

Electronic Governance

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INTRODUCTION

Two parallel evolutions are currently challenging the functioning and the legitimation of the traditional nation-state: globalization and the rapid development of the information and communication technologies (ICTs). Both come together in the new concept of “electronic governance” or “e-governance.” Indeed, globalization in all its forms (i.e., financial, economic, cultural, technological, and ecological globalizations) is increasingly putting pressure upon the nation-state. Collective problems, such as climate change or organized crime, can no longer be solved by nation-states only, let alone by one single nation-state. In fact, such problems require not only the supra-national approaches and institutions, but also the involvement of non-state actors, in particular of civil society and the private sector. Simultaneously, the ICTs are gradually penetrating all realms and all levels of society, and as such increasingly affect both production processes and state-society transactions.

If “governance” can be defined as the growing involvement of non-state actors into collective problem-solving at all levels of society (i.e., from the local to the global levels) (e.g., Finger, 2004; Mayntz, 1999), “e-governance” then means the active usage of the ICTs for such collective problem solving. In this article we want to both offer an understanding what e-governance is and could be and outline of the different dimensions and forces which currently lead up to e-governance practices. Consequently, our article is structured as follows: in a first section, we will present and critically discuss the state of the literature on e-governance. In a second section, then, we will show how governance and the ICTs are currently coming together, and subsequently propose a definition of electronic governance.

BACKGROUND: A CRITICAL OVERVIEW OF THE LITERATURE

If one critically examines the quite recent literature on e-governance, one can identify three different approaches, each coming to e-governance from a different perspec-

tive, namely (1) from a public sector reform perspective and (2) from a governance perspective.

E-Governance through the Lens of Government

As a matter of fact, most of the currently available literature on e-governance is rooted in ICT-driven government reform projects. Here, the ICTs are used to increase operational efficiency and at times a better customer-orientation (Cluff, 2002; Marche & McNiven, 2003; Prattipati, 2003; Schedler, Summermatter, & Schmid, 2004; Turner, 2002;). As a result, the words e-government and e-governance are used almost synonymously. For other scholars, e-governance means the utilization of ICT to improve democratic processes at the various levels of political activity in a state (Macintosh, 2004; Pratchett & Lowndes 2004; Christin & Trechsel, 2004). This is also referred to as e-democracy, and refers to use of ICTs in (any) democratic process (e.g., Grönlund 2002; Malkia et al. 2004) (i.e., consultations, participation, and policy making). However, among politicians only the voting part was taken up as they wanted a quick fix to the decreasing turnout at elections. Hence, also in the EU, e-democracy means e-voting.

The application of ICT in the area of government and politics is considered to have a transformative impact on the existing structures of the state, the legal system and the functioning of government in general, in that processes and transactions are becoming more efficient and more transparent, and that overall citizens are better served (Mälkiä et al., 2004; Zwahr, Finger, & Müller, 2005). Another stream of research that looks at the transformative aspects of e-governance is research in digital government. It examines the impact of ICT on government institutions, its governance structures and information processing (Fortes 2003; Fountain, 2001, 2003).

E-Governance through the Lens of Governance

Globalization is without doubt one of the buzzwords of the late 20th and the early 21st centuries and is considered to

bring both successes for national economies as well as an increasing external pressure on the nation-state. States aim at participating in the global process of communication and trade on the one hand, but are on the other hand limited to their national institutions, especially in the fields of fiscal, economic, and social policy. Yet, new collective problems of global (i.e., transnational) nature emerge, such as for example climate change, unemployment, or pollution problems. These problems can no longer be solved by a single nation-state alone. Moreover, such problems affect numerous stakeholders at all levels of society (i.e., from local to global) and as such can only be solved in a joint effort among all stakeholders (Beisheim et al. 1999; Mayntz, 2002). Thus, in the context of globalization, states increasingly need to share their power with other actors, be they from the private (businesses, business organizations) or the third sectors (civil society, non-governmental organizations). The fact that the state is no longer powerful enough to impose its solution thus is characteristic of the passage from government to governance (Finger, 2002, 2003).

On the level of firms, the situation is actually similar. Embedded in a national economy, firms are increasingly engaging on global markets. In this process, multi-national firms are exposed to new economic challenges and political environments which they have to cope with. Furthermore, the influence of external interest groups such as unions or non-governmental organization is shaping the decision-making process of firms. Decision making and corporate governance in and of firms is thus more and more incorporating the interests of external stakeholders and interest groups (Greenwood & Jacek, 2000; Ronit & Schneider, 2000). In the firm also, we are moving from traditional top-down government (shareholder value) to governance (stakeholder value).

In both cases, the literature on e-governance is exploring the role of the ICTs when it comes to solving either collective or corporate problems (Finger & Pécoud, 2003). Examples of such research are the investigation of e-participation systems in Europe or the study of ICT based citizen involvement in public and corporate decision-making (Bishop, Kane, & Patapan, 2002; Womenspace, 2003).

Critical Analysis

In short, both approaches acknowledge that there is a strong relation between the utilization of the ICTs and governance. In the case of “government governance,” the major concern is the optimization of traditional government processes (performance optimization: efficiency and effectiveness). However, they are not concerned with the transformative impact the ICTs can have on the overall politico-administrative system. Often, the term e-gover-

nance is simply used as a substitute for e-government, which actually describes much better what these authors have in mind. The stream of literature that is concerned with the transformation of the nation-state and the firm, is much more interested in the transformative role of the ICTs, yet this research is so far only little advanced.

THEORETICAL CONSIDERATIONS ON E-GOVERNANCE

One must acknowledge that there are indeed currently totally separate schools of thought which come together in the concept of e-governance. In this section, we try to integrate these schools of thought by starting out with governance and integrating in there the ICTs.

From Government to Governance

In order to understand the evolution of the recent years from government to governance, one has to recall the main functions a state generally performs, namely policy making, service delivery, and regulation. Policy-making refers to the process of developing policies in either a state or a firm. A national public policy might be that each citizen has the right to receive a basic healthcare service. In a firm, a corporate policy can be that enterprise resource planning is done with only one specific type of software. The process of how such a policy is developed, debated, and finally implemented is all part of policy-making. The service delivery function comprises all activities involved in providing a service. In the case of states, the provision of basic healthcare is a public service, while it is a firm’s core business to produce goods and services. The third function, regulation, represents the controlling activities that need to be performed in order to ensure that services are delivered properly, particularly according to the agreed policies.

While all three functions remain necessary in both states and firms, it becomes less and less obvious, over time, that all these functions are performed within the state or the firm. Indeed, the phenomenon of governance precisely highlights the fact that other—non-state or non-firm—actors are increasingly involved in performing these functions. This has become particularly visible in the case of the policy-making function, where non-state actors (businesses and non-governmental organizations) are now actively involved in shaping state policies, while at the firm level all kinds of stakeholders (as opposed to shareholders) increasingly have their say in company policy. Similarly, the service delivery function is increasingly being outsourced (and even privatized in the case of the public sector). Here too, non-state and non-firm actors increasingly come to play a

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