Sharaput CPSA 2012 Coordination, Concentration, and Institutional Innovation: Horizontal Frameworks and Executive Power in Canada

Intro:

A recurring observation about the federal system in Canada has been the slow concentration of power in the hands of the executive, notably peak executives such as the prime minister and premiers, in what has been called "court government", and the "post-institutionalised cabinet" (Savoie 1999; 2005, Bernier et al. 2005, White 2005). Much of this literature has focussed on the institutional dimension of this process, notably on the role played by central agencies (Dunn 1999). In such approaches, the institutional arrangement is both evolutionary as well as instrumental. It is evolutionary in that court government is seen as an outgrowth of preceding models, or governing styles, of institutional structure and political behaviour. It was the development of considerable coordination capacity in earlier governing styles that made court government possible. Court government is instrumental in that the consolidation of power in peak executive hands, and of coordination capacity in the central agencies, is a tool enabling management of the policy process, and the pursuit of a focussed policy agenda. Recent examples of activity, however, suggest that the relationship is not necessarily one sided. Coordination capacity in institutions has been complemented by the use of horizontal framework policies, such as the various innovation and industrial strategies promulgated by successive federal, and some provincial governments. Examination of such policies suggests that such policies are not only made possible by the coordination associated with court government, they also reinforce such institutional arrangements. Horizontal policy frameworks are not only manifestations of peak executive power, they contribute to it.

Part 1: The concentration of power, central agencies, horizontal framework policies

There is an extensive literature on the concentration of power in Canada. Although the tendency for power to be concentrated in a few hands has been a recurring theme (see Granatstein 1982, Dupre 1987, Lalonde 1971), the more recent iteration of this discussion has focussed on the institutional relations within government, notably those between ministers / ministries, the cabinet, and central agencies, in what Bernier et al. (drawing on Dunn 1995, Dupre 1985, and Savoie 1999) refer to as the Dunn-Dupre-Savoie model (Bernier et al. 2005). In this model, the historical evolution of the cabinet has moved through four stages of "political-administrative style", which encompasses both institutional structure and relational behaviour. In the first, traditional, style, cabinet serves as an instrument of regional interest representation. In the second, departmental style, bureaucratization and the expansion of government are accompanied by relative autonomy between ministries, and relative autonomy in decision making by ministers. The third, institutionalized, style features expanding complexity via a developing committee system. Central agencies emerge as key players, with the task of coordinating between committees, and between committees and ministries. Decision making becomes more collective, interdependent, and centralized. Decisions take place in cabinet as a whole, and in the committee system, while central agencies take on an oversight role. Premiers / prime ministers in this style take on the role of the central hub of coordination; although the most important single player, they are not as yet at the peak of a hierarchy.[1] In the final style, to which Howlett et al. refer as premier-centred, and which Savoie refers to as "court" government, hierarchy is introduced (Howlett et al. 2005, Savoie 1999; 2005). The premier or prime minister emerges as a dominant player, ministers and ministries are subordinated, and the power of the prime minister is consolidated through the central agencies (Bakvis 2001, Simpson 2002). At the federal level, these include the Privy Council Office (PCO), the Prime Minister's Office(PMO) and the financial "gatekeepers", such as the Treasury Board Secretariate (TBS) and the department of Finance.

Savoie is the most notable advocate of the idea that court government has emerged. By this, he means a concentration of decision making power in the hands of the PM, noting that " . . . power no longer flows from ministers, but from the prime minister, and unevenly at that" (Savoie 2005: 18). For Savoie and the authors noted above, the transition from traditional through to court government seems evolutionary. Although the personality of core executive

[1] Although it may be worth distinguishing between hierarchy and autonomy. See Howlett and Wellstead 2012.

actors is relevant, notably in terms of leader frustration with collegial / cabinet decision making, the consistent trend has been to move to the more concentrated model (Bakvis 2001, Munroe 2011, Savoie 2005). Analysis of the process tend to focus on driving factors, including saturated media surveillance, the growing control of information within government by the PCO info control, globalisation, the relative absence of both opposing power and opposing ideas / ideology in government, and a shrinking group in control of money. The upshot is that government has developed to the point where the prime minister is able to control the central agencies (through powers of appointment, among others), and the central agencies now control the roles of information generator, spending allocator, and spending guardian.

