

E-GOVERNMENT AS A BASIC FOR ECONOMIC DEVELOPMENT IN UKRAINE

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Abstract

Development of information society in Ukraine and introduction of new information and communication technologies in areas of social life and activity of the government is defined by effective work of the e-government in the country. The article is devoted to finding the role of e-government in the socio-economic development. The aim of this paper is to find the main directions of e-government in the information society to improve the efficiency of government in Ukraine and the access to international information society. The article is analyzed the factors constraining introduction of electronic government in Ukraine, obstacles for users of e-governments system in the conditions of information society also. It is proved that e-government is the foundation of a new model of governance in Ukraine. The article is analysed a rating of the European countries (separately Eastern Europe) by efficiency of introduction of the electronic government. The methodological basis of research is made by a logical and dialectic method of knowledge of economic events and state regulation machineries in modern world and national economies, the provision of fundamental works on the economic theory, international law and public administration.

Key Words: *E- government, innovation, IT technologie. informative society, public administration.*

JEL Classification: *G 380.*

I.RAISING OF PROBLEM IS IN A GENERAL VIEW. CONNECTION IS WITH SCIENTIFIC AND PRACTICAL TASKS

IT technologies, degree of their development and distribution, determine the level of development of the one state or another. The entire leading countries of the world intensively work over conceptual principles of forming of informative society: develop the multi-billion projects sent to perfection of informative infrastructure, projects of informatively-legal support of labour, studies and life of man in such society. Development of informative society in Ukraine and introduction of the newest of informatively-communication technologies (ICT) in the spheres of public life and in activity of public and organs of local government authorities is determined by the effective functioning of electronic management in a country. One of the key problems of the formation and development of an open society is the transparency of government, as signs of a democratic society, its openness factor. The development of information and communication technologies enables to realize the principles of openness and transparency by the introduction of e-governance, which can be regarded as an instrument of power and accountability of communications between the various parties of the democratic political process as a method of increase the activity of citizens, their political culture as a form of law citizens to complete and objective information.

Countries in the whole world are actively inculcate the systems of electronic government (e-government) in activity of executive branch agencies and local governments. Home and foreign scientists A.P. Golobutsky, V.I. Drozhzhynov, D. Dubov, M.A. Sokolov, L. Smorhunov, P.S. Shpyg investigated features and descriptions of informative society, the problems of introduction of information technologies discovered in-process public and corporations authorities, the factors of development of electronic management discovered in the countries of the world. But, the expedient are remained by researches in relation to the mechanisms of introduction of electronic management in Ukraine, as an effective element of development of informative society, competitive state and state government base in general.

The aim of the article is an exposure of basic directions of development of electronic management in the conditions of informative society for the increase of efficiency of state administration in Ukraine and access to the international informative space.

II.EXPOSITION OF BASIC MATERIAL. STUDY RESULTS

The effective method of increase of efficiency of power, providing of her transparency and accountability to society is development of electronic management.

“An electronic government” and “electronic management” - it relatively new terms that entered political disputes at the end of 90th of XX of century. Without regard to the enormous amount of determinations of these concepts offered first of all by the most influential international organizations, the theoretical and normative scopes of these concepts, as well as before, remain debatable. Most determinations contain three basic components: increase of efficiency of activity of government; grant of services to the citizens; perfection of democratic process is on the basis of the use of new informatively-communication technologies (Sokolova, 2005). Administrative Program of United Nations developed its list of "Big 20" with the current e-government in the world (Table 1) (www2.unpan.org).

Table 1. Top 20 countries with the highest index of e-government in 2012

Country	Index
Republic of Korea	0.8785
United States of America	0.8510
Canada	0.8448
UK and Northern Ireland	0.8147
Netherlands	0.8097
Norway	0.8020
Denmark	0.7872
Australia	0.7863
Spain	0.7516
France	0.7510
Singapore	0.7476
Sweden	0.7474
Bahrain	0.7363
New Zealand	0.7311
Germany	0.7309
Belgium	0.7225
Japan	0.7152
Switzerland	0.7136
Finland	0.6967
Estonia	0.6965

According to the annual review of "electronic government" run by "Accenture", during which were studied public online services of 23 countries, first place was awarded by State Portal of Canada. The criterias were informative, interactivity and the possibility of transactions.

In second place was Singapore, "electronic government" which provides citizens with services such as registration of birth, marriage, housing search, sending messages to the police. By the way, in this country for the first time in the world was sold the idea of a government portal. Third place received by the "electronic government" of USA. By far the leaders are Australia, Denmark, UK, Finland, Hong Kong, Germany, Ireland, the Netherlands, France and Norway (Drozhzhinov and Strick, 2010).

