

Disruption by Citizens

How the technological revolution will disrupt democracy and public services

Dr. Steven P.M de Waal

@stevendewaal



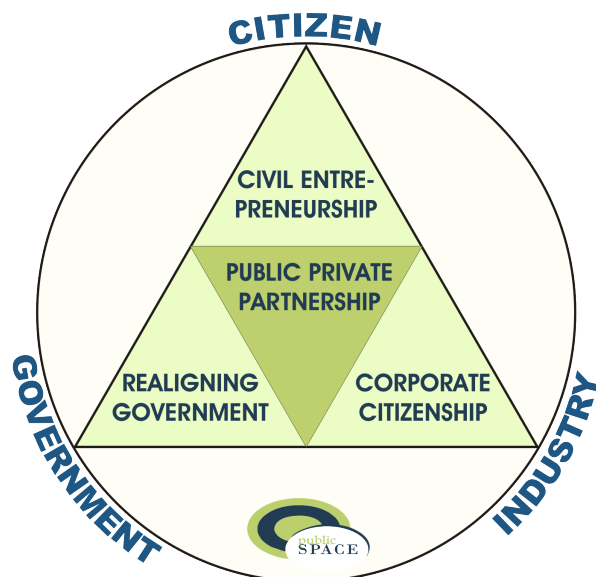
www.publicspace.nl

The Public SPACE Foundation, founded in 2004, (www.publicspace.nl/english)

Our Mission

Contribute to **'Winning strategies for the common good'** by means of an open non-ideological inquiry, an active international outlook for best practices and an interdisciplinary approach. The main mission is promoting active citizenship and social entrepreneurship in public services. Contribute

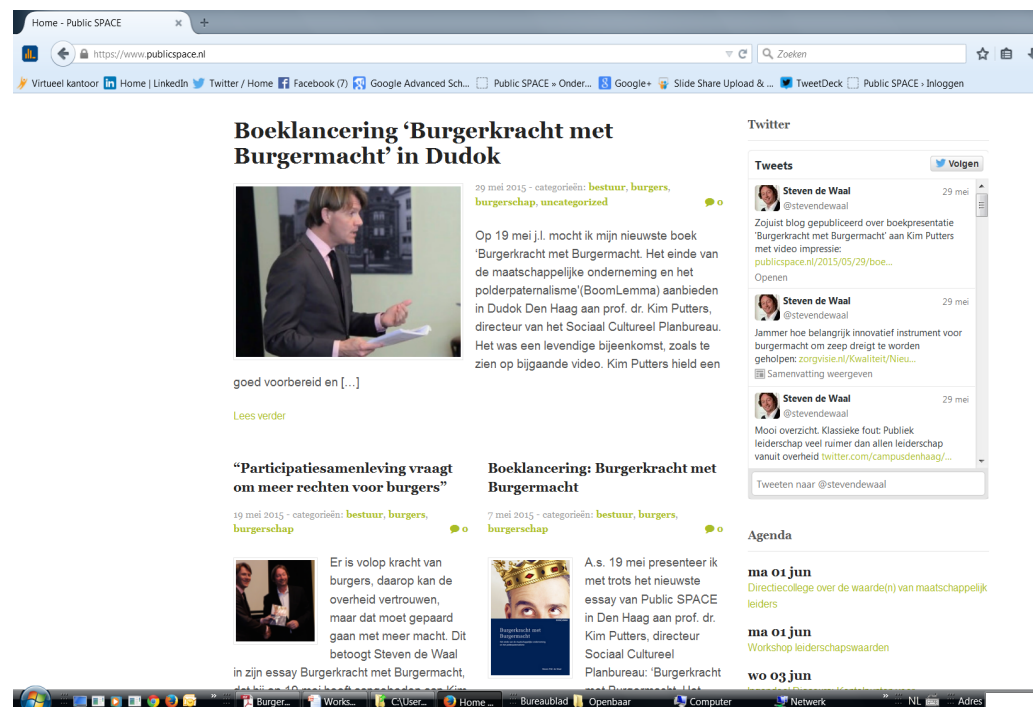
Main messages and archive of publications on our website



The ThinkTank

Our ThinkTank has evolved into a Think Network.

This consists of prominent executives, academics, opinion leaders and decision makers operating in strategic frontiers of public/private corporations. They have backgrounds in all domains of public interest and in a broad range of organizations.



