



Chapter IX

**Social Issues in
Electronic Commerce:
Implications for
Policy Makers**

Anastasia Papazafeiropoulou
Brunel University, UK

Athanasia Pouloudi
Athens University of Economics and Business (AUEB), Greece

ABSTRACT

The revolutionary development of network technologies launched electronic commerce as a global phenomenon. Consequently, the policy issues that arise from its use create new responsibilities for policy makers worldwide. Apart from the technical (e.g., fast and reliable networks) and regulatory (e.g., legal frameworks and standardization) challenges that need to be tackled, there are a number of social concerns that also need consideration. It is important for policy makers to see Internet use and electronic commerce as a social as well as a technical phenomenon. In this chapter we examine how social

concerns such as trust and digital democracy pertain to all levels of Internet and electronic commerce policy, posing dilemmas and influencing the construction of an effective and socially responsible strategy for electronic commerce.

INTRODUCTION

Policy implementation for electronic commerce is a complex process since policy makers, national governments in their majority, have to act in a fast-changing environment. They need to balance special national demands with international cooperation (Papazafeiropoulou & Pouloudi, 2000). One of the areas that policy makers have to tackle—dealing with barriers—has been reported in the adoption of electric commerce today. These barriers are mostly derived from factors such as lack of awareness about the opportunities offered by electronic commerce as well as lack of trust to network security. Additionally the current legislative framework, drawn before the advent of electronic commerce, is perceived as outdated, thus impeding the expansion of on-line transactions. Policy makers, therefore, find it increasingly critical to update commerce legislation (Owens, 1999; Shim et al., 2000; The White House, 1999) and take other measures to facilitate the uptake of electronic commerce.

As the need for appropriate policy measures that support the information society is increasing, it is important to prevent a predominantly technical, commercial or legal approach that neglects the broader social issues related to policy making. To this end, this chapter examines social issues related to electronic commerce policy making and is structured as follows. In the next section we present two fundamental social concerns that are related to policy making in electronic commerce: trust and digital democracy. We then discuss these concerns in light of different policy issues arising from the use of network technologies, and present their implications for policy making in electronic commerce. The chapter concludes with the importance of a holistic approach to policy making and suggestions for further research.

SOCIAL CONCERNS

The introduction of technologies such as the Internet in everyday life has resulted in a debate about its relative merits and disadvantages. Some of the social concerns are illustrated in the study conducted by the Stanford Institute for the Quantitative Study for Society (SIQSS, 2000) concerning the social implications

17 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/social-issues-electronic-commerce/4603

Related Content

Knowledge Architecture and Knowledge Flows

Piergiuseppe Morone and Richard Taylor (2009). *Encyclopedia of Information Science and Technology, Second Edition* (pp. 2319-2324).

www.irma-international.org/chapter/knowledge-architecture-knowledge-flows/13905/

Development of M-Government Projects in a Developing Country: The Case of Albania

Silvana Trimi and Kozeta Sevrani (2012). *Project Management Techniques and Innovations in Information Technology* (pp. 316-328).

www.irma-international.org/chapter/development-government-projects-developing-country/64969/

Evaluate IT Investment Opportunities Using Real Options Theory

Xiaotong Li and John D. Johnson (2002). *Information Resources Management Journal* (pp. 32-47).

www.irma-international.org/article/evaluate-investment-opportunities-using-real/1225/

A Multi-Objective Decision and Analysis Approach for the Berth Scheduling Problem

Mihalis M. Goliás, Maria Boilé, Sotirios Theofanis and Heidi A. Taboada (2012). *Project Management Techniques and Innovations in Information Technology* (pp. 1-20).

www.irma-international.org/chapter/multi-objective-decision-analysis-approach/64951/

Mobile Agent-Based Information Systems and Security

Yu Jiao, Ali R. Hurson and Thomas E. Potok (2009). *Encyclopedia of Information Science and Technology, Second Edition* (pp. 2574-2579).

www.irma-international.org/chapter/mobile-agent-based-information-systems/13948/