Europe as a region has been in the vanguard of information technology and setting the pace for others to follow. Building on the existing strength of high levels of human capital and infrastructure, the transformative role of ICT has been recognized and adopted to further streamline e-government services. Moving beyond improving public sector efficiency, Europe is now looking to adapt innovative technologies to human development and economic sustainability in the future. With a common e-government framework, EU countries are encouraged to deploy advanced technologies, institute better governance and provide expanded services with concomitant pursuit of greater transparency, efficiency and inclusion. Notwithstanding, differences remain between regions and within them. Key European countries spend more than double the EU average amount per capita on ICT; others, around half of it (Table 2) (www2.unpan.org).

Table 2. Top ranked countries in Europe

Rank	Country	E-gov. development index		World e-gov. development ranking	
		2012	2010	2012	2010
1	Netherlands	0.9125	0.8097	2	5
2	United Kingdom	0.8960	0.8147	3	4
3	Denmark	0.8889	0.7872	4	7
4	France	0.8635	0.7510	6	10
5	Sweden	0.8599	0.7474	7	12
6	Norway	0.8593	0.8020	8	6
7	Finland	0.8505	0.6967	9	19
8	Liechtenstein	0.8264	0.6694	14	23
9	Switzerland	0.8134	0.7136	15	18
10	Germany	0.8079	0.7309	17	15
Regional Average		0.7188	0.6227		
World Average		0.4882	0.4406		

The Netherlands (0.9125) made substantial gains, advancing to the top position in Europe and 2nd in world rankings, followed by the United Kingdom (0.8960) in 3rd place and Denmark (0.8889), which also advanced and occupies the 4th position this year. Within the fore mentioned common e-government framework, all of the top countries of Europe offered more or less the same level of user centric services to their citizens resulting in marginal assessment difference among them. For example, Germany (0.8079), the 10th leading country in Europe as a whole, achieved about 89 per cent of the e-government development level of the regional leader, the Netherlands. Advancing 32 positions in the world rankings, the Russian Federation (0.7345) became the leader in Eastern Europe followed by Hungary (0.7201) and the Czech Republic (0.6491) (Table 3) (www2.unpan.org).

Table 3. E-government development in Eastern Europe

Country	E-gov. development index		World e-gov. development ranking	
	2012	2010	2012	2010
Russian Federation	0.7345	0.5136	27	59
Hungary	0.7201	0.6315	31	27
Czech Republic	0.6491	0.6060	46	33
Poland	0.6441	0.5582	47	45
Slovakia	0.6292	0.5639	53	43
Bulgaria	0.6132	0.5590	60	44
Belarus	0.6090	0.4900	61	64
Romania	0.6060	0.5479	62	47
Ukraine	0.5653	0.5181	68	54
Republic of Moldova	0.5626	0.4611	69	80
Sub Regional Average	0.6333	0.5449		
World Average	0.4882	0.4406		

As in other parts of Europe, all countries of the sub-region improved their e-government development in 2012, advancing the sub-regional average by 16 per cent even though they could not maintain their rankings, except for Belarus and the Russian Federation. Being the largest country in the world and consisting of eight federal districts influences the development of e-government in the Russian Federation. The Government recently announced investments of around 80 billion rubles for the informatization of federal government bodies and other initiatives related to the development of e-government. In Hungary, the focus of programmes to develop the information society encompassed support for improving ICT skills in the labour market, targeting small and medium enterprises and increasing the number of ICT experts.

E-services were increasingly the norm in other countries as well. In 2010, Moldova, another country that improved its ranking, in collaboration with the World Bank, started implementation of a Strategic Programme for Technological Modernization of the Government, aimed at ICT-led institutional reform to increase access to information and promote digital services (e-services), and to improve public administration. By improving the governance frameworks the programme is expected to result in simplification and consolidation of administrative procedures leading to transparency and effectiveness.

A main task of electronic government (to the e-government) in Ukraine is an increase of efficiency of functioning of government, and it means perfection of mechanisms of control and adjusting of relations of government with corporate participants and society in general.

The task of legislation about the informative system «the Electronic government» is creation of legal, organizational, scientific and technical, economic, financial, methodical and humanitarian principles of adjusting of process of creation and functioning of this system and National depositary of electronic informative resources of Ukraine.

