DEFINING GOVTECH

Lucia Sinapi-Thomas, Executive Director of Capgemini Ventures

I suggest we start with a quick definition of GovTech, Clément, and the lessons of the Covid crisis.

Clément Tonon, member of the French Council of State

Thank you very much, Lucia. GovTech is a contraction of "government" and "technology" and to put it simply, I define it as the use and purchase of innovative technological solutions by state actors to carry out a defined policy. For example, the French government is working with Doctolib, which you may know, a French private company that has worked on scheduling appointments during the vaccination campaign. Also, in the US, the Trump administration asked Palantir Technology to build up a federal database of Covid cases. Basically, GovTech is when a private company becomes involved in a policy that in the past was designed and executed by the state. I think the origin of the idea can be traced back to the early 2000s when several international institutions, such as the OECD and the IMF, promoted the idea of e-government as a way to improve the cost-effectiveness of public services. In 2010, you had a second wave with the rise of civic tech, which tried to improve democratic processes through technology.

If you look at the picture now, GovTech today can be divided into several sectors, such as health, education, defense, security, etc. The market is booming with a growth rate of 15% per year and an estimated value in 2025 of one trillion dollars, so it is massive. In that sense, I do not think the Covid-19 crisis has been a gamechanger, but it has been a catalyst for a previously existing trend. I think the trend will continue, especially in three sectors, health, education, because during the pandemic millions of students had to attend online classes, and obviously smart cities. There is one point where the pandemic has been a major gamechanger and that is today GovTech is part of ideological and political narratives in some countries and I am thinking of China, and in some ways Taiwan, Singapore and South Korea. They developed narratives around their handling of the crisis based on a massive use of new technologies, drones, facial recognition, etc., and that it is to do with the superiority of their political models. I think that the use of technology by state actors will become a core aspect of the competition between political models in the years to come.

Lucia Sinapi-Thomas

Thank you, Clément. When it comes to smart cities, I think you have a good example Faruk. Can you tell us about the rationale and motivation for Polyteia?

Faruk Tuncer, Co-Founder and Chief Executive Officer of Polyteia

It actually started with a personal experience. I am not a techie and I worked in politics before I started public policy and I basically experienced it from the inside; you may have other stories to tell and you may disagree with me. I found it frustrating to see how data was used or actually not used in government. You usually have hierarchical organizations and the reporting works but usually data did not have such a role and it is the political narrative that is important and sometimes ideology. Often, leaders wanted data but did not get it and that was because the government lacks digitization and although it collects a lot of data it does not actually bring it together. I saw this as a policy advisor in one of the big governing bodies in Germany.

I left and co-founded Polyteia and we interviewed leaders and they all confirmed that the problem was that they had a lot of data but were kept in the dark about making use of it. As a result, we built products that actually do that. We integrate data from different sources and legacy systems, bring it together, visualize it, aggregate it and show it so leaders so that they can make better decisions at local level about kindergartens, schools and public spaces. During the Covid pandemic we also did it for a whole state in Germany, monitoring the infections on the ground in the school system for 300,000 students and that was my personal motivation.

If you ask me what I have taken from the experience, I would say that it is the fundamental problem that government lacks and is around 15 years behind the private sector in digitization. At the same time, at least in Germany but maybe this is true of France as well, 30% of all the public servants in Germany are going to retire in the next eight years. We have climate change, disasters happening and the reorganization of our economy to become green and all this needs to be done with fewer people and so we need to digitize, and I think it is already urgent.

Lucia Sinapi-Thomas

Absolutely.