclusions and new challenges.

Corruption: terms and concepts

Variations of corruption

According to the prevalent definition used by Transparency International, *corruption is the abuse of entrusted power for private gain*.[52] As is widely recognised, corruption is probably as old as government itself, affecting almost all parts of society. Like a cancer, as argued by Amundsen (1999),[53] corruption 'eats into the cultural, political and economic fabric of society, and destroys the functioning of vital organs.' The World Bank (WB) President James Wolfensohn called for a global fight against the 'cancer' of corruption in 1996. The WB 'has identified corruption as one of the greatest obstacles to economic and social development. It undermines development by distorting the rule of law and weakening the institutional foundation on which economic growth depends.'[54]

Alina Mungiu-Pippidi's (2012)[55] complementary approach differs: 'Corruption is a deviation from an otherwise established norm of ethical universalism, where every citizen is treated equally by the state and all public resources are distributed impartially. In fact, outside the developed world, the norm is not ethical universalism, since the process of modernisation leading to an impersonal state autonomous from private interest was never completed in most countries... Particularism exists by default, since most human societies have limited resources to share, and people tend to share them in a particular way, most notably with their closest kin and not with everyone else. Modern states are based on universal citizenship, which entails fair treatment of every citizen by the government. But there are very few states that have thus far succeeded in moving from the natural state to this ideal of modernity. The question should change from *what causes corruption to what makes particularism evolve into universalism?...* As governance is defined as the set of formal and informal institutions shaping "who gets what" in a given polity, the concept of governance regimes is an indispensable step towards creating a more strategic approach to anti-corruption.' (xiii)[56]

Forms of political and administrative corruption vary including *bribery, extortion, cronyism, nepotism, patronage, graft, electoral fraud, influence trading (peddling), embezzlement, kickbacks and unholy alliances.* In

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[51]   A. Mungiu-Pippidi et al (2012). Contextual Choices in Fighting Corruption: Lessons Learned - NORAD, ERCAS Working Paper 30, available at http://www.againstcorruption.eu/publications/contextual-choices-in-fighting-corruption-lessons-learned/ [5.4.2016]

[52]   Transparency International (TI): http://cpi.transparency.org/cpi2011/in_detail/ [5.4.2016]

[53]   I. Amundsen (1999). Political Corruption: An Introduction to the Issues - in Chr. Michelsen Institute Development Studies and Human Rights. Working Paper 7, p.1.

[54]   J.D. olfensohn (1996). Annual Meetings Address by the President of the World Bank (WB): http://go.worldbank.org/P9WK6N2AZ0 ; see also What is the World Bank doing to fight corruption?: http://www.worldbank.org/html/extdr/thematic.htm – ref Kasemets, 2012.

[55]   A.Mungiu-Pippidi et al (2012). Contextual Choices in Fighting Corruption: Lessons Learned - NORAD, ERCAS Working Paper 30, available at: http://www.againstcorruption.eu/publications/contextual-choices-in-fighting-corruption-lessons-learned/ - ref Kasemets 2012

[56]   Ibid; A.Mungiu-Pippidi (2015) The Quest for Good Governance: How Societies Develop Control of Corruption - Cambridge University Press

general, *political corruption* means the use of power by politicians for illegitimate private gain, and political patronage the use of state resources to reward individuals for their electoral support. Influence trading refers to the situation where a person sells his/her influence over the decision process to a third party. Of course, it may be difficult to make a distinction in cases of loosely regulated *lobbying* where for instance lawmakers can freely 'sell' their vote. In addition, the term *state capture* refers to patronage, bribery, influence trading or lobbying to influence the *formulation* of laws and regulations by privileged elites, while the term *administrative corruption* refers to bribery by individuals, groups or firms in the private sector to influence the *implementation* of laws weakening the rule of law.[57]

The *control of corruption index* is an aggregation of various indicators that measure the extent to which public power is exercised for private gain, including both grand/political and petty (administrative) forms of corruption as well as 'capture' of the state by elites and private interests.[58]

Theoretical framework: control of corruption equilibrium model

Starting from Max Weber's study on bureaucracy and his approach to historical sociology, Professor Alina Mungiu-Pippidi argues: 'Social corruption needs to be conceptualised as a governance regime. If we consider governance as *the set of formal and informal rules determining who gets what in a given polity, a governance regime is any* stable configuration of governance rules, norms and practices. *Control of corruption is the outcome of a governance regime based on ethical universalism,* with the state ruling impartially and impersonally in favour of public interest...' also, Mungiu-Pippidi suggests that 'control of corruption is a good proxy for the formal-informal gap' (see Box 1).[59]

Most literature on causes of corruption group determinants as economic, political and cultural or as two broad categories of factors: (i). structural factors (population, legacies, religion, past regime), and (ii). current government policies pertaining to control of corruption (economic specific anti-corruption policies). A review of determinants tested so far suggests that the equilibrium concept can actually make a more theoretically meaningful model using many of the factors already tested, e.g.:

Resources:

- **Discretionary power resources** (due not only to monopoly, but also privileged access under power arrangements other than monopoly or oligopoly; for example Weber's status groups, Mancur Olson's negative social capital networks, North, Wallis and Weingast's social orders, cartels, etc.).

- **Material resources** (state assets and discretionary budget spending, foreign aid, natural resources, public sector employment, any other resources which can be turned into spoils or generate rents).

Constraints:

- **Legal:** This presupposes a democratic parliament/cabinet, a knowledge-based draft legislation and an autonomous, accountable and effective judiciary and law enforcement able to enforce legislation.

- **Normative:** This implies that existing societal norms endorse ethical universalism and permanently and effectively monitor the deviation from this norm (through public opinion, media, civil society, critical citizens). For an effective sanction we need citizens capable of collective action.

The model can be summarised in the formula: Corruption/control of corruption = Resources (Power discretion + Material resources) – Constraints (Legal + Normative).

Box 1: Control of corruption in the equilibrium model by A. Mungiu-Pippidi (2012)
Source: A. Mungiu-Pippidi et al. (2012) – adopted by A. Kasemets 2012 and 2016.

In brief, the level of social control of corruption depends on multiple interrelated regulatory governance measures and invisible institutional/cultural 'drivers of change' (example: Table 1).