The system of electronic management executes following functions:

- political - as an instrument of public policy in accordance with the set principles of organization and activity of the political system;
- social, sent to adjusting and humanizing of the public relations, related to realization of state administration, stimulation of civil activity in society;
- organizational that consists in intercommunication of the system of public authorities, determination of co-operation between them in accordance with a certain competence, between industries of power;
- branding (presentation) that will be realized in the tendency of abandonment from classic bureaucracy, creation of more flexible forms of co-operation between the state and society, establishment of indicators of quality and efficiency of activity;
- public relations, associated with analytical and predictive maintenance, realized in possibility of public political discourse between citizens and state with the aim of providing of political support of decisions of government;
- educator, that will be realized in education of respect to the necessity of inhibition of rights and freedoms of man and citizen, society in general.

To pre-conditions of input of e-government it is possible to take: political, legal, organizational, economic, technological and skilled. Important pre-condition also is alteration of world view of population, realization to them of the real advantages of e-government, the consequences of that an openness, transparency and efficiency of public administration, will become; economy of sentinels and material resources; upgrading of grant of administrative services.

Despite the positive dynamics of development of electronic informative resources in Ukraine remain unsolved chronic problems department going near their creation, considerable duplication of information, absence of only standards and incompatibility of resources, complication of access and others like that. It considerably worsens the terms of grant of the integrated state services in the controlled from distance mode by means of ICT (Baranov and Dziuba, 2009).

Important role in the implementation of e-government plays effective use and application of information technology. Given the potential of ICT should provide a useful basis for social and economic reforms, creation of a sustainable economy, strengthen civil society and promote democratic Ukrainian state. It will also contribute to the European integration of Ukraine. In addition to the economic and social importance of ICT, it can strengthen state information security, enrich the information environment of Ukraine, confront information war and special operations, conducting other countries.

Dynamics of broadband Internet access in Ukraine shows a gradual increase in income from its use over the years 2006-2010 in 2009 compared with 2010 revenues increased by 1 million. and reached the mark by 3.6 mln, in 2012 increased by 2 million.

The structure of Internet users as the corporate segment and user segment, during 2005 - 2011 year is increases (Fig. 1).

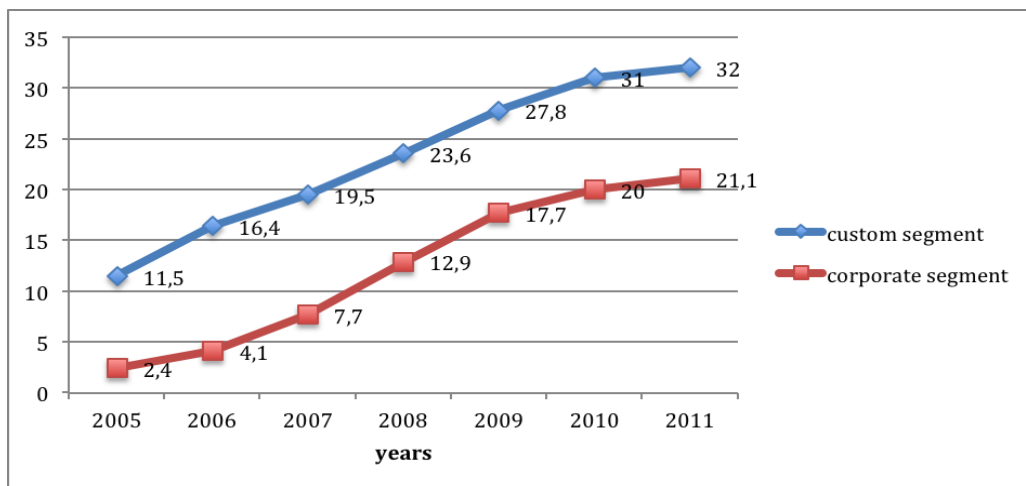


Figure 1-The structure of Internet users in Ukraine

The increase in our corporate segment will be from 2.4% in 2005 to 21.1% in 2011, Custom - from 11.5% in 2005 to 32% in 2011 (Dubov, Ozhevan et al, 2010).

With the aim of establishing and developing e-government in Ukraine should solve the problem sequentially on: the organization of electronic documents in public administration with the use of digital signatures, improving the provision of information services and informing the public about the activities of

public administration using the Internet, improve the mechanism of electron public consultation on the formulation and implementation of public policy for considering appeals of individuals and entities in electronic form, of public administration administrative services using the Internet.