The screenshot shows the Public SPACE website. The main content area features a blog post titled "Boeklancering 'Burgerkracht met Burgermacht' in Dudok" dated 29 mei 2015. The post describes a book launch event in the Dudok building in The Hague, featuring Kim Putters, director of the Sociaal Cultureel Planbureau. To the right of the blog post is a Twitter feed showing tweets from @stevendewaal. Below the blog post, there are two more articles: "Participatiesamenleving vraagt om meer rechten voor burgers" and "Boeklancering: Burgerkracht met Burgermacht". The website has a navigation bar at the top with links to Home, LinkedIn, Twitter, Facebook, and Google Advanced Search. The footer shows the website's address and contact information.

Most strategic issue in markets: Disruption

- Recent definition:
Rise of new and unexpected competitors, from outside current market, innovative in and through their direct access to and exchange with customers
- Common Conclusion until recent: CEO's see it latest. First phase: Denial, Ignorance, Defensive (seemingly rational) Critique, after that: Surprise! This is proof of real powershift
- **Direct Exchange and Real Time Information & Communication is key**
- Economy and Competition dominated and dictated by **Platforms**
- **Competition between Platforms** is on:
sympathy, belonging, community-feeling, hands-on service, feeling of being 'in charge' and easy tools for self-steering
- **The market now teaches its customers these values**

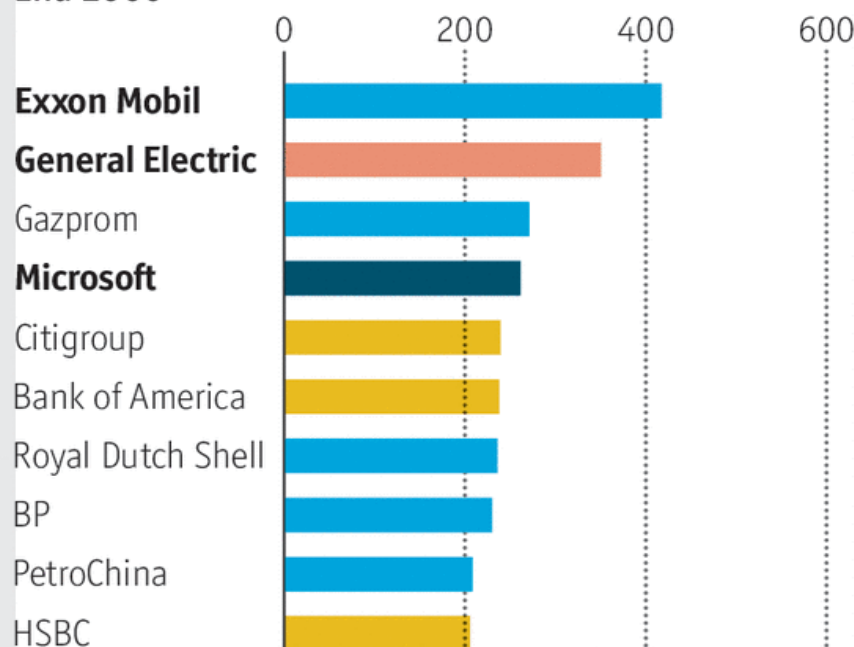
Platformeconomy has already won:

A virtually new world

World, largest listed companies by market capitalisation, \$bn

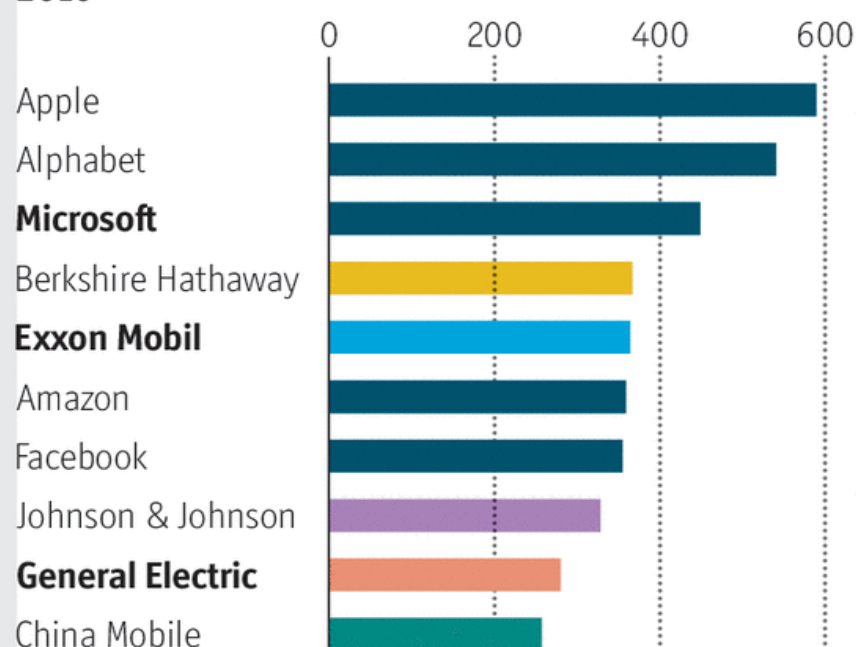
Sector: ■ Energy ■ Financials ■ Health care ■ Industrials ■ IT ■ Telecoms