MAIN RESOURCES OF CORRUPTION	MAIN CONSTRAINTS OF CORRUPTION
A. POLITICAL POWER DISCRETION: A1. Year of Independence (1992). System of government (**parl. democracy**). Restart of free elections (1991). Authoritarian rule (SU 1945-91). **A2. Background of political elites.** Ruling party and Coalition. **Opposition.** Alternation in power. **Party competition. Separation of powers. Government tenure**. Power concentration. **Transparency and accountability mechanisms**, etc.	**C. REGULATORY [e.g. LEGAL] CONSTRAINTS: Anti-corruption regulations,** e.g. **UNCAC, GRECO, OECD, etc. conventions, national anti-corruption strategies, laws, statutes, etc. Open Information Act. Political finance regulation. Public Service Act. Legal basis for regulatory impact analysis. Oversight institutions. Ombudsman. Prosecution for corruption. Judicial independence. Open Data, eGovernment, etc. conventions and standards;** etc.
B. MATERIAL RESOURCES: Natural resources (forests, oil shale, etc.). Government consumption spending. ***State-owned companies, property*** (e.g. lack of transparent eGov). **Public contracting** (e.g. eProcurement). **Public employment.** Privileges to private companies and loyal NGOs. **Public services** (e.g. **eServices transparency). Transparent and effective dispersal of foreign aid, EU funds,** etc.	**D. NORMATIVE CONSTRAINTS: Civil society (anti-corruption NGO network)**. Autonomy and **financing of NGOs. Communication infrastructure. Press freedom. Independent anti-corruption research. Codes of conduct** for **MPs, civil service,** businesses**, NGOs. Anti-corruption education. Political pluralism** and participation (e.g. minorities). **Public opinion against corruption. Trust in political institutions,** etc.

Table 1. Example of control of corruption resources and constraints: Estonia
Source: idea by B. Vaz Mondo (2011)[60], adapted by A.Kasemets 2012, 2016 (Estonian strengths are in **bold**).

Estonia as a contemporary achiever

Estonian worldwide rankings: change and stabilisation

Countries placed in the upper third of the global good governance, control of corruption, free media, civil society, etc. rankings have reached this position over a longer period of time, with very few exceptions like Estonia.[61] Estonia restored its independence in 1991 and reached certain societal and governance benchmarks after five years of institution-building, when it received an initial invitation for accession negotiations with the EU.[62] According to the

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[57] J.H. Anderson & C.W. Gray (2006). Anti-Corruption in Transition 3. Who is Successful and Why? World Bank, pp 7-8 – ref Kasemets, 2012

[58] Ibid; D. Kaufmann, A. Kraay and M. Mastruzzi (2010). The Worldwide Governance Indicators: Methodology and Analytical Issues – World Bank Policy Research Working Paper No. 5430 - ref Kasemets,2012. In the 1990s, corruption was understood mainly as bribery in Estonia.

[59] Ibid - A. Mungiu-Pippidi et al (2012).

[60] B. Vaz Mondo (2011). Control of Corruption: the Road to Effective Improvement. Lessons from six progress cases – Hertie School of Governance, ERCAS Working Paper No 27: http://www.againstcorruption.eu/?post_type=reports [5.4.2016]

[61] Ibid – Mungiu-Pippidi et al, 2012; Kasemets 2012.

[62] Ibid, Kasemets, 2012; V. Kalnins (2015). Process-tracing case study report on Estonia. ANTI-CORRP. Available at: http://www.againstcorruption.eu/wp-content/uploads/2015/05/D3-Estonia_Kalni%C5%86%C5%A1.pdf [5.4.2016]

Worldwide Governance Indicator's Control of Corruption score and European Commission reports, Estonia has been a 'green country' since 2000 and since joining the EU in 2004 Estonia belongs to the third generation of 'achievers'.[63]

Estonia also scores highly on a number of other indicators that represent constraints to corruption. According to the Freedom House annual report Nations in Transit 2015 (NIT), Estonia ranks as the second most democratic of the 29 post-communist countries after Slovenia. Also, the NIT 2015 ratings history in the corruption category shows that both Estonia and Slovenia have been the best performers[64] and in the judicial framework category Estonia ranks higher than any other former Soviet bloc country.[65]

In the media and civil society field, Estonia ranks tenth in the World Press Freedom Index,[66] shares places 11 and 14 in the Freedom of the Press 2015 rankings,[67] keeps second place in the Internet Freedom Index 2015,[68] and ranked first in the 2014 USAID Civil Society Organization Sustainability Index.[69] In economic categories, the World's Bank recent business index has ranked Estonia 16th in the world 'Doing Business' index.[70] According to the recent Flash Eurobarometer 428, corruption was a problem for 16% of Estonian entrepreneurs (EU28 average: 40%),[71] and a Stockholm School of Economics study on the informal economy shows that in Baltic states Estonia stands out with the lowest bribery spending. If Latvian businesses spend an average of 10.2% and Lithuanian businesses 9.8% of their turnover on bribery, in Estonia this figure is 3.4%.[72] In the TI Corruption Perceptions Index 2015, Estonia ranks 23rd and Finland 2nd among 168 countries.[73]

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[63] Ibid, A. Mungiu-Pippidi (2012); European Commission (2000). 2000 Regular Report from the Commission on Estonia's Progress towards Accession. Available at http://ec.europa.eu/enlargement/archives/pdf/key_documents/2000/es_en.pdf [31/3/2016].

[64] Freedom House (2015) Nations in Transit 2015. Published 21.8.2015. Available at https://freedomhouse.org/report/nations-transit/nations-transit-2015#.Vget-Pl_trI [2/4/2016]

[65] Hinsberg, H., Matt, J. and Vinni, R. (2015). 'Estonia', Nations in Transit 2014. Freedom House; see also World Justice Project (2014). Rule of Law Index 2014. Available at http://worldjusticeproject.org/sites/default/files/files/wjp_rule_of_law_index_2014_report.pdf [30/3/2016]

[66] Reporters Without Borders (2015) World Press Freedom Index 2015. Available at https://index.rsf.org/#!/ [19.3.2016]

[67] Freedom House (2015) Press Freedom Index 2015: Harsh Laws and Violence Drive Global Decline. Published: April 2015. Available at https://freedomhouse.org/sites/default/files/FreedomofthePress_2015_FINAL.pdf [27/04/2016].

[68] ERR (2015) Estonia retains 2nd place in internet freedom index. ERR News. Published 28.10.2015. Available from http://news.err.ee/v/1b045da9-a1f8-4fc8-ac27-c925b3a6d472 [26/03/2016]

[69] USAID (2014). 2013 CSO Sustainability Index for Central and Eastern Europe and Eurasia. Available at http://www.usaid.gov/sites/default/files/documents/1863/E%26E%202013%20CSOSI%20Final%2010-29-14.pdf [30/3/2016]

[70] World Bank (2015) 'Doing Business'. Measuring Regulatory Quality and Efficiency. Published 27.10.2015. Available from: http://www.doingbusiness.org/reports/global-reports/doing-business-2016 [29.03.2016];

[71] EUROPEAN COMMISSION (2015) Flash Eurobarometer 428: Businesses' attitudes towards corruption in the EU. Fieldwork September – October 2015. Publication: December 2015

[72] K. Hansalu (2015) Among the Baltic countries Estonia stands out with a low cost of bribery. Postimees. Published: 16.6.2015. Available: http://majandus24.postimees.ee/3227115/eesti-paistab-balti-riikide-seas-silma-vahese-kuluga-altkaemaksule [30/3/2016]

[73] TRANSPARENCY INTERNATIONAL (2015) Corruption Perceptions Index 2015 [WWW] Available from: http://www.transparency.org/cpi2015 [27/4/2016]

In brief, the Estonian transition seems to be a positive case of progress towards the control of corruption in Central and Eastern Europe and also in the global context, but there are a lot of why-questions under discussion.