According to a report in the IDC Personal Computer (PC) Tracker Q4'12 it has been delivered almost 751 thousand personal computers to Ukraine, which is 3% lower than the same period last year (233 thousand - desktop computers and 518 thousand - laptops). Total for the year Ukrainian PC market grew by 0.4% (www.idc.com).

In 2012 Ukraine has managed to remain in the list of countries from the region CEMA (Russia and other CIS countries), with a positive result. In 2012, ICT- market increased in Russia (7.8%), Romania (5.6%), Kazakhstan (28%). ICT markets of Poland, Czech Republic and Turkey showed a negative trend - falling by 3.8, 2.6 and 1.2%, respectively. There is no growth in the ICT market in Western Europe. Germany, France and Spain have reduced their purchases PC 7.4, 4.1 and 13.5%, respectively (www.idc.com).

More than half of all investment in new IT solutions in 2013 will be carried out with the direct involvement of business managers of the customers (especially those who are responsible for the operation of customer interaction), according to global research IDC (www.idc.com).

Important problem in development of information society in Ukraine is insufficient public financing of information programs. Therefore it is necessary to attract the attention of potential investors to promising domestic developments (in the field of information and communication technologies), promoting fundraising for innovation areas in the future.

Investment in into fixed capital ICT companies reached 6.13 billion USD in 2010 (3.2% of the total volume of investments in Ukraine (189.06 billion. UAH.). Volume of investment in fixed capital of enterprises ICT areas were 1.0 bln. (1.2% of total) in the first quarter of 2011. Almost all the funds (95%) of these are invested in ICT investments and communications industry (www.govuadocs.com.ua).

Foreign direct investment in the ICT sector grew from 530.2 million. USD to 663.3 million. USD (by 20.1%) compared with 2010. Investing in ICT enterprises make up 1.5% of the total volume of investment in the economy of Ukraine (www.govuadocs.com.ua).

Without regard to the positive dynamics of development of electronic informative resources in Ukraine remain unsolved, chronic problems department going near their creation, considerable duplication of information, absence of only standards and incompatibility of resources, complication of access and others like that. Obstacles over of introduction of e-government for users in Ukraine are brought in a table 4.

Table 4. Obstacles are in relation to introduction of e-government in Ukraine

Types of users	Potential obstacles
Citizens	Low level of access Insufficient level of technical knowledge Uncomfortable method of the use
Corporate sector	High level of cost Increase of level of knowledge of shots Possibilities/ of desire of the use
Government	Increase of level of knowledge of management shots Introduction of ICT Estimation of efficiency of work

Consequently, a positive world experience implementing e-government system, enables ascertain its practical advantages:

- for citizens - to get the services given by the organs of power through a network; to have to them an access through a network the Internet; to study during all life and participate in a government;
- for business - to have an access to government services in the Internet, to cooperate with the state with the aim of assistance to economic development;
- for government - to promote the operation ability, efficiency of work; repair relations with clients and bring over all citizens to the process of acceptance of state decisions, concentrating the attention on strategic directions.

According to this situation there was no possibility of providing integrated public services, including administrative services by electronic means.

Ukraine has not created a single infrastructure interagency exchange of electronic information. The information in the existing state of information-analytical systems is not available to other public authorities for operational use. Ability to use automated tools to search and data analysis limits the use of undocumented data formats, protocols, other private information technology and the lack of uniform classification, handbooks and facts.

There is no uniform system for planning and monitoring the effectiveness of the implementation of government programs and projects in Ukraine, as well as access to the information of citizens.

Taking into account general principles of creation and functioning of the informative systems, most meaningful obstacles at introduction of the informative system «The Electronic government» in Ukraine it is possible to divide into economic, political and legal, technological, their decision must be based thus on complex approaches (Fig. 2).