The study of the concentration of power, and the accumulation of coordination expertise, in central agencies, has tended to focus on two key issues. One is concerned with developing a descriptive model of the changes involved, and of developing a typology of the forms of institutional style which have emerged. The second is the implication of this concentration of power for accountability, and the emergence of a "democratic deficit" (Aucoin and Turnbull 2003, Aucoin 2003). In the first approach, the initial studies have been supplemented by a series of comparative analysis, testing the extent to which the federal court model has been replicated at the provincial level (not all provinces have moved past the institutionalized stage) (Bernier et all 2005, 248). In the case of the democratic deficit, the issue is less structure, kind and process, but rather the political implications for democratic accountability, particularly given the relative lack of accountability mechanisms built in to the parliamentary system.

In practise, where court government or a variation of it exists, the tendency is for the peak executive (prime minister or premier) to define core policy areas of importance or interest, assert control of these areas, and leave the management of the rest of government to the supporting central agencies. What issues are important are not pre-determined, but reflect a mix of both peak executive preferences and contextual factors. Ministers are presented with an agenda to follow, and are expected to implement it. To some extent, the role of the central agencies in a court government model is to act as an "auto-pilot" for the peak executive, allowing them to concentrate on those elements of policy most relevant or important to them, while the rest of the government operates along terms amenable to the peak executive. Where factors emerge that might alter the relative importance of different issues, the role of this "auto pilot" is to bring them to the attention of the peak executive in a timely fashion. The goal for government outside the peak executive's areas of interest is to be "error-free" (Savoie 2005, 22-3). Information control emerges as a basis of coordination capacity for central agencies (they are the only ones who understand the big picture), but also a technique of control (error-free government requires that all who interact with the media stay "on script"). [2]

Central agencies are institutions; institutions are fundamentally tools for concentrating agency. They serve to direct the agency of their aggregate components towards a specific and valued goal, and are distinct from other such mechanisms by their relative durability, by the role they play as coherent actors, by their development of an internal value system and set of interests, and by the transformative impact their pursuit of such interests can have on the surrounding environment (North 1990; Hills and Michalis 2000; Hollingsworth 2000; Pierson 2006). One dimension of institutions is their role as repositories of policy capacity. Institutions exist as products of prior policy; their contemporary interests, and the particular constraints they impose, are both products of the idiosyncratic path of development they have followed, and of the accumulated expertise, or policy capacity, they embody. The process whereby policy formulators accrue such non-material or financial resources, typically through the evaluation of past policy, is policy learning (Bennet and Howlett 1992; Howlett and Ramesh 2009). Over time, accrued policy learning is combined with material and financial resources in formalized institutions, which provide a reservoir of capacity, and reflect a culture and tradition of policy learning (Howlett 2003). Central agencies have emerged as the dominant

[2] Scale and level of government may be a factor here as well. Larger governments, including the federal government, offer more opportunities for policy actors to "slip between the cracks". In contrast, smaller governments tend to have a greater degree of direct interaction between central and outlying agencies, with a corresponding loss of autonomy, and policy capacity for outlying actors (Baskoy et al. 2011, Howlett and Wellstead 2012)

repositories of horizontal coordination capacity; they are better able to coordinate across departmental lines than any other component of government. Indeed, the ability of the peak executive to operate in the style of a court is ultimately reliant on the concentration of coordination capacity in the hands of central agencies.

At the same time that coordination capacity has become concentrated in the central agencies, and perhaps because of the concentration of power in the hands of peak executives, there has been a resurgence in grand-scale, strategic policy. The innovation agenda under the Chretien government, the current economic restructuring that dominates the Harper government's agenda, and the innovative / green economy project of the McGuinty government in Ontario all fall into this category. These take on the form of what Gillies (1995) has called strategic policy, collective policy actions which together are enacted to achieve a specific and coherent goal. Moreover, such projects tend to take the form of horizontal frameworks. These are policies which establish terms of reference and goals to be implemented not only by the coordinating agency, but by partner agencies across departmental borders, in order to achieve such strategic goals. Mounting such projects depends on the kind of coordination capacity associated with the concentration of power in court-style government. At the same time, responsibility for such projects has tended to lie with departmental "outliers", rather than the central agencies one would expect. Moreover, while such projects tend to be framed in terms of grand transformation, and exhibit considerable durability, recent cases suggest their success has been limited, where it can be determined at all. This raises two questions. First, why mount such projects if one is not planning to harness pre-existing pools of coordination capacity? Second, why mount such projects if they have such little hope of success (or why maintain them when their success seems doubtful)? A brief examination of two case studies suggests possible answers.