Background to Estonian control of corruption scores: selected explanations

The initial results of a research project 'Anticorruption Policies Revisited: Global Trends and European Responses to the Challenge of Corruption" (ANTICORRP) **are the most promising for explaning the 'drivers' of Estonian change from a totalitarian corrupt regime to a less corrupt open access regime.**[74]

Political leadership and political power

Personalities matter, and strong leadership is essential in anti-corruption policy design and implementation. Their active participation as drivers of change is most evident in the adoption of anti-corruption policies, that is, in the legal constraints component of the model. Some Estonian politicians are clearly associated with a leadership role in promoting an anti-corruption agenda. This is the case of Prime Minister Mart Laar (1992-95; 1999-2002), Minister of Justice Kaido Kama (1992-94), Prime Minister Juhan Parts (2003-05), Minister of Interior Ken-Marti Vaher (2011-14) and since 2015 the MP Artur Talvik, Chairperson of the Riigikogu Anti-Corruption Committee, to name a few key people.

Looking at the electoral campaigns of political parties 1992 to 2015, anti-corruption as a campaign platform came out the most in 1992 (Laar *et al 'Clean the political power!'*) and 2003 (Parts & *Incorruptibles*) and due to Russia's related security spin to a lesser extent in 2015 (Talvik & Free Party).[75]

There have also been many other responsible politicians. For example, behind the Civil Service Act (1995, 1999) and the Anti-Corruption Act (1995, 1999) there was a parliamentary duo of MPs – Mr Ivar Tallo (Social Democrat Party) and Mr Daimar Liiv (Reform Party). This kind of cooperation between politicians belonging to different political parties was quite common in the Estonian parliament in the 1990s.[76] Secondly, when considering the implementation of social scientific and applied good governance concepts, then it is important to note that, in addition to donor experts and Estonian citizens and academics living abroad, many of the younger Estonian politicians studied part-time in Western universities.[77]

Thirdly, another very important fact is that many political leaders, active in anti-corruption policy- and law-making in the 1990s, were also active in the independence movement between 1986 and 1991. This period saw a fundamental shift toward competitive politics and the preparation of a Soviet era elite replacement, which was facilitated by the decision to limit Estonian

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[74] The author uses the recent results of the ANTICORRP project, where he acted as author (Kasemets 2012, 2013) and consultant of the interviews and analyses carried out by Latvian researcher Valts Kalnins - see ibid, Kalnins (2015), p. 4.
[75] Kasemets 2012, 2015
[76] Kasemets 2012.
[77] Ibid; Kalnins 2015.

citizenship to those who had it prior to Soviet occupation and their descendants.[78] In 1992 Mart Laar' *ProPatria Party* received an overwhelming victory with the liberal-conservative coalition, and many of his party members were former Soviet prisoners of conscience (*Gulag*), well aware of the details of the Soviet regime. In brief, Mart Laar's coalition had a parliamentary majority and replaced the Soviet era judges, the senior managers in the ministries, and so on. The hope was to 'clean the Estonian political system of the Soviet past'. To some extent we can observe this dynamic change as the multidimensional synergy of the 'singing revolution' and the 'parliamentary revolution', where the former Soviet era nomenclature sat in Opposition, the Communist Party had no public support, Soviet-era economic concepts were stigmatised [e.g. 'communist', 'soviet', 'planned economy'], and the socio-technical set-up had a clear line distinguishing between 'Us' and 'Them' [or 'Formers', 'Soviet', 'Corrupt', 'Moscow-dependent', 'KGB staff', etc.].

Looking back on the Estonian parliamentary 'regulatory industry conveyor' and large-scale reforms, it seems today that the individual integrity of particular politicians played an important role in getting corruption under control and the main hard political choices have justified the multiple social, economic, and security risks more than 20 years ago.[79] As Valts Kalnins put it: 'Overall, the strong anti-communist/soviet and nationalist mood of Estonians appears to be a key driving force behind the high degree of replacement of the ruling elite, which culminated in 1992. Moreover, a remarkable feature of Estonia was a large pool of people who had qualifications appropriate for elite positions but who had kept their distance from Soviet power structures… For example, the Minister of Justice Kaido Kama had been educated in architecture, but he was a forest guard from 1982 to 1990.'[80]

Reduction of material resources and strengthening legal constraints (reforms)

During the first government of Mart Laar (1992-1995), policies were implemented that reduced material resources and strengthened legal constraints. For example, Estonia pioneered important liberal economic reforms (non-tariff open market, privatisation, flat-rate income tax, decrease the number of ministries, etc.) and had the most radical policy towards the Soviet era judiciary, replacing most of it.[81]

In many fields of governance, the Estonian government have had to start the institution-building from the beginning, because Soviet law had been repealed and at the same time the pre-occupation law system of the Republic of Estonia 1918-1940, which was in force de jure, did not fit the new context. As Anderson and Gray put it: *'Reforms in the early 1990s were focused on the macroeconomic stabilisation, prize and trade liberalisations, privatisation and the establishment of the legal foundations of a market economy.'*[82]

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[78] Ibid p. 7: The definition of the citizenry of Estonia took place through the readoption of the Citizenship Act of 1938 on 26 February 1992

[79] Ibid; Kasemets 2012, in addition, the author has worked as a parliamentary civil servant, and was head of a research department, from 1995 to 2002.

[80] Kalnins 2015, p. 11-12, 27-29 (A.K. In Estonia Kaido Kama is also known as an expert of Finno-Ugric native forest cultures and common law)

[81] Ibid - Mungiu-Pippidi, 2012; Kasemets, 2012 and Kalnins, 2015.

[82] J.H. Anderson and C.W. Gray, 2006 – ref Kasemets 2012; also Kalnins 2015, pp 16-17.

On the other hand, when looking for radical ownership reforms and free movement of capital in the 1990s, there were many 'learning issues for new democracies'. Despite its overall success, Estonia did not stay free from suspicion of unethical or illegal privatisation practices between 1992 and 1995.[83] In short, political, economic, social and security aspects are deeply interrelated. Nevertheless, the comparison of countries' historical transitions is quite tricky. As John Tierney from the New York Times reported in his retrospective column (2006): *'It [Estonia] transformed itself from an isolated, impoverished part of the Soviet Union thanks to a former prime minister, Mart Laar, a history teacher who took office not long after Estonia was liberated. He was 32 years old and had read just one book on economics: 'Free to Choose,' by Milton Friedman, which he particularly liked because he knew Friedman was despised by the Soviets. Laar was politically naïve enough to put the theories into practice. Instead of worrying about winning trade wars, he unilaterally disarmed by abolishing almost all tariffs. He welcomed foreign investors and privatised most government functions (with the help of a privatisation czar who had formerly been the manager of the Swedish pop group ABBA). He drastically cut taxes on businesses and individuals...'*[84]

One way of reducing the flow of resources to corruption was the stance of the government against handing out subsidies and money for bailouts. Mart Laar wrote about this policy: 'As part of this momentum, subsidies for state-owned companies were identified as poor policy, and they were cut... Cutting subsidies sent the Soviet industrial dinosaurs a simple and clear message: Start working or die out. As was shown by subsequent developments, the majority chose to start working.' [85]