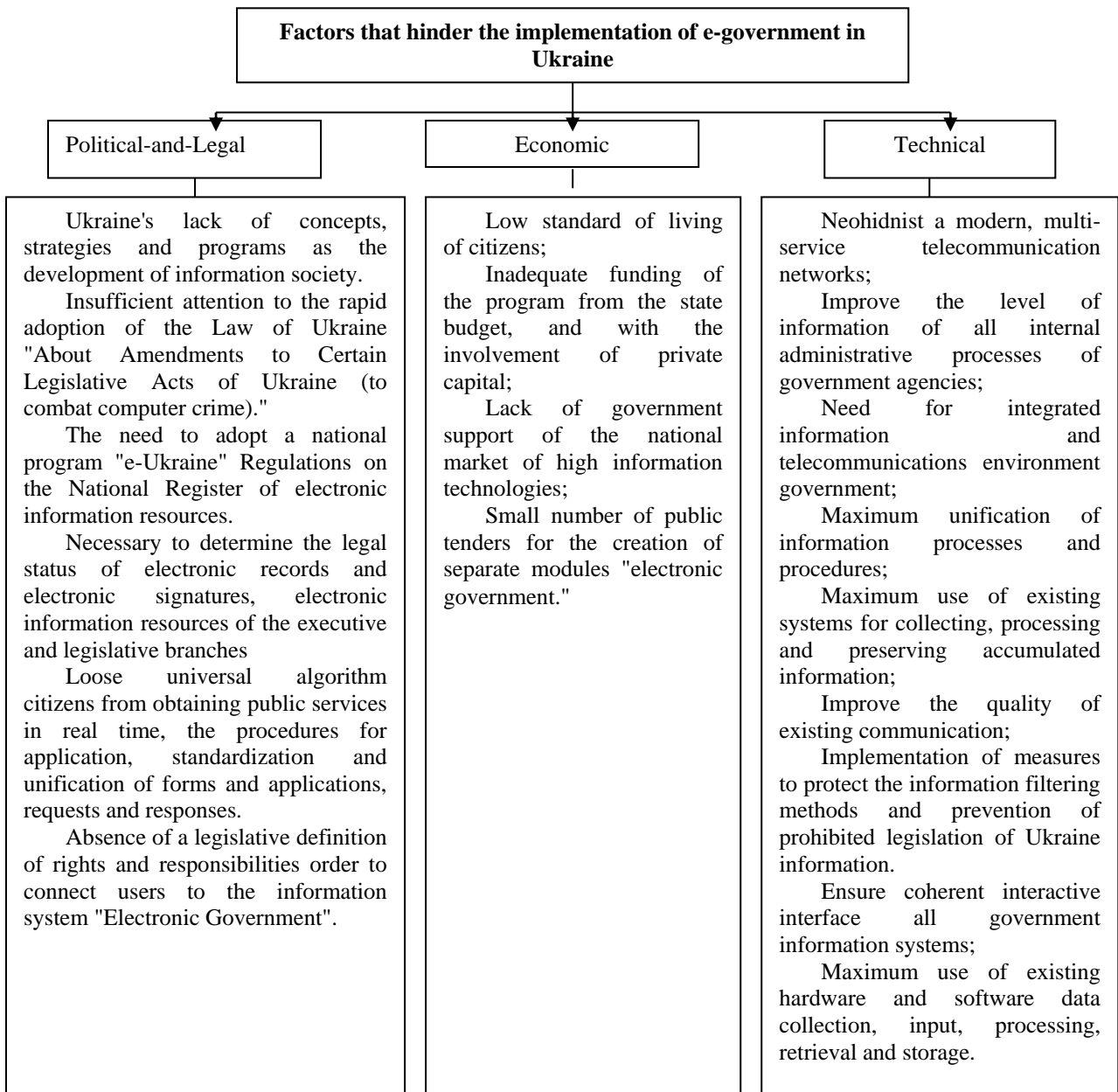


Figure 2 - Factors that restrain introduction of e-government in Ukraine

Effective implementation of the national concept of development of electronic management in Ukraine foresees the row of terms of Political-and-Legal and Finance-and-Economics character.

Basic principles of development of informative society are certain the list of legislative acts, namely: by Law of Ukraine «About Basic principles of development of informative society in Ukraine in 2007-2015», by Law of Ukraine «About the National program of informatization», Law of Ukraine «About Conception of the national program of informatization», recommendations of the Parliamentary listening on questions development of informative society in Ukraine, order of Cabinet of Ministers of Ukraine «About claim of plan of measures on implementation of the tasks foreseen by Law of Ukraine “About Basic principles of development of informative society in Ukraine in 2007-2015”», others (www.idc.com, www.govuadocs.com.ua, www.zakon.rada.gov.ua). The State committee of informatization of Ukraine is created for increasing of efficiency realization of public policy of development of informative society and informatization .

The analysis of the government policy, investment level ICT systems, public financing of strategic programs, political, economic and legal factors reference system implementation of e-government have made it possible to develop the main directions of implementation of the Concept of the e-government in Ukraine (Fig. 3) (Baranov and Dziuba, 2009).

