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The Transformation of Local Governance through the Digital Revolution in Czech Republic

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Abstract:

At the digital era, local authorities are especially concerned by the implementation of the e-government. Indeed, a new conception of the running of public services has been elaborated since the digitalization is not only a computerization of the administration. Besides, this transformation occurs in public administrations not only at State level but at local level as well. In this context, local authorities are directly concerned by this wide transformation of public services. It means that implementing e-services at local level leads a new conception of the local good governance. This process has been analyzed in Czech Republic where it was necessary to realize a restructuration of some state department to implement changes issued by digitalization. Moreover because public services are decentralized, Czech local authorities are responsible for defining strategies and policies within their spheres of competences. Consequently, local authorities have henceforth a new responsibility due to the intervention of ICT in local governance.

Keywords: *E-Gouvernement, E-Administration, information and communication technologies (ICT), local authorities*

1. Introduction

The digital revolution is now significant not only in our private life but also in public sector and firms. As regards the public field, the digital process that leads to the creation of an e-government or an e-administration has to be highlighted because of the significant changes implemented in public services. A new conception of the running of public services has been elaborated since the digitalization is not only a computerization of the administration. In other words, a new governance of the public sector appears. This transformation occurs in public administrations not only at State level but at local level as well. Moreover relations between public administrations at both levels are changing.

In this context, local authorities are directly concerned by this wide transformation of public services. It means that implementing e-services at local level leads a new conception of the local good governance. Despite this evolution, few doctrinal articles deal with the role of local authorities in the implementation of the e-government. However, it is important to analyze this subject because local authorities are henceforth actors of this

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evolution. Czech Republic is concerned by this process but more extensively in Europe or on the American continent cities understand the significance of the digital governance. Many towns in the world modernize their management thanks to digital tools, but besides, they take measures allowing the development of the digital process on their territory. In this field actions are led towards citizens and firms. However, the lack of doctrine is linked to the fact that during a long time, the reform of the e-government was impulsed by the State. The involvement of local authorities in this process is more recent. In Europe, it is encouraged by the will of the European Union to help local authorities in the financing of the projects of e-government, through notably the assignment of structural funds of which a part is especially dedicated to these projects.

This evolution of the role of local authorities in the implementation of the e-government has to be analyzed first. A second questioning is to wonder if the digital process is a tool of good governance.

2. The intervention of new information and communication technologies into the local governance

The digital administration and more widely public policies dealing with digital technologies are currently a central issue in European countries and in the rest of the world. This priority shared on a worldwide scale affects public administration both at central and local levels.

2.1 The development of a digital administration, a deep transformation of the local good governance

Indeed, using new information and communication technologies (ICT) has effects on the management and the running of public services not only for state departments but for local authorities as well. Consequently, using digital technologies leads to a transformation of State and local governments especially in the field of public services, and consequently in the management and in the financing².

Main European countries are concerned³, as regards not only former members of the Union, but also those who have recently acceded to it. Whatever this difference, the use of digital technologies is an important part of the reform of the public services at central or local levels.

That is why the transformation of public administration rests on public policies based on a strategic approach and digital action plans. For example in Czech Republic, the first action plan adopted by the government for 2000-2002 sets three objectives: information literacy, electronic commerce and electronic public authorities.

In the same way, in Slovakia the objectives set by the Strategy and Action plan for the development of the Information society adopted in 2004 aim to ease citizens' participation in public affairs, to increase the effectiveness of public administration through digitiza-

² Cf. W. Gilles (2012). The Financial Good Governance in Europe: What Possibilities for Local Authorities? *Acta politologica* 4, 1, 98-106.

³ The European Union has adopted its first plan action in favor of the Information Society in 1994 (see. European Commission, *The Europe's Way to the Information Society: A Plan for Action*, COM(94)347 final, July 1994). The necessity to continue this policy has been since reaffirmed several times and in particular during the Lisbon Special European Council in March 2000 (see also, European Commission, *E-Europe. Une société de l'information pour tous*, 19-20th June 2000).

tion. Moreover, the international financial crisis has reinforced this necessity. This point of view has been underlined by the Slovak government in the Information Society Strategy for the years 2009 to 2013⁴. Indeed the Slovak government considers that *“ICTs have a horizontal impact on the entire society, influence the quality of life, and constitute the backbone and a key stimulus for the development of a knowledge-based economy. In its manifesto, the government undertook to contribute towards the economic success and prosperity of the whole society through efficient use of information technologies. The consequences of the economic crisis and the related public spending restrictions underscore the need to have a coordinated government approach towards the development of information society. It is necessary to further intensify the integration of ICT policies into various government strategies (particularly in the area of education, healthcare, energy efficiency and social inclusion) in order to stimulate economic growth, employment and social welfare”*⁵.