Part 2a: Case Study 1, Industry Canada and the innovation framework

Between 1993 and 2005, the Liberal government, through Industry Canada, produced a series of core policy documents that established key terms of reference for subsequent policy design. Taken together, these documents describe an evolving project defined by a set of discursive referents that made room for state intervention in the globalization debate, and by an evolving effort to construct a national innovation system coordinated by Industry Canada. [3] The project was based around the association of three critical concepts: globalization, innovation, and competition. Within the framework, the increased mobility and decreased barriers associated with globalization meant more exposure to competition. Competitive success, no longer reliably based on local comparative advantages, now depended on innovative practise. Globalization, competition, and innovation became different dimensions of the same process. Borrowing definitions of innovation from such sources as the Organization for Economic Cooperation and Development (OECD), the framework set terms of reference of later policy development. Using the horizontal implications of the innovation file as a basis for coordination, Industry was able to disseminate these terms of reference across traditional policy boundaries. The adoption of these terms of reference, in turn, served to reinforce Industry's ability to coordinate policy, and the legitimacy of its claim to do so.

The primary goal of the federal innovation strategy was to foster the development of a national innovation system, with Industry Canada as the coordinating actor within the system. An innovation system's primary functions are the integration of the component elements (industry, the academy, government) supporting the innovation process, and the transmission of information between these elements and between the system and its environment. The idea of an innovation system thus involves more than innovative capacity or the process of innovation; it also incorporates the various systemic elements which support this process; an innovation system implies not just a way of doing

[3] The document series commenced with the core document of the Liberal 'Jobs and Growth Agenda', *Building a More Innovative Economy* (BAMIE), developing through a succession of annual reports from the Science and Technology Review committee, and culminating in the 2001 / 2002 publication of the innovation white paper, *Achieving Excellence / Knowledge Matters* (Industry Canada: 1994; 1997a; 1997b; 1999; 2001; 2002a; 2002b).

(innovation), but a way of being (innovative). The innovation strategy explicitly involved a project of economic and social transformation.[4]

The strategy intended to achieve this transformation was one of the earlier examples of a horixontal framework policy. At the time it was advanced, traditional forms of economic intervention by government were subject to ideological attack by proponents of neoliberalism, and increasing constraint due to trade treaty (notably NAFTA). Instead of embarking on a traditional project of sector-development (using subsidies and tariffs), Industry positioned itself as a "steward", stressing that the changes they sought would occur in society and the economy, but that these changes could only occur, and their positive potential could only be harnessed, if government took appropriate action (Industry Canada: 1994; 2001). In contrast to the market society advocated by neoliberals, the innovative society advocated by Industry required a coordinating body. As the actor disseminating the innovation discourse, Industry Canada was able to establish a horizontal policy framework that crossed departmental boundaries, and position itself as that coordinating body.

At the same time, the tactics employed by Industry Canada to achieve this end meant that the ostensible goal of the framework, the establishment of a national innovation system coordinated by Industry, became difficult to achieve. From the 1970s onwards, Industry Canada had assumed a role within the federal government in which it took over potentially problematic or controversial policy files. While Industry was understood to be acting on behalf of the government as a whole, it also provided a degree of useful insulation and deniability. While this allowed Industry to assume a coordinating role for the framework policy, crossing horizontal policy boundaries and ensuring a degree of inter-ministerial cooperation, it lacked access to the basic tools necessary for the transformation the project implied. In the Canadian case, such a transformation would require a structural shift away from the economic foundations (such as a reliance on resource extraction) which had characterized the country to date. Innovation required more than the coordination of industrial policy, it also required changes to the tax regime, the policies of the central bank, property law, labour, employment, and immigration policy, the active cooperation of Finance (rather than simply a passive non-resistance), to name just a few. In the end, the innovation strategy developed by Industry Canada was negated by the very factors that ensured its success: its close association with a Ministry that had developed as a policy cutout for the rest of government. While Industry was successful at an institutional and discursive level at creating a horizontal policy community sharing a common discourse, the policy itself never achieved its goals. In other words, the federal innovation strategy was more successful as a framework than as a policy.[5]