End 2006



Source: Bloomberg

2016*



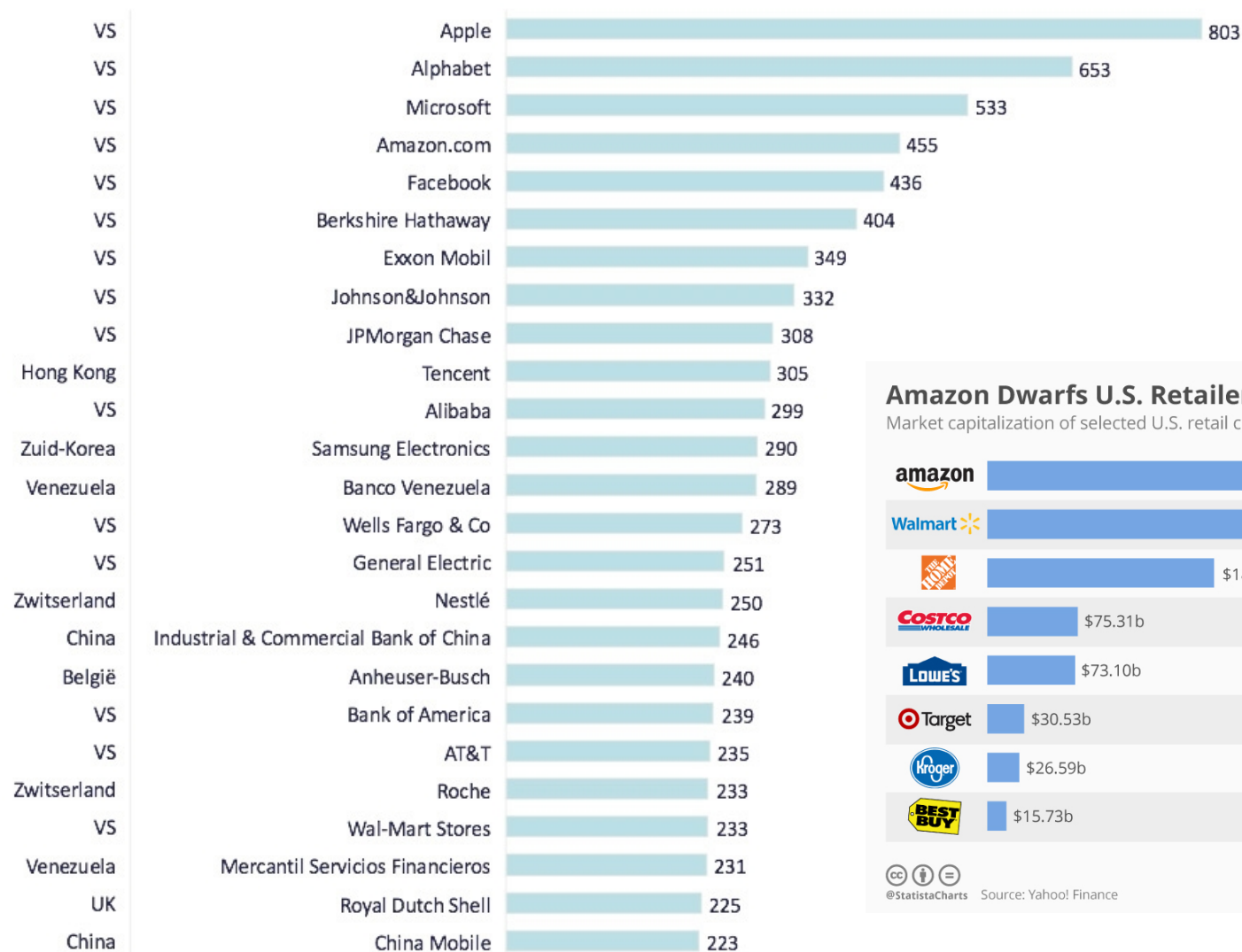
*At August 24th 2016

Economist.com

Also Theme Issue of Harvard Business Review, April 2016

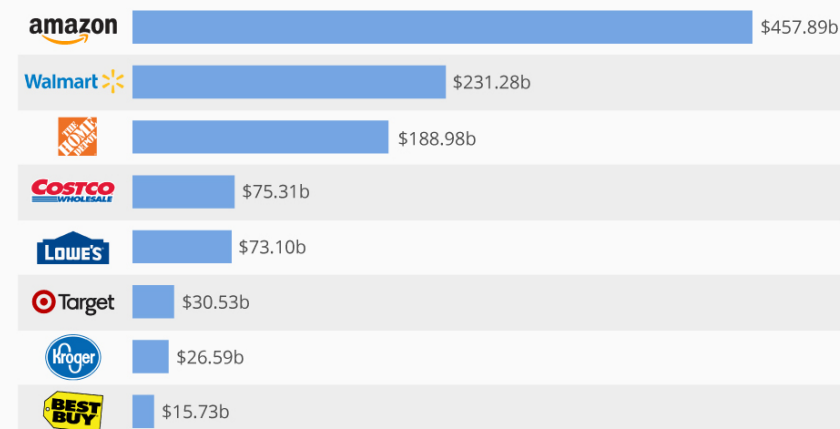
Still increasing (May 2017)

De 25 grootste beursgenoteerde bedrijven ter wereld



Amazon Dwarfs U.S. Retailers in Terms of Market Cap

Market capitalization of selected U.S. retail companies (as of May 15, 2017)



© StatistaCharts Source: Yahoo! Finance

statista

What customers learn to expect from the new economy

- Direct realtime exchange of private assets (*Airbnb, Uber*)
- Direct exchange of pictures, movies, prices, references, reputations (*Booking.com*) as support in their personal choice and decisionmaking
- Reputation of firms and ownership of assets no longer advantage in this exchange; Mistrust in 'bought' expertise and information, more trust in peerreviews!
- New name of public/private battle: personal ownership of personal data

It's not just technology, it is a social-technological revolution

Increased self-management and power: information, knowledge, friends, allies and colleagues available in realtime at your fingertip
(Feeling of) **direct observation, direct information, direct choice**



Main new power-source: Independent & Direct Channel

Revolution in personal ICT (Information & Communication & Media):

