Implementing E-Government Systems in Transition Economies

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INTRODUCTION

In the last 20 years, the explosive development of telecommunication and computer technology has transformed information in the most important economic and social asset. The information society has changed the rules of interactions between people and organisations, increasing the power of individuals. The specific characteristics of the Internet permit freedom of expression and interaction, to a level unmatched by the traditional channel of communications.

As the use of the Internet became more spread in the society, the governments understood that it is risky and ineffective to ignore the possibilities provided by online information and communication. Since the Internet cannot be controlled by any single institution, the only possibility to influence public opinion is to participate in online exchanges. From this perspective, the Internet can be defined as a highly democratic media channel, which allows not only one-to-one, one-to-many or many-to-many communication, but also the storage and retrieval of historical data.

On the other hand, Internet communication can improve the efficiency of various administrative operations and reduce costs. E-government tends to be multidimensional, impacting above all on economic, social and governance dimensions. The benefits of introducing online system in the area of government and public administration are many and varied, such as: cost-effective delivery of services, improved revenue collection on taxes and service levies; IT literacy and reduction of the internal digital divide; increased access to and quality of education; improved education management capacity; improved social security; improved social welfare; integration and coordination of social and economic policy; improved public safety and security; increased capacity for a rational distribution of public funds (geographically and among population groups); greater accountability and transparency in public administration; better coordination and cooperation among government agencies and among different levels of government; improved public relations and communications; increased awareness of rights of civil society and obligations of government; greater public participation in governments’ affairs (United Nations, 2003).

The implementation and effective co-ordination of e-government systems is complex and difficult, requiring knowledge and substantial resources. The implementation process will be most probably influenced by the level of economic development of every country, as well as by the political agenda of the ruling party. From this perspective, there might be significant differences between the developed economies that have a stable democratic system, and the developing countries, or the economies in transition.

These countries, some of them with a fairly developed financial and technological infrastructure, experience specific conditions in terms of knowledge, technological abilities, IT market, telecommunication infrastructure, and regulations. Many of these countries are presently attempting to transform a traditional economy, into an e-society in which Internet communication and interaction pays a central role.

BACKGROUND

As in the case of e-commerce models, the implementation of advanced e-government systems is a gradual process. A report prepared by the United Nations (2003) has defined the five gradual stages of e-government implementation: (a) emerging e-government—characterised by the establishment of an online presence—often an government Web site; (b) enhanced e-government, in which the functions of the e-government platform become more diversified and the information exchange between government and citizens becomes more dynamic; (c) interactive e-government, when the government online portal permits downloading of administrative forms and documents, sending e-mail messages to officials, or engaging in online discussion forums; (d) the transactional stage, when the Internet connection offers facilities to pay taxes or conduct public administration online transactions; and finally (e) seamless e-government, which is characterised by a full integration of e-services across administrative boundaries.

A country’s social, political, and economic background correlates closely with its e-government program development (United Nations, 2003). However, some developing and transitioning economies succeeded to implement, in a short period of time, very advanced e-government systems. Key factors such as the state of telecommunication infrastructure, the strength of the human
capital, the political will, and commitment of the national leadership, play important roles. Each of these factors influence how decision makers, policy planners, and public sector managers elect to approach, develop, and implement e-government programs.

According to a 31-country survey of nearly 29,000 people by market research firm Taylor Nelson Sofres, 30% of the adult population around the world now accesses some aspect of government on the Internet (eGovernment, 2003a). However, the service adoption curve has displayed little variation; information searches and form downloads show fairly widespread and growing (though moderately) usage, while the percentage of users providing personal information to their governments over the Internet and those paying for government services online remains low and static.

These findings can hardly qualify the e-government systems as service oriented and citizen-centric, since they are not a medium to elicit useful feedback and an active participation of the population to the political decision making. E-government should increase citizens’ involvement in the process of governance at all levels, by introducing new voices in the current political dialogue, and enhancing the system of e-democracy.

Despite the recognised importance of e-government in transition economies and developing countries, as an engine for economic and political change, encouraging sustained growth and interactive democracy, very few studies have concentrated on the pattern of e-government implementation and development in these countries. Most of the material available are reports and surveys initiated, and prepared by transnational institutions, such as the United Nations, European Commission, or by market research organisations—eMarketer or Taylor Nelson Sofres. The transition economies from Central and Eastern Europe need to make a special effort in order to develop the information and telecommunication infrastructure, and to avoid the formation of an e-elite that controls information access and use in these countries. At present, the importance of an information-based society is recognised by all the government in the region, and important initiatives have been taken to at political, legal, and social level.

**ELEMENTS DETERMINING AND INFLUENCING SUCCESSFUL DEVELOPMENT OF E-GOVERNMENT SYSTEMS IN ROMANIA**

The following elements are essential for the introduction and development of effective e-government systems in transition economies (O’Brien, 2004):

- **Government**: Political orientation, priorities and will
- **Citizens**: Access to Internet, skills for interacting with a Web site, knowledge of e-government initiatives
- **Internet Penetration and Telecommunication Infrastructure**
- **Systems’ Compatibility**: Supporting legislation, electronic payments, democratic ideology

Each of these four elements will be discussed in detailed in the following pages, presenting the existing situation in Romania.

**Government Initiatives**

The implementation of an integrated e-government system is considered essential by the Romanian government, considering not only the needs of the population, but also the perspective of becoming a member of the European Union (Filip & Stoica, 2002; O’Brien, 2004). Romania began its e-government effort in late 2000, declaring its intention to move fully into the information age (Patterson, 2002).

The Romanian government established a series of strategic objectives for the implementation of efficient e-government services (Malacopol, 2002):

- To create the legal framework (predictable, simple, consistent)
- To facilitate the industry development (favourable, stable and highly predictable environment for business growth, ensuring fair competition, granting specific facilities and incentives)
- To promote the electronic services awareness, security and consumer confidence
- To generate national sustainable economic growth and foreign direct investment through the communications and information technology sectors
- To build up synergic co-operation for different industries using global communications systems
- To set up an example of development and a growth engine by the government involvement in building successful projects.

In September 2003, the Romanian government launched its e-government portal—www.e-guvernare.ro—providing a one-stop shop to public services online (eGovernment, 2003b). The portal, also called “Electronic National System,” gives 24/7 access to information from central and local government institutions, official forms and interactive services. 164 official forms from 465 public institutions, and five interactive services are currently