Part 2b: Case Study 2, The MRI and the innovation framework

A distinguishing feature of the McGuinty government's approach to economic intervention in Ontario has been its focus on innovation. The articulation of an innovation strategy was an early, and important, element of the government's overall policy platform, and one that at first glance had fair expectations of success. The development of an innovation system was a core feature of the government's platform from early in its mandate; the 2005 budget targeted the human resources development dimension of innovation, such as expanding the number of, and financial support available for, post-secondary and apprenticeship positions. The same year also saw the formation of the MRI and the Ontario Research and Innovation Council (which produced a coherent innovation strategy), and the creation of a series of targeted investment programs, the primary function of which was to coordinate existing research programs and funding streams (such as the Ontario Networks of Centres of Excellence) and funding streams (like the Ontario Research Fund) (Ontario 2005). This strategy was fully articulated in the Ontario Innovation Agenda (OIA), by 2008 (Ontario 2008). The overall strategy would be to both ensure a supply of innovation-generating researchers, and to position the MRI so as to stimulate the development of a context in which their products could find commercial effect.

[4] For further information on the transformational implications of innovation systems, see Carayannis and Campbell (2006), Lester and Piore (2004), Dosi (2000), Freeman and Lundvall (1988), Freeman (1990), Goel et al. (2004), Lundvall (1992), Nelson (1993), Niosi (1998; 2000).

[5] It has also shown tremendous durability. Despite the historical hostility of the current federal government for most forms of industrial strategy (see Sharaput: 2010), the language of the innovation strategy is alive and well in the governments Action Plan.

Like its federal predecessors, the mandate of the MRI was transformative, and coordinative. The OIA, which sets out terms of reference for activity by the MRI, noted that a core goal of the agenda was to situate the Ontario government as a catalyst for change, and suggested that "the innovation agenda's goal is to align all provincial activities with the needs of an innovative culture and economy" (Ontario 2008: 4). Its strategic plan was explicit in its recognition that innovation-led economic success depends on the formation of an innovation culture, stating that such a culture was:

> . . . . built on understanding the value of all new ideas, recognizing the benefits they provide to society as a whole, and rewarding those who create knowledge and those who put it to use to achieve growth and prosperity. An innovation society has both the respect for the education and research that drive the creation of new ideas, and the nimbleness to act on opportunities to achieve their full value. (Ontario 2006a: 1).

Early communication from the ministry stressed the need to ensure a skilled labour force to foster the development of an innovative economy, and the need to facilitate (re)training of workers in order to manage the transition from a manufacturing economy to the expected knowledge economy. A variety of research funding programs (notably the Early Researcher Award Program) were established to both attract and retain researchers. Horizontal relationships were formed with key government partners, including both sectoral ministries (such as Energy, Resources or Agriculture) and other horizontal departments like Finance and the ministry of Economic Development and Trade (Ontario 2006b). In addition, while the MRI retained the practise of the preceding government of forming partnerships with private sector agencies, these partnerships were firmly located within a broader government mandate, rather than being presented as an end in themselves.

Unfortunately for the MRI, the 2008 economic crisis occurred only a few years after its formation, which prompted a radical change in political circumstances under which the MRI operated. Initially, the MRI was something of a flagship department. Under both premier McGuinty (who assumed the portfolio when the ministry was created) and Minister John Wilkinson (his successor at the MRI), it enjoyed considerable political support as a horizontal coordinating agency within the Ontario government. Horizontal relationships were part of its core mandate, and the ministry had the political backing within cabinet to enforce them. The impact of the economic crisis of 2008, however, seems to have effectively closed the policy window for transformative change. Preservation, of both industrial sectors and jobs, became the dominant political priority of the McGuinty government. Since then, the central role of the ministry seems to have diminished, and both the policy emphasis and discourse of the Ministry has shifted.[6] While the long-term, transformative language of the early years of the Ministry survives, the last few years have seen a far greater emphasis on demonstrating short term results; whether articulated in terms of concrete levels of leveraged funding, jobs produced, or partner successes.