- ***Smart*** Enormous, still increasing computing power
- ***Small and Mobile*** Close to person, always at hand
- ***Not just data, all media*** Real time vivid actual observation- and face-contact
- ***Mass use and (!) so expected*** Connection anyplace on the earth, anytime
- ***Platforms*** Develop and support exchange services

This leads to: a new and independent, local and global, ICT and media-channel of, to and between citizens.

No selection, reframing or censorship outside citizens themselves (and algorithms!).

My introduction in Dutch Financial Times, August 2015

 Anders denken

Zeggenschap

Disruptieve burger richt zijn leefomgeving zelf in

Woningcorporaties kunnen niet langer om de macht van de burger heen: met nieuwe platforms en apps krijgt een bewoner meer greep op de eigen woonomgeving.

Steven de Waal

De sector van woningcorporaties is het afgelopen jaar kritisch onderzocht en publiekelijk de maat genomen. Uiteindelijk leidde dit tot een nieuwe Woningwet, met belangrijke maatregelen zoals een centrale overheidstoezichthouder, meer formele invloed op het beleid van huurders en gemeenten, en een beperking van het domein waarin corporaties mogen ondernemen. Ogenschijnlijk is er nu duidelijkheid. De sector lijkt weer over te kunnen gaan tot zijn kerntaak. Business as usual.