Today, 20 years later, the focus of business sector anti-corruption studies has been turned on to private-to-private corruption,[86] the management of state- and municipality-owned firms, and on integrated money laundering and anti-corruption investigations – all three directions are supported by the EU and OECD initiatives and in this context the Estonian political and business leaders (the Establishment) are 'between' the OECD/EU global policy-makers' 'club' and the local anti-corruption pressure groups.

eGovernance as a tool for the reduction of material resources and an increase in transparency

'E-Estonia', with its rising number of eGovernment infrastructure components,[87] is one driver of change of open-access governance with limited human and financial resources. According to Estonia's Action Plan for Participation in Open Government Partnership (OGP, 2012) 'The transparency of governance, the fight against corruption and the engagement of citizens in public governance play the central role in the OGP.' [88] The milestones of the development of e-state and e-services include the first bank transfer via modem (1993), Tel-

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[83] Ibid - Kalnins 2015, p 16

[84] J. Tierney (2006). New Europe's Boomtown. New York Times:

[85] M. Laar (2007). The Estonian Economic Miracle. The Heritage Foundation, p. 6. Available at http://www.heritage.org/research/reports/2007/08/the-estonian-economic-miracle – ref Kalnins 2015, p 16

[86] L. Johannsen, K. Hilmer Pedersen, M. Vadi, A. Reino and M.-L. Sööt (2016). Private-to-Private Corruption. A Survey on Danish and Estonian business environment - Aarhus University, Tartu University, Estonian Ministry of Justice. Published 25.1.2016. Available at: http://www.korruptsioon.ee/sites/www.korruptsioon.ee/files/elfinder/dokumendid/private-to-private_corruption_final_report_2.pdf;

[87] For further information on the functionality of e-solutions visit https://e-estonia.com/components/ or http://www.eesti.ee

[88] Estonia – Government Office (Tallinn 2016). http://www.opengovpartnership.org/country/estonia

ecommunications Act (2000), Public Information Act (2000), X-way (2001), electronic ID cards (2002), etc. The result is a population equipped with digital identities and the state's common information technology service space with rising number of functionalities, which is used by public authorities as well as citizens, e-residents and economic operators.[89]

Three eGovernment examples, which are directly related to the control of corruption measures - first, since 2007 the Estonian company registration and management portal allows citizens to establish a company, to change the registered information of a company and to submit annual reports.[90] A second cornerstone of control of corruption is the system of public eProcurement.[91] Third, an important trend in the public procurement oversight development is the integration of *eRIK* registers,[92] databases and digital services *via X-Road*. In brief, in the case of suspicion, internal and/or external authorised auditors from the National Audit Office, the Public Procurement State Supervision Unit, the EU Structural Funds Unit, etc. can search for corruption or money laundering information from different registers and all X-Road data is available from the desktop *via* 'My data.'[93]

Looking back, the adoption and implementation of transparency provisions was one of the hallmarks of the second Mart Laar Cabinet (1999-2002). According to Mari-Liis Sööt from the Criminal Analysis Division of the Ministry of Justice, the transparency measures are the key milestone in Estonia's anti-corruption policy: *'..our public information act allows or actually prohibits hiding of information.' There have been some backward steps as the ministries and all kinds of public agencies have become cleverer... But in general I think this is the main cornerstone – transparency of decision-making and different processes, which have also been supported by IT technologies, allow people to make transactions online."* Also, according to Mart Laar, *'the second period was mostly usual anti-corruption matters, publication. We made everything public and that also worked very well. That was the start of eGovernment reforms.*[94] Table 2 shows that the Estonian Public Information Act (2000) works well. A. Kasemets (2013). Sources: OECD 2011, calculations by Peeter Vihalemm 2013, p. 74-75.[1] *Calculations: the law requires - 2 points; according to administrative decisions traditionally published - 1 point.[95]

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[89]   Ibid – ref Kasemets 2012
[90]   Estonian E-Business Register: http://www.rik.ee/en/e-business-register or https://e-estonia.com/component/e-business-register/ In 2015 it was one of the winners of the United Nations Public Service Award in the Category 'Promoting Whole-of-Government Approaches in the Information Age' (UN region: Europe and North America: http://www.unpan.org/DPADM/UNPSDayAwards/UNPublicServiceAwards)
[91]   eProcurement Estonia: https://riigihanked.riik.ee/register/?locale=en_US - ref Kasemets 2012
[92]   ESTONIAN CENTRE OF REGISTERS AND INFORMATION SYSTEMS. WWW. Available from: http://www.rik.ee/en [1/4/2016]
[93]   eProcurement Estonia (2016). Control over procurement can be carried out via the eProcurement register [EE] Published 12.1.2016. Available from: https://riigihanked.riik.ee/lr1/web/guest/uudised [30/3/2016]
[94]   V. Kalnins 2015, p. 22
[95]   A. Kasemets (2013). Top of the Class: the Case of Estonia. In Mungiu-Pippidi, A. (Ed.) Controlling Corruption in Europe. The Anticorruption Report, Vol.1 Barbara Budrich Publishers; OECD (2011). 'Proactive disclosure of information', Government at a Glance 2011. OECD Publishing. Available at: http://dx.doi.org/10.1787/gov_glance-2011-44-en [5/4/2016]

Top 5 in the world	State budget	Annual activity reports of the ministries and offices	Audits	Explanatory memoranda of policy	Business contracts (e.g. public procurement data)	Names and salary of civil servants	Administrative databases of ministries and offices	Content, procedures and rules of data collection	Internal procedures and guidelines of authorities	State authorities' structures and functions	Annual Information Freedom Report	Guidance on information freedom process/rights	Disclosure index (max 24)
Estonia	2	2	2	2	2	2	2	2	2	2	2	2	24
Hungary	2	2	2	2	2	-	2	2	2	2	2	2	22
South Korea	2	2	2	2	2	-	2	2	2	2	2	2	22
Slovenia	2	2	2	2	-	-	2	2	2	2	2	2	20
Finland	2	2	2	2	2	-	2	2	1	1	-	2	18

Table 2. Central government information in public records (Disclosure index, OECD data 2011)

High normative constraints: civil society and free media

It is true that 'normative constraints are also high, with public opinion intolerant of bribing, an active civil society, and a free press which benefited from investment from its Scandinavian neighbours.'[96]

Civil society. The relations between dominating NGOs and parliamentary political parties in Estonia developed in a quite peaceful framework of negotiatory democracy until 2012. There are many explanations for this, such as the new generation of post-Soviet 'self-made' political leaders that grew out of civic movements, universities, etc. and during the restoration of independence the leaders of NGOs were on the same side as the new political leaders ('common civil war against the Soviet regime'). Also, Estonia is a small power distance society: different interest groups have relatively good access to policy-making due to horizontal networks and low hierarchies. The mass manifestations and strikes on the streets against the ruling cabinet in Estonia were quite extreme until the Meikargate scandal in 2012.