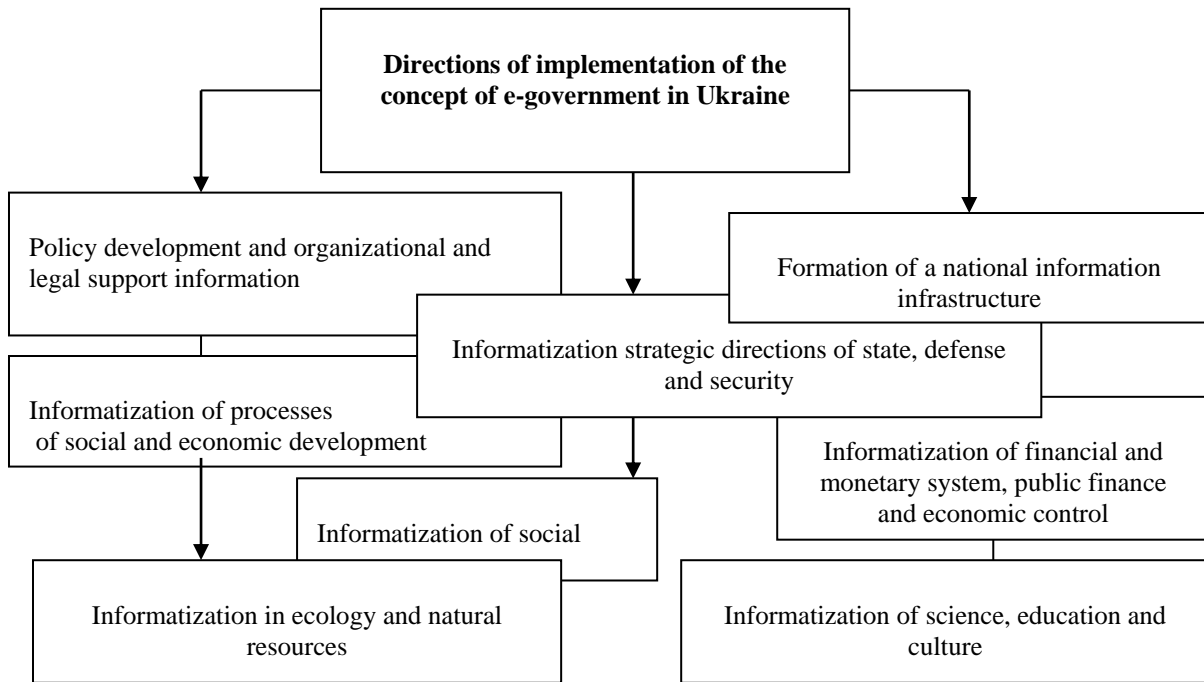


Figure 3 - Directions of realization of Conception of e-government in Ukraine

Complication of realization of public policy in relation to effective introduction of e-government is conditioned by absence in Ukraine of concrete strategy and program of both development of informative society in general and electronic management in particular.

Implementation of these articles in areas of e-government will help improve the efficiency of public administration as a result of simplification of administrative procedures, reduce administrative costs, the use of modern methods of governance, improve the quality of administrative services and their accessibility to ensure effective control over the activities of public authorities and local government to provide a high level of availability of information about the activities of state and local governments, providing opportunities for citizens and civil society organizations to participate directly in the process of drafting decisions made at all levels of government, reduce corruption and shadow economy, to achieve high-quality new level of government and society in general, and to strengthen the credibility of the institutions of the state.

III. CONCLUSIONS AND PROSPECTS OF DEVELOPMENTS

The development of e-government requires the construction of complex and flexible systems requires coordinated organizational and technological measures and concerted action of public authorities under a single policy.

Development of national electronic information resources - is one of the main directions of development of information society in Ukraine, the foundation of information security and providing citizens with electronic information, administrative and other services providing information sovereignty of Ukraine.

Orientation of Ukraine to create an information society and integration into the European Union requires compliance with the new requirements of the EU in the sphere of information policy and information security. To the Ukrainian state entered the global information space on an equal basis, to strengthen direct and inverse relationships between authorities and society to solve many problems in order to ensure the effective development of the national information infrastructure, the creation of information-analytical systems of government, acceleration of the modernization of logistics, reliable information resources protection transparency of decision-making in this area.

E-governance in the state of development of the information society can be seen as a new model of governance that can provide relations between the authorities, business and public character of the interaction and mutual perception with the aim of development of modern democratic society. It is means, instrument,

modern administrative technology, fulfilling commitment and grant of electronic state services to the person, citizen, enterprise, organization or establishment of different patterns of ownership.

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