Hierin schuilt een groot en gevaarlijk misverstand. De hypesfeer, de hoge toon



Illustrations of the power of the new direct Citizen's Channel:

- a. Politics**
- b. Public services**
- c. Civil society**

Case: Victory Trump

Step 1: Famous on TV and social media (including cameratraining)

Step 2: Classical newspapers had to follow

Step 3: Republican party had to follow



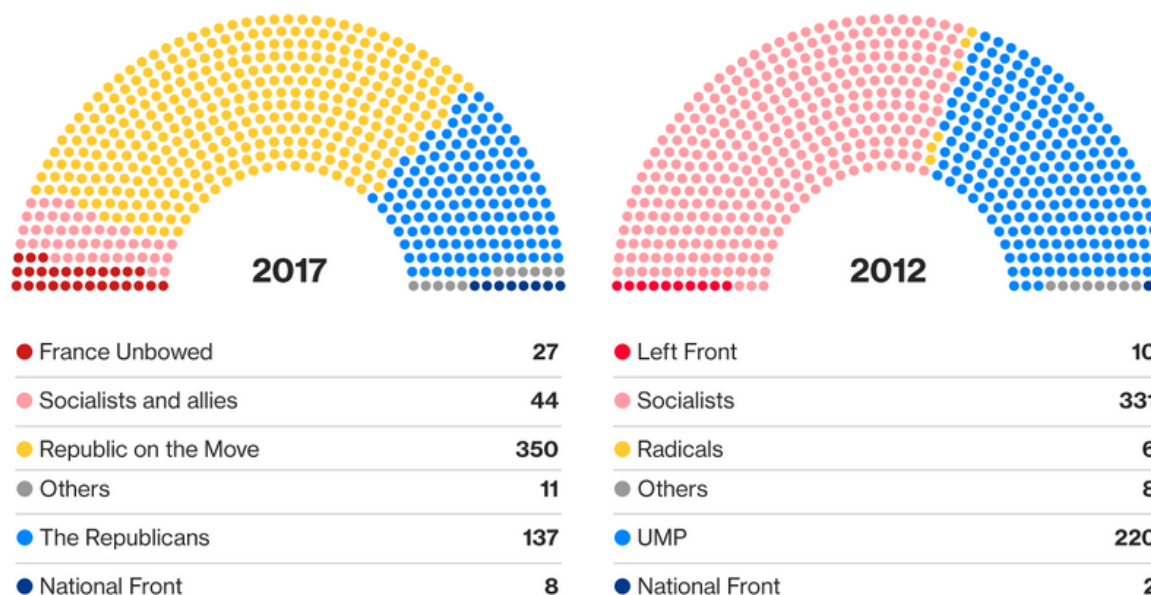
Still stronger case: Victory Macron

Step 1: Initiate a new party, 5 months before election

Step 2: Big electoral victory with new list of politicians, avoiding professional politicians

Macron's Landslide

Republic on the Move and its allies won 350 out of 577 seats in France's lower house



Source: Interior Ministry

Bloomberg 

Dutch examples: Using direct channel to citizens

Local level much further than national

First steps of course on the political safe side:

Start: just asking information:

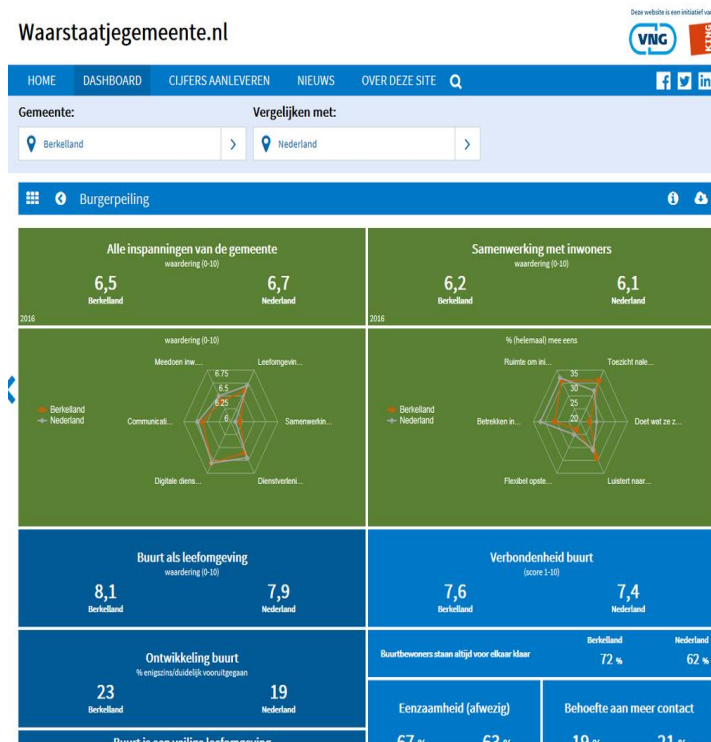
Bewonerspanel
Dordrecht hoort graag wat u er van vindt