While the early developmental reports published by the ministry articulated broad goals, such as a "culture of innovation", the alignment of government investment, better jobs, the most recent reports stress the need for concrete results. While government will invest, it will only do so where resources can be effectively committed. Jobs remain a focus, but the goal is more employment now, rather than investing in potential employment for the future. Sectoral investment remains, but rather than promoting the emergence of new sectors, it will be limited to those where a return is ensured by a pre-existing competitive edge. The luxury to plan long-term, and to experiment, seems to have been replaced by a political imperative to produce demonstrable results (Ontario 2006b, 2007, 2010a, 2011). Efforts to assess the transformational impact of the ministry are also on hold. An early goal of the ministry was the development of an innovation "score card", intended to measure and report on innovation outcomes. Despite several years of development and multiple iterations (including a recent update in response to recommendations by the Ontario Auditor General), its release date is currently unknown. What evaluation does take place tends to be of a limited form, focusing

[6] There have been an additional three Ministers since June of 2009 (first John Milroy in 2009, then Glen Murray from 2010, and now Brad Duguid since October 2011). The ministry has recently been renamed the Ministry of Economic Development and Innovation.

on the degree to which the department meets leveraged funding targets, and a succession of claims about successful job creation (Sharaput 2012).

Part 3: The implications of horizontal frameworks for concentrated executive power.

The horizontal framework policies illustrated in both case studies share certain characteristics. The policies in question form a bridge between what Howlett has called substantive and procedural policy instruments (Howlett 2000). They combined efforts at significant social and economic transformation. They both involved the selection of a core agency with the task of building a coordinated horizontal network within government, shaped by the logic of innovation systems policy. They both enjoyed significant political support, though in both cases, that support was insufficient to the task of transformation (in the federal case, from the outset, in the provincial case, after the 2008 economic crisis). Both cases are marked by a fundamental lack of success in the transformational mandate, beyond the widespread adoption of discourse. In both cases the stated role of the agency as a coordinator, and the dominance of the discourse it distributes, demonstrate considerable durability, despite this failure of the core mandate. Finally, both cases illustrate ambitious coordination projects outside the aegis of the central agencies.

At face value, from the standpoint of rational policy design, the two case studies make no sense.[7] The explicit purpose of both innovation strategies was to be transformative. The inherent complexity of such projects demands the capacity for significant coordination, both horizontally across government, and vertically between government on private / third sector partners. A significant pool of such capacity (at least in its horizontal form) exists in precisely the institutional relationships associated with court government. Moreover, the control exercised by peak executives over such pools of coordination capacity, coupled with the support of peak executives for both projects, suggests it would be natural to employ the central agencies in implementing the project. Yet in both cases, responsibility for the projects was placed in the hands of agencies less well suited, either due to a historical insulation from the role, or due to the novelty of the agency. Moreover, both projects have been sustained well past the point that any meaningful transformation can occur.

This raises the question of whether such frameworks' sole purpose is to engage in social transformation, or if other motivations are in play. There are at least three that this paper identifies for further research. First, horizontal framework policies offer a more active form of coordination, and one not subject to the inherited characteristics specific to existing coordinated authorities. Second, as a pool of coordination capacity subject to executive will, but separate from existing pools of such capacity, horizontal framework policies can act to counter-balance the influence of central agencies within government. Third, horizontal framework policies can perform a mitigating function to the discipline inherent in court government, in that they offer a means to reconcile policy innovation with the overall governing agenda. In all three cases, the possibilities that horizontal framework policies open up can be seen as a response to the characteristics of the kind of coordination in which central agencies engage.

