18th Session of the Committee of Experts on Public Administration (CEPA)
8 to 12 April 2019

Written statement by Public Services International

Agenda item 3: Enhancing the capacity of the public sector in core functional areas of administration

Enhancing the capacity of the public sector in a fast-changing world for the achievement of the Sustainable Development Goals

In the paper prepared by the Committee, a suggestion is put forward for "a new paradigm of smart sustainable governance in which the role of the public sector becomes one of a designer of public policy and in which technology is used to its fullest potential to ensure the sustainability of our planet for current and future generations".

Thus, technology occupies centre-stage in the new paradigm. And though the paper mentions the possible harm caused by, and the negative externalities of technology, the paper is over-positive on the impact of its introduction to improve public administration and it falls short in addressing some of the most concerning issues.

Public Services International would like to contribute to the debate and bring to the Committee's attention a few of these issues and others that have an impact on the effectiveness of public administration.

There is no doubt about the positive impact that technologies and science in general have had on improving our lives, bearing also in mind the key role of the public sector (universities, hospitals, science and research institutes, the military, and other public institutions) in the most innovative developments in the history of mankind, such as the internet. However, the need or desire to solve, automate, or simplify problems and obstacles should not be at the expense of fundamental values, such as the public interest, decent work, privacy or civil liberties. Technology – digitalization, algorithms, artificial intelligence – can rather easily substitute humans in many realms. In fact, this has been the case for many years now. However, we need to ask ourselves if solving problems more quickly, reducing costs or working faster should come at the expense of unemployment, health and other social issues?

The answer is neither one nor the other. There should be a principle of complementarity with an emphasis on people. As evidenced by many examples, algorithms and artificial intelligence, for instance, are not perfect or infallible. So, in embracing technology, public administrations not only have to look at achieving higher productivity and efficiency, but also at putting humans at the centre and considering our fundamental values in every stage.

Furthermore, before fully embracing technology, we need more research and a more accurate assessment of its effects. It is necessary to analyse the social impact of digitalisation on production and service sectors as well as on employment and labour, social conditions and cohesion, workers' rights and the power relationship between capital and labour.

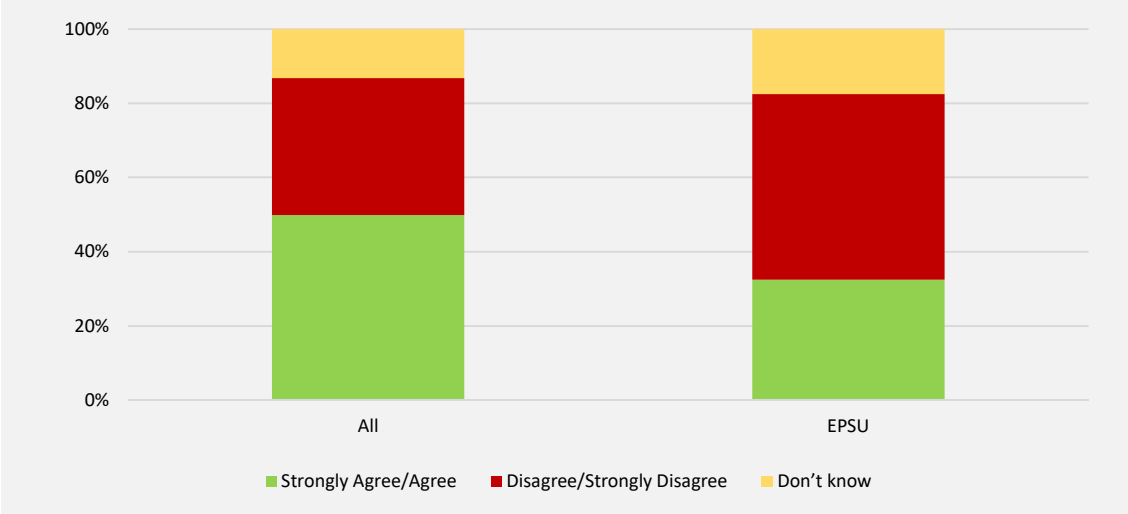
Table 1: Overview of the main opportunities and threats related to digitalisation

