THE CHALLENGE OF VIRTUAL DIPLOMACY

Presented by Gordon Smith, Deputy Minister of the Canadian Ministry of Foreign Affairs and International Trade at the session: "What Does It Cost and Who Pays?"

Information technologies are having a sweeping impact not only on how we do business, but on what our business is.

For Pheidippides' run from Marathon to Athens, to Paul Revere's ride through the Massachusetts countryside, to the installation of the so-called "Hot Line" from Washington to Moscow during the Cold War of the 1960s, diplomacy has continued to adapt itself to the latest developments in technology. Information, whether confidential or public, is the lifeblood of diplomatic negotiation -- whatever the medium.

But the most important long-term trend is the change in the pace of the game. Where we could once rely literally on sending diplomatic "pouches" on a "slow boat to China", in a world running on "CNN time", responses must now be almost instantaneous. Delays could mean loss of international goodwill, loss of political advantage, loss of business opportunities, or loss of life.
With this revolution in information management and communications underway, you would think that diplomats would have been one of the earliest and most versatile users of these technologies. We are not. We lag behind our counterparts in the private sector and the non-governmental community not only in hardware but also in the creativity with which we apply information technologies.

Yet. Information technologies are transforming diplomacy in many of the same ways that they are transforming societies. The change to our business is broadly based, irreversible and beyond our control.

To illustrate:

There was a time when establishing a new embassy or diplomatic post took weeks, even months. Now, it takes a plane ticket, a lap top and a dial tone. And maybe a diplomatic passport. We can hit the ground running: this has huge implications for the mobility of our operations and what I call "just in time and place" operational effectiveness. This approach was used to establish a new embassy in Zagreb, Croatia, at the height of the Bosnian conflict. It was operational within a few hours. Of course, there was a time when diplomats were the sole interlocutors between countries. Now, unmediated dialogue and information exchange between citizens from around the world occurs 24 hours a day. But, imagine a world where upwards of a billion people have access to the Internet. How are diplomats planning to both adapt and taking advantage of this world?

There was a time when travel involved passports, visas, medical shots and punishing itineraries. Now, with videoconferencing and e-mail, it's "Where do you want to go today?" and the principle viruses to worry about are the electronic kind. For the price of one return ticket to the Middle East, the UN Refugee Working Group, which is chaired by Canada, has established a list server which has blossomed into a vibrant source of information sharing with over 100 select academic and practitioner participants. In the process, it has provided Canada with an invaluable window into the international academic community and given us a means of updating them on recent developments.

That was a time when people "out in the field" were "out of sight and out of mind" as far as Headquarters was concerned. Now, the expertise of diplomats at posts can be harnessed in virtual teams with links across the globe.

All this is possible, and, in some cases, is already happening. Yet, we still have not made the leap of faith necessary to apply emerging technologies fully.

Part of the problem may be definitional. Like many other information technology terms, "virtual diplomacy" gives an ethereal quality to something
which is in fact concrete and practical.

So let's bring it down to earth. Virtual diplomacy is, at the most basic level, the use of information technologies to help conduct international relations activities. By way of illustration, I will describe the Canadian experience in the application of information technologies to its daily business.

Very quickly, here are some of the IT tools available at the Canadian Foreign Service.

To improve contact with our Posts or "field operations", we have employed a highly sophisticated, integrated and dedicated world-wide telecommunications system we call MITNET, which handles both voice and data. It provides 7-digit direct dial access to telephones in our missions around the world. Such a system is the envy of foreign services in other G-7 countries and ensures that, except for the time zones, an exchange over the telephone to any of our Posts, is really no different than one between Canadian diplomats in the same building. Remarkably, the savings in the cost of voice traffic alone will pay for the upgrade over its lifespan.

We have also upgraded the mobility of our operations. This permits rapid responses to emergencies and to situations which require temporary communications hook-ups such as the upcoming G-7 summit in Denver or during such crises as Zaire where Canada formed a virtual team with members in Africa, Ottawa, New York and Washington. Our diplomats also possess electronic "call-me" cards that permit them to access MITNET from any telephone booth in the world.

At the officer level, over 97% of our knowledge workers around the globe are connected by a leading edge technology platform called SIGNET, which can support virtually any application or business process that may be needed.

In this respect, care has also been taken to ensure that we have the details right through the development of innovative applications software such as WIN Exports -- a software package for our 1,200 trade officers which helps link Canadian exporters to foreign consumers. We now have over 100,000 requests each year from foreign buyers which utilize the software's capabilities. Other software applications are on the way.

The simplest service -- and the one with the greatest impact both today and in the future -- is the provision of e-mail, desk-to-desk around the world, with links to other government departments and to public networks. Our knowledge workers are on-line and surfing the web from locations in Moscow to Buenos Aires.