Some important initiatives over the last decade supporting the control of corruption mechanisms:

(1) Since 2009 the anti-corruption network of NGOs in Estonia is being coordinated by Transparency International Estonia to strengthen the anti-corruption attitude of civil society organisations and to develop a larger support platform for the fight against corruption (more than 25 NGOs);

(2) Since 2008, in addition to local private and international foundations, the National Foundation for Civil Society (www.kysk.ee, established by the cabinet) is systematically supporting NGOs' autonomy;

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[96] Ibid - Mungiu-Pippidi (2012) – ref Kasemets 2012; also Kalnins 2015

(3) Prior to the parliamentary elections in 2007, 2011 and 2015, Estonian NGOs launched their political manifestos, addressing candidates with proposals for strengthening civil society, etc.

(4) Socio-innovative projects like 'Fighting populism and promoting political accountability in Estonia' (2011) 'Government Watchdogs' (2011, 2015-) to monitor political parties' actions in the public interest.[97]

The Estonian media is considered free by most observers. Media outlets are numerous, and legal protection for press freedom exist and are practised. Considering the small size of the country, the Estonian public enjoys an impressively diverse selection of print and electronic sources of information, representing a range of political viewpoints. Most media outlets are privately owned (e.g. Norwegian and Swedish firms, 'free from local political and economic pressure'), although some culture-related publications receive government assistance.[98] As Ivar Tallo, the Board Member of eGovernment Academy, described it: *'The Nordic owners are kind of outside the country so the editors can make up their mind pretty much independently. There is no direct interference. [..] The only thing that has characterised the media clearly is that it's really free.'*[99]

Valts Kalnins summarised this issue as follows: *'…It can be surmised that the virtuous circle perpetuated by the interplay between, on the one hand, pressures of public opinion (largely through the media) requiring more efficient and universalistic governance and, on the other hand, initiatives from governments in response to public needs (for example, by providing more transparency). More transparency, in turn, added yet more opportunities for public oversight.'*[100]

From a functional media theory perspective, the media is an open platform of societal interaction and self-regulation. Looking on the positive side, the latest top stories on political corruption reflect the transparency of the open access regime and promoting civic anti-corruption education. As Professor Rein Taagepera put it: 'Corruption scandals are necessary events for democratic self-regulation.'[101]

Foundations of ethical universalism in Estonian society and Governance

In general it seems to be the case that the foundations of ethical universalism in governance dominate the Estonian public sphere. The sociological follow-up survey carried out by the Ministry of Justice confirmed the positive trend in anti-corruption attitudes in general and found that there are remarkable differences between different target groups (residents, entrepreneurs, public sector) and socio-demographic divisions (gender, nationality, age, region, etc.)[102]

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[97]   Kasemets 2012
[98]   Ibid
[99]   Kalnins 2015, pp 22-23; also Reporters Without Borders (2015) World Press Freedom Index 2015. Available at https://index.rsf.org/#!/
[100]   Kalnins 2015, p. 23
[101] R. Kerge (2012). Prof Rein Taagepera: Donation scandal is a business-like event [EE]. Õhtuleht newspaper: 9.6.2012: www.ohtuleht.ee/480301
[102] Estonian Ministry of Justice (2010). Corruption in Estonia: the study of three target groups 2010. Criminal policy studies 13. Tallinn: Ministry of Justice & University of Tartu www.korruptsioon.ee/orb.aw/class =file/action=preview/id=50629/Korruptsioon_2010.pdf;.

A number of studies have found that levels of trust are negatively correlated with levels of corruption. The European Bank's (EBRD) Life in Transition Survey II provides some evidence in support of these findings, plotting the average score of the generalised trust question against the average perception of the need to make unofficial payments when accessing eight public services as follows: a) road police, b) requesting official documents, c) going to court for a civil matter; d) receiving primary or secondary education; e) receiving treatment in the public health system; f) requesting unemployment benefits; g) requesting other social security benefits. According to the survey, Estonia belongs to the Western European group of countries alongside the UK and Germany.[103]

Estonia became independent in 1991, joined the EU and the NATO in 2004 and the OECD in 2010. The Soviet regime may be gone, but the historical influence still remains in the beliefs and attitudes of different social groups and the socio-economic environment. The Vice-Chancellor of the Ministry of the Interior, Mr Erkki Koort, commented on recent corruption scandals and said that 'some Tallinn city officials continue to bear the mentality of the Soviet era.'[104]

In the context of international integration, Estonia's special closeness to Finland and other Nordic countries deserves particular attention. An important thing that differentiated Estonia in the Soviet era was that more than half the population (Northern Estonia) were mentally connected to the West via Finnish television (Finnish and Estonian languages are similar). Today, Finland's capital Helsinki and the Estonian capital Tallinn (80 km across the sea) are so closely linked that people talk about about the twins Talsinki. As Uslaner put it: *'The close ties with Finland (and other Nordic countries) led to a more successful transition than most other countries… Yet, these ties do not make Estonia a little Finland. Corruption still persists in Estonia, trust is low, inequality is higher than it was under Communism and middle-range by world standards, and ethnic relations are very tense.'* [105]

In addition to Finnish television and the general cultural proximity of Estonians and Finns, rapidly developing links with Nordic (particularly Finnish) economies arguably influenced the business culture and indirectly also the political environment of Estonia.[106]

There are also different opinions on the particular impact of EU accession on Estonia's anti-corruption achievements. For example, according to Mart Laar, EU conditionality was not a factor explaining Estonia's ability to control corruption. On the other hand, the EU's role is acknowl-

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[103] EBRD (2011: 44-45) http://www.ebrd.com/downloads/research/surveys/LiTS2ee.pdf; See also Sööt, M.-L. and Rootalu, K. (2012). Institutional trust and opinions of corruption - Public Admin. Dev., 32: 82–95; and the latest EU28 study by Mungiu-Pippidi, A., Dadašov, R. et al (2015) 'Public Integrity and Trust in Europe' ERCAS, Berlin 2015 – Available at www.againstcorruption.eu or https://www.government.nl/documents/reports/2016/01/18/public-integrity-and-trust-in-europe [26/3/2016]
[104] K. Kangro (2015). Read what kind of corruption schemes the security police KAPO discovered in Tallinn [EE]. Postimees.ee. Published: 21.10.2015. Available at: http://www.postimees.ee/3367081/loe-milliseid-korruptsiooniskeeme-on-kapo-tallinnas-avastanud [2/4/2016], Alsua, C.J; Alas, R. and Carneiro, J. (2012). Moral Philosophies and Ethics Across Borders: A study of Brazil, Chile, China, Estonia and the United States. *Academia, Revista Latinoamericana de Administración, 49*, 30-44 - ref Kasemets 2012
[105] E.M. Uslaner (2008) Corruption, inequality, and the rule of law: The bulging pocket makes the easy life - Cambridge University Press, pp 151-155 – ref Kasemets 2012
[106] Kalnins 2015, pp 26-27; L.Bennich-Björkman (2007). The Cultural Roots of Estonia's Successful Transition: How Historical Legacies Shaped the 1990s. East European Politics and Societies, Vol. 21, No. 2.

edged in the strengthening of the general framework of public administration, thus entrenching universalistic principles therein and helping to 'clean up the system'. To sum up, it seems that the logic of EU accession served as a safeguard against possible reversals. [107]

In 2016 the most important public sector 'safeguards' of Estonia's Anti-Corruption Strategy[108] network are the Estonian Ministry of Justice (coordination), Ministry of Finance,[109] Council of Civil Service Ethics, Political Party Funding Oversight Committee, Riigikogu Anti-Corruption Select Committee, National Audit Office, Chancellor of Justice, Data Protection Board, Prosecutor Office, Criminal Police Corruption Crime Bureau and Internal Security Service.