DORDRECHT

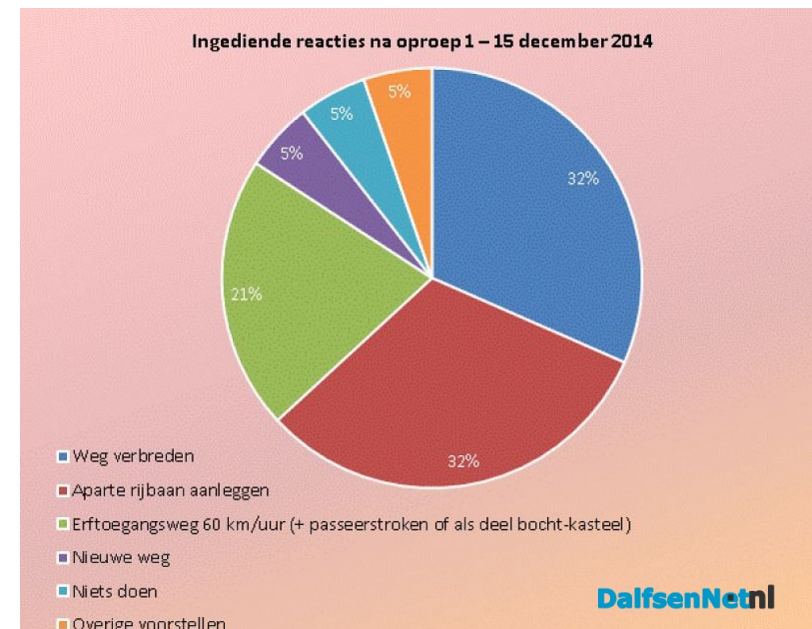
www.dordrecht.nl/bewonerspanel

Then: traditional approach as a customer about service quality:

Waarstaatjegemeente.nl



Finally: ask citizens to participate in political decisionmaking:



Disruption of Democracy

- Indirect democracy is outdated: too slow, too much policies, not persons, selection of professional politicians not public enough. **Urgent need for more direct democracy**
 - **‘Behind-the-door’-powergames need to rethink timing and rhetorics** in public debate and direct channels
 - **Personality (Biography, Emotions, Style) and its Consistency with the message of politicians is crucial (ethos and pathos)***, because of media at your fingertip, direct observation by citizens. Also the main reason voters increasingly look at theatre performance of public leaders!
 - Attention and addiction to actual information (including gossip, fake-news) leads to diminishing loyalties and spontaneous choice
 - Much less important are classical criteria within professional community of politicians: expertise, network, negotiation skills, reasonable attitude (Hillary Clinton was better in all of them!)
- * **Back to Aristoteles: Three rhetorical elements: Ethos** (Visible and consistent connection between speaker, subject and message), **Pathos** (Appeal on Public) **and Logos** (Rational Argumentation)

Main impact of Disruptive Patient on Healthcare

A. New power:

1. **Independent information gathering** (knowledge about disease and treatments, personal data & medical files)
2. **Choice between providers and even individual professionals based on peerreviews**
3. **Self-diagnosis & Shared Decisionmaking & Individual Co-producing**

B. New mentality:

4. **Self-Monitoring & Personal management of chain organization** (from home to hospital vv.)
5. **Cooperative Patient and Family Organizing & Pressure for co-production**

General impact on Public Services:

Public Services are still delaying impact by using protection of state, laws and lobbies

Not sustainable: traditional politics will learn quickly: **no re-election without listening to new civil channel and power**

- 1. Need/Demand for Co-Production and Co-creation;** No longer just voice and passive consumer service, but co-choice, co-production, partnering with 'amateur'-cooperatives
- 2. Reputation based on peer-reviews on direct channel, be there!**
- 3. Monopoly is gone:** civil initiatives and cooperations are here to stay; simple supplyside attitude won't work
- 4. Quality standards are not only based on technical/professional and bureaucratic paradigm, add peer-review and reputation**

