Chapter VIII
Institutional E-Government Development

Bryan Reece
Cerritos College, USA

Kim Andreasson*
Economist Intelligence Unit, USA

ABSTRACT

There has been considerable attention given to the issue of unrepresentative access; however, research to date has focused on individual level influences including cultural, social, generational, and economic factors that impact behavior with respect to online engagement. This chapter takes an institutional approach. Derived from a quantitative assessment of the 238 largest cities in the United States, we use multivariate modeling of variables to illuminate what factors affect institutional e-government development efforts at the local level. We find that the concentration of oft cited digital divide populations has no relation to the quality of e-government in U.S. municipalities. This is true for race and ethnicity variables as well as income and age variables when measured against any index developed for this analysis. The only hypothesis that holds significance is the education variable. Cities with lower education levels are more likely to have lower quality e-government.

INTRODUCTION

In tracing the development of e-government and engagement, there are key conclusions that have been established which in turn point to new areas of research in need of exploration. First, the e-government systems research—what many in this literature refer to as “supply-side” research—finds that engagement at the individual and group levels are showing a positive correlation. Combined with the fact that many governments embrace the development and implementation of e-government as a good governance practice, the implication rises above a local or isolated phenomenon to one
that touches American democracy as a whole. The spread and effect of online engagement combine to possibly alter our democratic processes. Second, the e-government user research—what many in this literature refer to as “demand-side” research—finds that engagement is occurring in an unrepresentative manner. The individuals and groups that are being engaged with e-government systems are not representative of the diversity in the U.S. Specifically, this research finds that African Americans, Hispanics, lower education, lower income and senior individuals may not benefit as readily from this new avenue of participation.

There has been considerable attention given to the issue of unrepresentative access; however, research to date has focused on individual level influences including cultural, social, generational, and economic factors that impact behavior with respect to online engagement. As such, there is now substantial need to conduct research at the institutional level in order to explore the role that e-government development play in engagement. The primary question that this chapter asks is: what factors affect institutional e-government development?

To answer that question, this chapter first offers a background of previous efforts in the demand and supply-side literature along with a presentation of causal e-government theory development and digital divide research. It then presents an overview of the primary research developed for purposes of this chapter, which is derived from a quantitative assessment of the 238 largest cities in the United States. Based on the research, we use multivariate modeling of variables to illuminate what factors affect institutional e-government development efforts at the local level and their potential impact on engagement. Finally, we discuss the primary findings and draw conclusions based on the model presented.

**BACKGROUND REVIEW**

The ongoing and ever maturing e-government evolution has led to increasing efforts to evaluate what factors affect its development and how those impact engagement and online participation, particularly as digital divide issue are considered. In order to set the stage for the primary research model of exploration presented in the next section, this background presents an overview of the supply-side and demand-side e-government literature before turning to a discussion of engagement and the digital divide.

**Supply-Side and Demand-Side Research**

Over the past decade, e-government has moved from a promising experiment to an established avenue that increasingly affects the lives of people in ever-increasing numbers. At the global level, the United Nations (2003) observed that “Governments are increasingly becoming aware of the importance of employing e-government to improve the delivery of public services to the people” (p. 4). In the U.S., Jane Fountain (2001) of Harvard University’s John F. Kennedy School of Government also argues that “there is nearly unanimous consent in the belief that the Internet has a significant impact on government and politics” (p. 3).

Not surprisingly then, e-government development has now reached a point of critical mass as cities, states, federal and government agencies all use websites to provide information, conduct operations and deliver services. The rapid development of e-government has given rise to a large “n” that begins to look statistically relevant and with the unanimous consent referred to by Fountain, more quantitative and generally more rigorous research studies have emerged.

An ongoing set of studies from Civic Resource Group (www.civicresource.com), an e-government consultancy, illustrates the industry stud-