Some reflections on the current situation: the battle with stagnation

The recent period (2015-2016) is mainly characterised by the rise of political competition and also large-scale corruption scandals which have been somewhat overshadowed by the migration crisis and other external security issues, e.g. the Russian-Ukrainian hybrid war/conflict. The rise of political competition and also parliamentary capacity to deal with political corruption issues is mainly related to the increased number of political parties in the Riigikogu after the general elections in 2015 (from four to six) and also to the clear anti-corruption agenda of the Free Party, a newcomer.

The Fall of 2015 is called also 'The Fall of Corruption'[110] because of the cascade of corruption scandals. The problem of politicisation of the councils of state-owned and municipality-owned enterprises and related corruption risks has not changed in the last decade. The recent corruption scandal in the state-owned Port of Tallinn is related to all coalition parties and is compared in the media with the 'Silvergate' party donation scandal (2011) and the land-swap scandal (2004-2015).[111] And the similar 'old boys' clubs problem' has been with the Tallinn city governance under the Centre Party[112] - the Internal Security Services detained Tallinn Mayor Edgar Savisaar on suspicion of repeatedly taking bribes.[113]

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[107] Kalnins 2015, pp 25-26; also Kasemets 2012

[108] Ministry of Justice (2015) Implementation Plan of the Anti-Corruption Strategy 2013-17. Available at: http://www.korruptsioon.ee/sites/www.korruptsioon.ee/files/elfinder/dokumendid/implementation_plan_of_the_estonian_anti-corruption_strategy_2013-2017_0.pdf [30/1/2016]

[109] A case study on Estonian Civil Service Integrity and Anti-Corruption Coordination system – see A. Sihver & K-C. Kruusmaa (2015) Estonia: Coordinated Monitoring within Public Administration – in T. Lamboo et al (eds) 'Prime Witnesses? Case studies of staff assessments for monitoring integrity in the European Union'. UK: Ministry of Interior and Kingdom Relations, London, pp 46-54.

[110] POSTIMEES (2015) Editorial: The Fall of Corruption. Postimees.ee. Published: 30.9.2015. Available at http://news.postimees.ee/3380949/editorial-the-fall-of-corruption [31/3/2016]

[111] Prosecutor Office (2015) The Prosecutor's Office requested from the court the arrest of Ain Kaljurand and Allan Kiil [ET]. Press release. Published 1.9.2015. Available at: http://www.prokuratuur.ee/et/pressile/pressiteated [7/9/2015]; also EDITORIAL (2015) Augean Stables, Estonia. Postimees.ee. Published 18.9.2015. Available at: http://news.postimees.ee/3332595/editorial-augean-stables-estonia [18/9/2015]

[112] T. Hõbemägi (2015) Estonia rocked by second major corruption scandal in weeks. BBN.ee. Published 23.9.2015. Available at: http://www.bbn.ee/article/2015/9/23/estonia-rocked-by-second-major-corruption-scandal-in-weeks-1 [23/9/2015]

[113] Prosecutor Office (2015) Internal Security Services detain Tallinn Mayor Edgar Savisaar and suspect him of repeatedly taking bribes. Press Release. Published 22.09.2015. Available from: http://www.prokuratuur.ee/et/pressile/pressiteated

It is remarkable that many criminal proceedings and court cases also led to dissuasive administrative penalties. For example, the former Estonian Olympic Committee president and former Port of Tallinn supervisory board head Neinar Seli, also a member and a sponsor of ruling Reform Party, was convicted in all court branches and was removed from his public positions.[114] Tallinn Mayor and Estonian opposition leader Edgar Savisaar was suspended from office by the Harju County Court due to criminal proceedings because he 'could otherwise influence the investigation and seek to destroy or hide documentary evidence at the Tallinn City Government.'[115] Former Port of Tallinn board members Ain Kaljurand and Allan Kiil, who are suspected of large-scale bribe-taking, were released from custody and will be forced to wear electronic surveillance tags.[116] In general, the disclosure of corruption-related criminal proceedings seems to have been a strategic awareness raising (e.g. 'people's court') routine over the last 2-3 years, showing also the rise in anti-corruption communication management capacities in the Criminal Police, Internal Security Service and the Prosecutor's Office.[117]

On the other hand, three recent administrative corruption cases show that the corruption can create real security and safety risks, e.g. 'Passport mafia' case within the Police and Border Guard Board,[118] a Traffic Registry driving test examiners' case,[119] and a large-scale corruption case related to the Roadside Technical Inspection of Vehicles.[120] All three cases may have a real impact on the lives, health and property of our people. On reflection, there is a need for relevant policy analyses and measures.

Most authors share the semi-positive conclusion made by President Toomas Hendrik Ilves: 'Savisaar's case, however, the Port of Tallinn case investigations show the strength of Estonian

[114] The Supreme Court (2015) Decree on the Neinar Seli criminal case (3-1-1-98-15) [EE]. Published: 11.12.2015. Available at: http://www.nc.ee/?id=1587 [18/12/2015]; see also J.M. Laats (2015) Seli: I will resign from Olympic Committee – ERR News. Published: 11.12.2015. Available at: http://news.err.ee/v/7648577c-2a4e-41c7-b4cc-2da705b3b568 [14/12/2015]

[115] The Supreme Court (2015) Resolution on dismissal of the Tallinn City Council application (related to Edgar Savisaar's criminal case 3-4-1-93-15) [EE]. Published: 15.1.2016. Available at: http://www.nc.ee/?id=11&tekst=RK%2F3-4-1-30-15 [26/1/2016]; S. Tambur (2015) Savisaar suspended from mayor's office. ERR News. Published 30.9.2015. Available at: http://news.err.ee/v/2b68a0b6-7636-4070-8389-f9751d5874a4 [26/1/2016]

[116] T. Hõbemägi (2016) Board members of Port of Tallinn released from custody. BBN-online. Published 06.1.2016, Available at http:/www.bbn.ee/article/2016/1/6/board-members-of-port-of-tallinn-released-from-custody [25/1/2016]

[117] For example N. Niitra (2015) Parish governments come under Central Criminal Police scrutiny. Postimees.ee. Published 1.12.2015. Available at: http://news.postimees.ee/3419787/parish-governments-come-under-central-criminal-police-scrutiny [30/1/2016];