NEW CIVIL LEADERSHIP

Trying to stop no use, technology stronger:

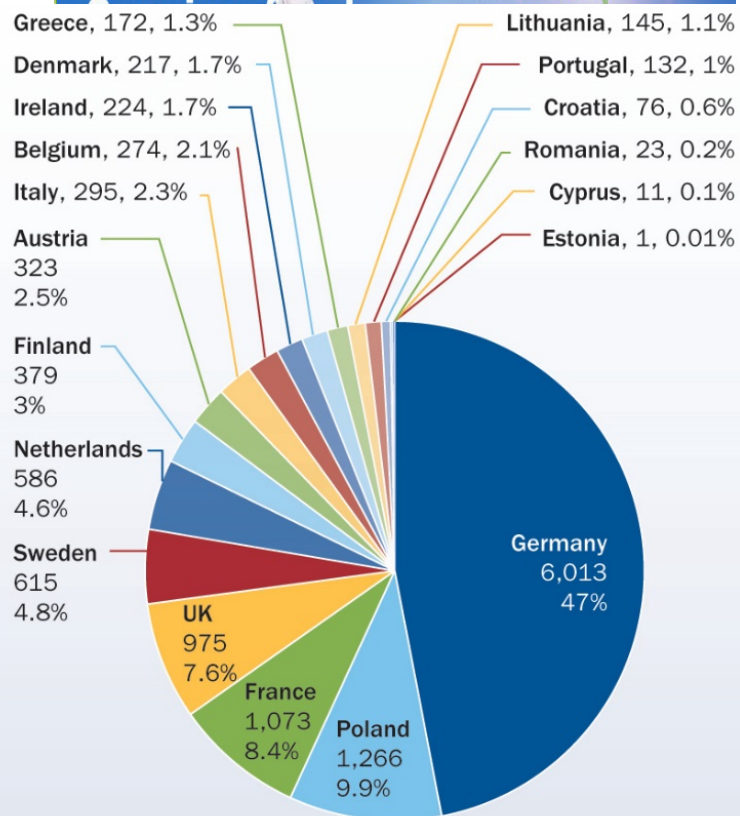


Main scenario for current supply will be: grid function:
co-production, partnering, emergency backup, facilitating of civil initiative

Co-production in neighbourhoods



Windmills initiated and owned by citizens go much faster than government or institutional management



Dutch Planning Agency: In 2012 installed windenergy in Germany in civil hands 50%, in the Netherlands at that time 4%.
Impact still increasing: graph shows windenergy situation EU 2015

Co-Producing Safety:

\$100,000 Warrant - Issued For Maria Ayala
AMBER ALERT
 Taken From Palmdale California - IF SEEN CALL - 661- 272-2400

5-month-old Joliet Cedano




Maria Cedano Ayala - 43 - Suspect

Investigators believe that 5-month-old Joliet Cedano may be with her biological mother, Maria Cedano Ayala.

Joliet Cedano is 23 inches tall and weighs 12 pounds, and was last seen wearing a red and white shirt and blue jean overalls.



AMBER ALERT **VERMIST** **POLITIE**



Anass Aouragh (13)
 Jongen. Vermist sinds 06-02-2013 uit Wassenaar. 1m68, kort zwart haar, groen Diesel jack, bruine broek

[Details vermissing](#) [Deel dit alert:](#) [f](#) [t](#) [i](#)

Heeft U informatie?
 Neem contact op met de politie. Bel: 0800-6070



AMBER ALERT **GEEF ONTVOERDERS GEEN KANS**

POLITIE Download de app
amber.nl/zoekmee

Main lessons from a powerful civil society

- People are more in solidarity and helpful than expected, mainly if help is asked, publicly needed and support result is visible
- People now can organize themselves: not only traditionally in collective protest to politicians and public services, but also their own services
- Biggest question: In partnership or in competition with current professional public services?

Main arguments latter:

- we are professionally trained and better at the work to be done;
- we are following professional standards, so better controlled, monitored and supervised
- we know best

Arguments will become more on result:

Effectiveness? Citizen's co-production in their own time? How are they running their own life?

Concluding

Good news (for your ambition and career):

Digitalization is not only a technical challenge, but will fundamentally affect work- and power-routines and the attitude of citizens

Bad news (for your effectiveness and result):

Most of public domain is still in denial