Horizontal policy frameworks, and the institutions formed to support them, are essentially extensions of executive will; their role is to coordinate government and other partners towards goals selected by peak executives. In other words, they offer an alternative pattern of coordination to the "auto-pilot" characteristic of the central agencies; moreover, they offer means of coordination lying outside the direct control of such agencies. This has a number of potential implications. First, they bypass the inherent conservatism of the central agencies. The role of the central agencies under court government is essentially negative. Their purpose is to prevent errors, to keep other governmental actors from deviating from the party line, and to prevent challenges to the authority of the peak executive. Critical to this function is their role as spending gatekeepers. This role is well established, and much of the efforts of such agencies

[7] Horizontal framework policies share some of the characteristics of "new policy initiatives" (Howlett and Raynor 2006), in that they are designed to be implemented in part through private sector partners and seem to be consistent with the limitations of reduced state capacity and autonomy. They tend to lack, however, the active participation of private partners at the policy design stage, and judging by the case studies, also do not explicitly incorporate efforts to exclude counter-productive instruments.

is directed towards using their control of funds to ensure that departments do not step out of line, embarrass, contradict, or otherwise deviate from the expectations laid out by the central executive (by denying fund to projects that do so, or punishing those that do with a reduction in funding). This has been the norm since the Program Review process in the 1990s, and was most visible in the period of spending retrenchment associated with Paul Martin's efforts at deficit busting (Savoie 2005).

The central agencies are institutions, accumulations of both human and material policy capacity. That capacity is both powerful and limited; not all forms of coordination are the same (Gieve and Provost 2011). One measure of policy capacity is internal flexibility within organizations, the extent to which actors are given leeway to think and function outside of conventional parameters. In other words, one source of policy capacity is an institutional culture that mitigates the constraining effect of existing expertise; just because you are good at doing things a certain way doesn't mean that is the only way to do things (Howlett and Oliphant 2010, Riddle 1998). Given that the role of the central agencies in a court system is essentially to impose precisely such a culture (do things this way, not that), it is not hard to make the leap to the idea that they actually act to limit overall policy capacity in government. This impression is borne out by research into the perspectives of deputy and assistant deputy ministers in Canada, who generally associate the centralisation of power in government with a loss of policy capacity (Baskoy et al. 2011).

As essentially negative actors, the central agencies are ill-suited toward advancing an agenda, particularly a novel or experimental one; rather, their focus is on preventing policy actors from deviating from such an agenda. In contrast, horizontal framework policies allow for active policy coordination; they are intended to achieve a common goal, rather than to prevent others from achieving "transgressive" ones. In the two case studies examined, both illustrate this role to some extent. In the federal case, Industry, with a history of active intervention in the economy, lay well outside the restrictive role played by the central agencies, notably the deficit-obsessed Finance department under Paul Martin. Headed by the Chretien loyalist John Manley, the role of Industry was to redefine the role of government in economic intervention. While it was understood that such intervention would be subject to the limits imposed by central agencies (notably spending and trade-regulation related), Industry still had a broad mandate to influence the actions of other government agencies, outside the oversight or control of the central agencies. In the provincial case, the MRI was a flagship department for government policy. The fact that the MRI was originally headed by the peak executive, and that its mandate was a clear extension of the premiers's economic vision, indicates that it was intended as a tool for the premier to implement a broad policy mandate. The barriers encountered by the MRI were contextual, and a product of sheer bad luck; the impact of the 2008 economic crisis prompted a radical reassessment of government goals, priorities, and options. The case of the MRI also illustrates the vulnerability of horizontal framework policies in this role. The influence and role of the central agencies is now well-established. While their precise degree of influence is subject to change and variation, they themselves exist independently from the will of peak executives; court government is possible because of the power that central agencies offer to those who control them. In contrast, horizontal frameworks exists purely as extensions of executive will; while they can be powerful instruments when backed by the conscious authority of peak executives, this power is fragile, and depends on the continuing support of their executive champion. Horizontal frameworks are powerful when peak executives use them; central agencies are used because they are powerful.

This dependency suggests the second reason that peak executives choose to deploy horizontal framework policies. While there is no doubt that peak executives exercise considerable authority over, and discipline of, the central agencies, there is also a clear imperative that they do so. Failure to dominate such agencies effectively means loss of the court government structure, and a relative decline in power for peak executives. The visible efforts of the current prime minister to discipline the bureaucracy, along with the past history of tension between the PCO and PMO, indicates that the central agencies are not without internal division, and that peak executives are aware of the potential problems that rebellious central agencies can cause. In contrast, horizontal frameworks are the creatures of peak executives; while they can show remarkable durability, their ability to actually effect change is completely dependent on political support.