[118] Prosecutor Office (2015) Police discovered a large-scale scheme of illegal national documents providers EE]. Press release. Published 28.10.2015. Available at http://www.prokuratuur.ee/et/pressiteated/politsei-avastas-ulatusliku-skeemi-millega-hangiti-ebaseaduslikult-riiklikke-dokumente [25.112015]; R.Berendson (2015) «Passport mafia» led by babushka. Postimees.ee. Published: 29.10.2015. Available at http://news.postimees.ee/3379293/passport-mafia-led-by-babushka [26/1/2016]

[119] K. Kangro (2015) Five Traffic Registry examiners are suspected of crime [EE]. Postimees.ee. Published: 25.10.2015. Available at http://www.postimees.ee/3374285/viis-liiklusregistri-eksamineerijat-said-kahtlustuse-altkaemaksu-votmises [25/10/2015]

[120] H. Mihelson (2015) Large-scale corruption and scam in the roadside technical inspection of vehicles [EE] Postimees.ee. Published: 2.12.2015. Available at http://www.postimees.ee/3384609/mastaapne-pettus-tehnokontrollis-ulevaatajad-lubasid-autosid-ja-busse-altkaemaksu-eest-liiklusesse [18/12/2015]

state.'[121] Prosecutor General Lavly Perling said, 'if corruption is not investigated then it is supposedly non-existent -- a corruption-free state is just a fairy tale.'[122] The head of the Criminal Police Corruption Crime Unit, Mati Ombler, noted that parish leaders, used to a lack of control, are being targeted by police, and criminal proceedings are 'coming down like pouring rain.'[123]

After the escalation of the corruption scandal, the Prime Minister Taavi Rõivas (Reform Party) referred to the Port of Tallinn case as a security threat[124] and the Riigikogu Anti-Corruption Select Committee chaired by Artur Talvik (Free Party, opposition)[125] initiated a temporary select committee to investigate the alleged corruption at the state-owned Port of Tallinn.[126]

In 2016 the sequence of integrity and corruption scandals continued, but in addition a number of interesting studies were published, including the Transparency International (TI) Corruption Perceptions Index 2015, where Estonia ranks 23rd worldwide with the same number of points - 70 - but three places higher than last year.[127] Of Estonia's neighbours, Finland is in second place, Latvia is ranked 40th and Russia 119th.

Analysing recent corruption scandals and looking back – from a long-term perspective the situation in Estonian governance, including anti-corruption politics, can be described as stagnation - without effective EU-level regulatory measures and 'local bottom-up pressure' we cannot envisage a qualitative change in the near future. Two years ago TI initiated the campaign Unmask the Corrupt, urging political parties in Europe to follow Denmark's lead and create public registers that would make clear who really controls, or is the beneficial owner of, every company – as Jaanus Tehver from TI Estonia put it in 2014: 'Estonia too would gain a lot if information about the real beneficiaries are added to the Commercial Register. Having a register entry like that would reduce the possibility that corrupt individuals could hide behind businesses registered in someone else's name.'[128]

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[121]   POSTIMEES (2015). President: Initiation of an investigation against Savisaar shows the fortitude of KAPO (Opinion). Postimees.ee. Published 22.9.2015. Available at: http://arvamus.postimees.ee/3337021/president-uurimise-algatamine-savisaare-vastu-naitab-kapo-meelekindlust [27/9/2015]; also T.-H.Ilves (2015) Let us renew Estonia. Speech at the opening session of the Riigikogu. ERR News. Translation. Published: Availble at: http://news.err.ee/v/opinion/4e27539c-a488-49f4-8bb5-fb143eb0ad1a/toomas-hendrik-ilves-let-us-renew-estonia [18/9/2015].
[122]   J.M. Laats (2015) Corruption-free state just a fairy tale, says prosecutor general. ERR News. Published 9.12.2015. Available at http://news.err.ee/v/fc892379-3a41-480c-9625-9fcdbf00b65a [26/1/2016]
[123]   N. Niitra (2015) Parish governments come under Central Criminal Police scrutiny. Postimees.ee. Published 1.12.2015. Available from: http://news.postimees.ee/3419787/parish-governments-come-under-central-criminal-police-scrutiny [30/1/2016]
[124]   J.M. Laats (2015) Rõivas: Port of Tallinn case a security threat. ERR News. Published 28.08.2015. Available at http://news.err.ee/v/cd52bc47-3ded-4749-afaf-5da56b013439 [7/9/2015]
[125]   J.M. Laats (2015) Security service gives Parliament committee overview of Port of Tallinn case. ERR news. Published 03.09.2015. Available at http://news.err.ee/v/072ea8df-76d3-43ea-971e-71512f5d2511 [30/3/2016]
[126]   J.M. Laats (2015) Parliament to set up Port of Tallinn committee. ERR News. Published 16.9.2015. Available at http://news.err.ee/v/politics/ae20ff35-5285-4460-ae81-7dedfbeb21e3/parliament-to-set-up-port-of-tallinn-committee [18/9/2015]
[127]   TRANSPARENCY INTERNATIONAL (2015) Corruption Perceptions Index 2015. Available at: http://www.transparency.org/cpi2015 [27/3/2016]

The EU's 4th Anti-Money Laundering Directive is focused on the identification and transparency of beneficial ownership information behind the political, economic, security, etc. decisions and in this way it creates an opportunity to resolve many accumulated problems. The Estonian system for money laundering and terrorist financing prevention is, according to the Basel Institute AML Index 2015, ranked second after Finland[129] – a positive story is that Estonia has many examples of good practices in money laundering prevention measures and also in corruption prevention measures (e.g. regulations, IT, education, guidelines, etc.), but a negative story is that at the same time there is a big problem – in criminal practice, corruption and money laundering are related, but due to 'silo type' governance, anti-corruption measures and anti-money laundering measures are not yet integrated.[130]

According to Aivar Paul, head of Estonian Police Financial Intelligence Unit, since 2017 all banks have to pay more attention to politically exposed persons and persons connected with them to mitigate the risks of corruption. 'Essentially, it means that from 2017, the bank must know whether you're a minister, his brother, or a business partner,' said Paul. [131]

Some conclusions and challenges: from responsive to preventive measures

The success and/or failure of regulatory reforms in the field of control of corruption depends to a great extent on political leadership and public external and internal support/pressure by international organisations and local academic and civic networks.

In general, the case of Estonia confirms that progress towards control of corruption is achieved by a change in the equilibrium involving all four dimensions (Table 1). Looking for an explanation of what makes a governance regime based on particularism evolve to open access order in the case of Estonia, the drivers of dynamic change can be observed at three levels: (a) foreign policy environment (UN, EU, OECD); (b) internal policy environment factors (as 'windows of opportunity'), and (c) the Estonian elites whose personal motivation, education and ability have been important factors behind the Estonian transition from the totalitarian Soviet regime to liberal parliamentary open access democracy.