Opportunities	Threats
• New jobs (computer engineers and scientists, network experts, etc.) • More 'agile' work organisation; new forms of more flexible and more autonomous work • Abolition of repetitive, low-skill and routine tasks, reduction or elimination of arduous, dangerous work. Improvement of occupational safety and health. • Better ergonomics help in performance of heavy or complex tasks • New forms of collaboration and cooperation among workers • Reshoring (return of industries and new 'smart' factories – and jobs – to their country of origin) • Possibility of new ways of distributing productivity gains (working time reduction) • Possibilities of social emancipation change of economic model geared to peer-to-peer and common goods ('post-capitalist' society)	• Massive destruction of medium-skilled jobs (computerisation) • Intensification of 'anytime, anywhere' work; blurring of the boundary between private life and working life leading to stress and burnout • Loss of control by workers of their own expertise and know-how and free will (becoming the tools of a machine) • Digital management, policing of workers, risk of mutual loss of trust between employees and management • Precarisation of jobs and statuses, total dependence on 'data masters'; 'servification' • Weakening of collective action and industrial relations; shrinking of traditional collective bargaining coverage • Skills and training/labour demand mismatch • Exacerbation of inequalities • Wage stagnation • 'Digital Taylorism' and emergence of a class of digital galley workers (crowd sourcing); world competition among workers for all jobs not requiring face-to-face contact • Erosion of tax base and social insurance financing • De-personalization of work, loss of face-to-face interactions, erosion of social skills at work

Source: Adaptation from Christophe Degryse (2016), *Digitalisation of the economy and its impact on labour markets*.

For instance, as the following figure shows, public service employee representatives and trade unions in Europe seem rather sceptical regarding the positive impact of digitalisation on their respective country, company or job. The figure compares the overall average with the responses received from the European Public Service Union affiliated organisations in 20 different countries.

Table 2: Do you think that digitalisation will provide more opportunities than risks for your country, company or job? (% of responses, n=771 (all), n=70 (EPSU)



Source: ETUC (2018), *Digitalisation and Workers Participation – What Trade Unions, Company level Workers' Representatives and Platform Workers think.*

Thus, the exact impact of digitalisation and digitalised public services on employment, working conditions and workers' rights is far from clear. It very much depends on regulatory framework conditions, including the question of whether or not employees and their trade unions have a say in modelling digitalisation projects and introducing new technologies to public services.

The paper also argues that "citizens have come to view the Government and decision-making processes as a black box, an opaque process that involves many people and committees and that involves piles or gigabytes of documents". The alternative proposed – artificial intelligence, algorithms and so on – is not any better at the moment and has the potential to exacerbate the problems that the Committee is trying to address.

First, algorithms, for instance, are impenetrable and unintelligible for most human beings. We simply do not know how governments, credit raters, search engines or banks process data (and which data) and convert it into scores, rankings, risk calculations and watch lists. In addition, the proprietary algorithms by which they do so are involved in secrecy and immune from scrutiny, except in rare occasions when a whistleblower leaks information. Governments, powerful business and financial institutions hide their actions behind non-disclosure agreements, proprietary methods and gag rules, while our own lives are increasingly becoming open books.

Once a software decides that an individual is a "bad credit risk", a "lazy worker", a "trouble-maker, a "health liability", that attribute or "tag" may appear with decision-making clout in other systems all over the economy. For instance, if a complex scoring algorithm based on electronic health records determine which individuals are likely to be a "high-risk", they could be denied insurance, social assistance, credit or employment benefits. Big data may soon be

able to make predictions from what appears to be an innocuous set of information (for instance eating habits). And there is little in current legislation to prevent the selling of personal profiles.

This matters because if authority will increasingly be expressed algorithmically, and decisions that used to be based on human reflection will be made automatically, we need more transparency and accessibility to how decisions are taken and on which basis. So far, the values and prerogatives that encoded rules enact are hidden within **black boxes** that people cannot access. (see Frank Pasquale (2015), *The Black Box Society: The Secret Algorithms That Control Money and Information*).

Secondly, the introduction of algorithms to assist in the education, health, security and even the judicial system have increased. In many cases, the result has been the exacerbation of the problem the algorithm was trying to solve. One explanation, but perhaps not the only one, is that algorithms process data gathered in the past in order to offer a solution in the present, and most of this data is biased, such as crime rates or college grades.

Since artificial intelligence and algorithms behave like a photocopy machine on steroids, these methods have the potential to aggravate the problem, reinforcing discrimination and prompting more inequality. We need to avoid machines with omnipotent authority and avoid swapping one problem for another (see Cathy O'Neil (2016), *Weapons of Math Destruction: How Big Data Increases Inequality and Threatens Democracy*, and Hannah Fry (2018), *Hello World: How to be Human in the Age of the Machine*).

Conclusion

In order to embrace technology in public administration, we first need more transparency and regulation. People – both civil servants and the public – need to know and understand how decisions are made. And if algorithms are put into place to make decisions for us, we need to know more about their power, their limitations, and to carefully examine whether they really are an improvement on the humans they would be replacing, before we accept them.

It is also mandatory that these changes will be widely discussed with civil servants and their representatives before their implementation.