As such, they offer a way for peak executives to balance the coordination potential of "necessary-but-possible-dangerous" central agencies with a "tame capacity" of their own. Reasons for this can vary. In the federal case, it is worth noting that at the beginning of the Liberal mandate, Finance was under the control of Chretien rival Paul Martin, while Industry was under the control of Chretien loyalist Paul Martin. In the Ontario case, the incoming McGuinty government was dealing with a bureaucracy with both a recent and long-term association with the conservative party, and chose to create their own agency to implement the horizontal framework. Where the basis of one's power (or, at least, an aspect of that power) is potentially hostile, it makes sense to seek out other options.

Power and resistance mark the third possible motivation for the use of horizontal framework policies. The disciplinary role that central agencies play has received a fair amount of attention, but the response to this role is less well-researched (Simpson 2002, Savoie 1999). The willingness of other political actors to accede to court government is generally credited to the disproportionate power of peak executives, who's influence over the central agencies is compounded by significant powers of appointment. The absence of apparent opposition is credited to a lack of ideological commitment or conflict on the part of ministers. However, unless one posits that the latest crop of politicians consists of nothing more than docile automata, the absence of real opposition to the emergence of court government raises questions. The third possible motivation for using horizontal frameworks is that they offer a sort of "safety valve", providing an overarching rationale for subordinate policy design. Horizontal framework policy acts as an outlet to the disciplinary pressure of central agencies and court government discipline. Ministers and departments outside of the core "court" can operate with a degree of leeway in policy design, to the extent that they can reconcile their own projects with the terms of reference of the horizontal framework. The terms of reference for the framework policy (innovation, green, ethical oil etc.) become a kind of password, reconciling gatekeepers to a limited form of ministerial autonomy as long as projects can be publically reconciled with the overall focus of the government. Rather than simply being a case of "no, you can't do that", discipline becomes a process of "you can only do that if you meet our criteria".

In the federal case, the widespread appropriation of the innovation discourse, and the incredible variety with which it was applied, lend credence to this argument. Claims of innovation were applied in sectors as diverse as fisheries and oceans, agriculture, biotechnology, and telecommunications. In some cases, arguments and policies that only a few years before had been attacked for undermining the national capacity for research and development were suddenly reborn as examples of contributions to the innovative economy. Almost anything could be, and was, framed as innovative, and consistent with government goals and priorities.[8] In Ontario, even after the criteria being applied to the MRI changed, and its mandate shifted to job creation, the language and discourse of innovation remained. The mandate of the recently renamed Ministry of Economic Development and Innovation is job growth and prosperity through innovation; this despite the fact that they have yet to release a viable means of assessing how innovative the Ontario economy is, or how effective the ministry has been at encouraging innovation.

Conclusion

Horizontal framework policies are not only complex endeavors, they are complex products of analysis. While they rely on the kind of coordination capacity associated with the central agencies and the rise of court government, they are not simply the outputs of such capacity. Rather, they can be seen as alternative pools of such capacity. In that role, they move from being instruments of social and economic transformation (their most often cited rationale) to instruments of executive will. As such, they offer a range of capacities to peak executives which the essentially conservative central agencies do not. They make possible a more active form of coordination possible, one that opens

[8] For example, in the information and communications sector, the recent dismantling of the telecoms monopoly went from being criticised as a loss of national autonomy and the bane of the Canadian telecoms R&D industry to being the basis for the integration of Canada into the emerging global ICT economy; the end of the monopoly, it was argued, would open up competition and foster the adoption of necessary innovative practices. Consider also the dominant role played by innovation discourse in the current federal government's policies, despite the evident emphasis that government places on the retrenchment of the resource-driven economy.

up possibilities for action, rather than limiting them. They also serve as a pool of coordination capacity dependant on, and thus inherently loyal to, peak executive patronage; as such, they serve to counter-balance the influence of central agencies within government. Finally, these policies offer a kind of controlled relief to the discipline inherent in court government, in that they offer a means to reconcile policy innovation with the overall governing agenda. The options these policies offer to peak executives might account for both their use and durability, despite the recurring failure of the transformative projects with which they are explicitly associated. Further comparative research is required, however, to confirm if this is the case.

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