In terms of our presence in cyberspace, both department and embassy
websites have been developed. A wide variety of information is available such as travel advisories, current research, Canadian positions on high profile issues, as well as links to the constantly growing and already well-developed infrastructure of Canadian government sites.

And we are not stopping there. We are continually working to raise the level of interaction on our sites. For us, a web site is an ongoing creative activity.

I should add that we have taken these initiatives in a difficult fiscal environment. At a time when we were forced to absorb operating and capital budget reductions of around 15%, we budgeted for a new technology platform (SIGNET) at roughly the same amount. While we were fortunate in having that rarest of capital investment blessings -- being on time and under budget -- it was, nevertheless, an extremely difficult management decision.

However, we see our cyberspace presence as a vital "soft power" asset to use the expression coined by Joe Nye.

A key element of our soft power is the projection of Canadian identity -- our democratic values, culture and perspectives -- into cyberspace. Through creative applications, we believe that emerging technologies will make it easier to blend cultural activities with traditional diplomatic work by multiplying the opportunities for connections between people.

This leads me to a fundamental point: for the transition to a technologically savvy diplomatic corps to work, it must be made a managerial priority.

In my view only about 10% of the challenge is a technical one; the other 90% lies below the surface in an organization's culture, human resource priorities, and operating procedures. And quite frankly, the greatest resistance will come from the senior levels of the organization. Junior officers take to the technology easily and, if harnessed, can be drivers of technological improvement and innovation. The greybeards, however, can be a different story. Notice I do not say they are obsolete.

How can their resistance be overcome? The education required should focus not only on the uses of new technology, but on what is required to manage people in this new, less hierarchical environment.

Leadership by example is crucial to success. As you can probably tell, I am a big booster of IT. I can surf with the best of them, and am willing to admit to being an enthusiast of the on-line espionage game "Spycraft". There's a desktop I would like to emulate.

I confess to being not above a few theatrics in showing my executive staff the importance of using information technologies to access timely information.
Most recently, at the very beginning of the hostage crisis in Peru, I searched under "Tupac Amaru" to download the ransom demands of the terrorists. I was able to pull it out of my pocket and give it to our South American bureau at the first meeting of my executive staff to discuss the Canadian response to this crisis. After that, I think they had the incentive they needed to find the site for themselves. As an aside -- as of last week this site had over 78 thousand hits over a 3 1/2 month time period.

Where do I see "virtual diplomacy" heading in the 21st century? Let me briefly point to a couple of issues which I, as a practitioner, think will come to the fore. 

As we have heard at the conference, the old conception of international relations as being the sole purview of nation states is woefully inadequate in a globalized context. NGOs, the private sector, and many individuals have distinct international interests, and are contributing to the emergence of a global civil society. The result is that governments must engage non-state players in a fare more substantive way than is currently the case. In the future, I envision a situation where hybrid, just in time virtual teams drawn from throughout the diplomatic and non-governmental communities will become the operational norm.

Another issue is the dissemination of information to the public. Even today, governments see information as a source of power which has value to the extent that it is kept secret. This notion is turned upside down by the notion of "soft power". By using soft power, we can shape the terms of the debate by sharing information.

This means engaging the public and international community in ongoing discussion and debate to a far greater extent than in the past. Canada has already had some successes in this field, and we intend to go further. We conducted on-line consultations with Canadians on the government's possible role in Haiti. We were surprised and pleased with the results.

In terms of promoting discussion with the international community, I believe capacity building and partnership will be key if we are to ensure that the benefits of knowledge dissemination are realized everywhere. This will be the subject of a conference this June in Toronto, on "Knowledge for Development in the Information Age". It will be hosted by the World Bank and Canada.

A third issue for the future is fee for service. Information is the lifeblood of the knowledge economy, and the market for knowledge is increasing rapidly. Where the information provided by government confers benefit, particularly commercial benefit, why shouldn't there be a fee-for-service or user fees? If so, how do we cost our information products? Personally, I am open to the idea of fee-for-service in our business. The market will ensure government
services match customer needs.

I am similarly open to the use of the Department's virtual space for commercial promotion. After all, diplomats are representatives of their countries, including their businesses. Commercial enterprises already use an embassy premises for trade purposes. I think we should look at how business might use an embassy's virtual space.

On the program delivery side of diplomacy, I am excited by the prospects of improved service delivery -- anytime, anywhere, anything. I believe that current efforts on the Internet just scratch the surface. The next stage, and the really exciting one, is where our interaction with the technology leads to wholly new applications.

Finally, there is the challenge of all businesses to move from vertical management to horizontal management of cross-cutting issues. Many bureaucracies, especially those in government, have a very schizophrenic approach to information technologies. They want the benefit of increased information flows, but are reluctant to actually let them occur. Some may even, in the words of Derrick de Kerckhove -- the Director of the McLuhan Program in Culture and Technology at the University of Toronto -- be inclined to build the "Great Firewall of China". I am convinced that such walls will become no less obsolete than the original.