Estonian cultural and political elites have had the desire to again be a part of the Nordic countries as was the case before the Second World War (1941-45), when Estonia was socio-economically richer than its closest neighbour Finland. Since the 1960s, during the Soviet era, Finnish TV was a virtual window to the free Western world. Today Finland and Estonia are deeply linked, but it

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[128] Ibid; J. Tehver (2014) Corruption and Risk (EE). Postimees. 3.12.2014, p. 14; J.Tehver (2014) Estonia climbs two notches on corruption perception scoreboard. Postimees. Published 3.12.2014. Available at http://news.postimees.ee/3014147/estonia-climbs-two-notches-on-corruption-perception-scoreboard [4/12/2014];

[129] International Centre for Asset Recovery (2015) Basel AML Index 2015. Basel Institute on Governance. Published 18.8.2015. Available at: https://index.baselgovernance.org/sites/index/documents/Basel_AML_Index_Report_2015.pdf [16/1/2106]

[130] A. Kasemets (2016). Estonia: 12th input report to the PwC Belgium and European Commission DG HOME. Project EUROVISION, p.2.

[131] E. Rand (2015) Bank visits of public officials will be subject to closer attention [EE] Delfi Ärileht. Published 25.11.2015. Available at http://arileht.delfi.ee/news/uudised/riigiametnike-pangaskaigud-voetak-se-suurema-tahelepanu-alla?id=73046223 [3/4/2016]

is reasonable to bear in mind that due to different historical and societal starting points, Estonian and Finnish anti-corruption measures also differ in terms of current political priorities and administrative capacities.

As the head of the Estonian Central Criminal Police Corruption Crime Bureau Mati Ombler put it: 'Corruption is an area requiring a systematic approach. Now, we have the corruption crimes bureau at the police mainly dealing with corruption crimes. With each passing year, our operations increase in effectiveness, thus leading to the exposure of subsequent crimes.'[132] In another interview he said 'It is actually better in Estonia with corruption than the picture in the media would suggest.'[133] Ombler argued that Estonia is often compared to the almost corruption-free Finland, but the comparison is inaccurate. While in Estonia lots of cases have come to light due to a focus on detecting corruption, Finland has only one specialist investigator.[134] Inevitably, the results will be lower with resources like that. In private conversations with Finnish officials, the talk about somebody being favoured due to personal connections are as prevalent as they are in Estonia. It's just that here these stories end up in court, complete with criminal charges. While we are way ahead of Finland, therefore, in corruption investigations, we still need to invest in the domain. 'All of our efforts are expended on proceedings but we ought to work on prevention,' said Ombler.[135]

To sum up, when analysing the changes in the Estonian governance regime and the control of corruption measures from 1992 to 2016, there are different controversial data sets, study frameworks, regulations and practices which generate a lot of new why-questions for interdisciplinary follow-up research. The author is not entirely sure how sustainable the Estonian international success story will be without trusted political leadership and long-term prevention work. It depends mostly on internal policy factors, personalities and cooperation capacities. Today we can talk about stabilisation or stagnation of control of corruption mechanisms, but hopefully the long-term trend will remain positive.
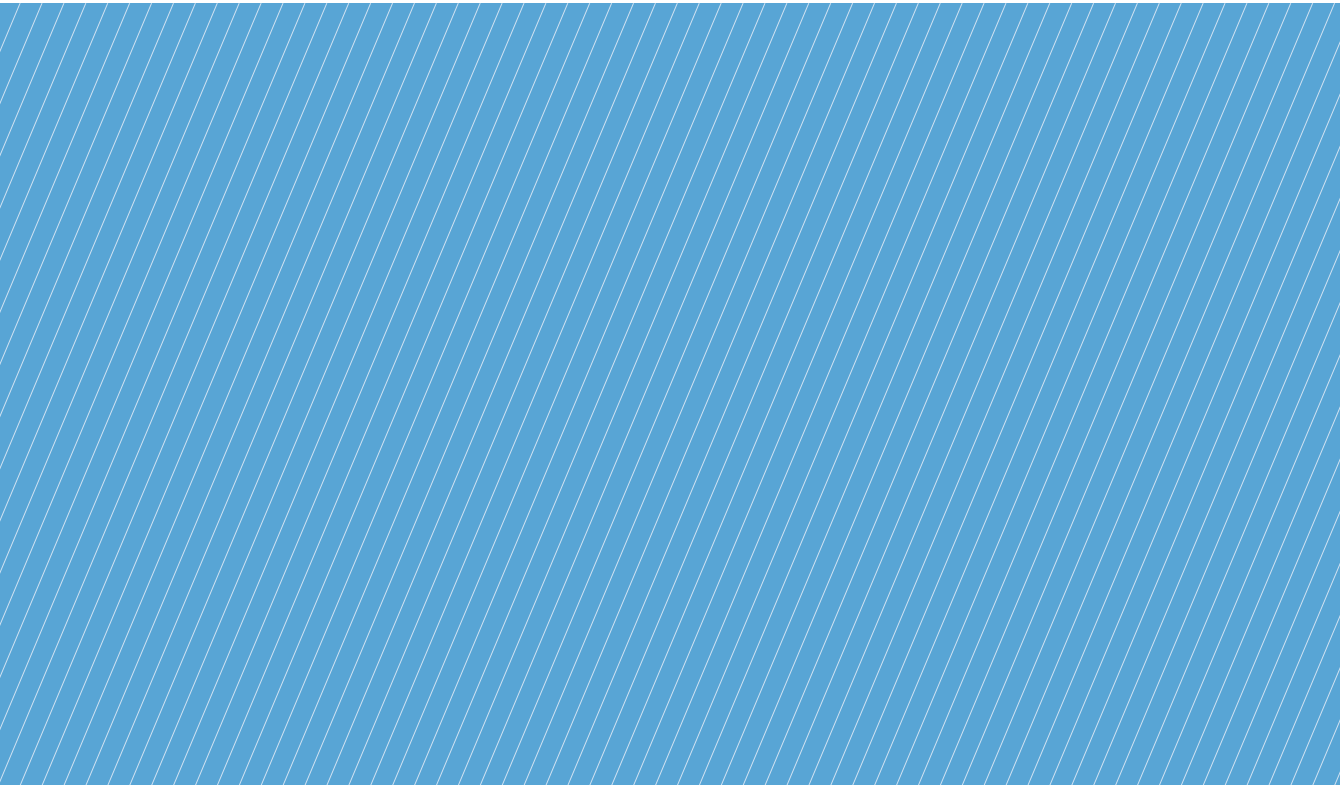
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[132] N. Niitra (2015) Parish governments come under Central Criminal Police scrutiny. Postimees.ee. Published 1.12.2015. Available at http://news.postimees.ee/3419787/parish-governments-come-under-central-criminal-police-scrutiny [30/1/2016]

[133] also R.Berendson (2015) Cup of corruption running over. Postimees.ee. Published: 10.11.2015. Available at http://news.postimees.ee/3393379/cup-of-corruption-running-over [31/1/2016] (e.g. list of cases!)

[134] Corruption Crime Bureau has around 35 investigators (A. Kasemets 3/4/2016).

[135] Ibid - R. Berendson (2015) Cup of corruption running over. Postimees.ee. Published: 10.11.2015. Available at http://news.postimees.ee/3393379/cup-of-corruption-running-over [31/1/2016]