In this context, it is important to underline that the development of digital technologies in the running of public services is not only a simple computerization of public services. As the objectives of these digital action plans show it, the transformations that result from the Information society is linked to democracy and competitiveness.

Digital technologies are not only tools used to accelerate the information given or sent to public bodies or citizens. On the contrary, the development of digital technologies carries on substantial changes in the running of public services and consequently for citizens applying to a department.

This point of view is a result of the wide reform of the state that has been carried on the last decade to realize the digital “revolution”. These transformations of the public sector lead to a new approach of public management called e-government. This topic can be considered as an issue not only in the Visegrad group countries but all over the world.

The definition of e-government is not precisely elaborated yet⁶ because changes issued by digital technologies are growing faster than the legislation. By this time, it is possible to try to elaborate a short definition of e-government.

E-government is the use of digital technologies by public administrations. This definition is too brief because it does not deal with the deep transformations of public services. As regards state departments, the digital revolution has led to a modernization of public services.

It has often brought about the creation and the running of web portals which enable citizens to access government services using e-forms and e-signatures and to obtain e-information through emails or SMS for example update on the progress of their case. The web portals make improvements to communication as they offer links to many public services including useful information like traffic information for example.

To implement all these changes it was necessary to realize a restructuration of some state departments. For example in Czech Republic, since 2007 the Ministry of Interior leads the implementation of e-government. On this purpose the Ministry has undertaken the

⁴ The Information Society Strategy for 2009-2013 was approved by the Government of the Slovak Republic on 21 October 2009, the eGovernment Strategy of the Slovak Republic was approved by Government Resolution n°131/2008 of 27 February 2008 and the National Strategy of the Slovak Republic for Digital Integration was approved by the Slovak Government on 3 December 2008.

⁵ Ministerstvo financií Slovenskej republiky. (2009). *Information Society strategy for 2009-2013*.

⁶ For a definition of this notion, see for instance Z. Fang (2002). E-Government in Digital Era: Concept, Practice, and Development. *International Journal of The Computer, The Internet and Management*, Vol. 10, No. 2.

responsibility for the administration of the website of the former ministry of informatics.

As regards especially local public services, transformations issued by using of information and communication technologies have effects on the local governance. In other words the digital revolution led on State departments carries on at local level.

Indeed the use of digital technologies by public administrations has deeply changed the relations between public authorities. It means that relations between state level and local authorities are changed because of the development of digital technologies. For this reason, local governance is also changing.

Moreover the change is deeper because information and communication technologies (ICT) have also effects on relations between citizens and public administrations. At the State level, as it has been explained, tools of communication have been improved to offer better public services. The local area cannot stay dissociated from these changes as local governments have the responsibility of implementing policies and strategies of the digital reform in their field.

In this environment, the local governance is changing because of the intervention of digital technologies.

2. 2 The development of e-government, a new competence for the local authorities

After more than one decade, the development of the Information Society in Eastern countries allows to analyze the process of the implementation of the e-government. Indeed, this change contributes to draw a model of modernization of the e-administration in these countries.

The process often followed is that the government implements and stimulates the policies of the e-administration first, and once the process is launched (for example see digital action plan), local authorities have to carry on the implementation in their field.

Because public administration and public services are decentralized, local authorities like municipalities and regions are responsible for defining e-government strategies and policies to implement the process within their spheres of competences.

It can be noticed that the coordination of local authorities in e-government process is often realized by the Ministry of Interior. This situation has often been observed in the Visegrad group countries. The support of this Ministry intends to provide cities and municipalities with technical solutions to help them to implement e-government services. Indeed because of the financial costs of the implementation of e-services, the Ministry of Interior has to ensure that the process does not hinder the local financial situation.

This process has been observed in some central and eastern countries. In Poland, the Ministry of Interior provides support to digital technologies at local level. Then, framework agreements have been signed between the Ministry responsible for Information Society and some regional authorities for the development of regional gateways⁷.

This way of modernizing public administrations has been observed in Czech Republic. In this country, a significant example of the implementation of the e-government is that of the "Data box". Implemented between 2007 and 2009, the information system of Data box is a register of a person's electronic communications with the public authorities. Each Czech public body has an obligation to have and activate its own Data box. The data box has

⁷ See for example, framework agreements signed with the regions of Malopolska, Opole, Pomerania and Podlasie.

become active since November 2009⁸. This system allows citizens to use the document they contain to deal with public administrations. So they can access all public requests through a one stop-point, rather than queuing and having to visit many offices. Moreover, the data box information system can be used for electronic invoicing since January 2010 and for the exchange of information among private entities since July 2010. Even if some authors consider that *“the data box application is not sufficiently technically and user elaborated”*⁹, this tool contributes to modernize the relations between Czech citizens and public administrations.

Obviously, local authorities cannot stay dissociated from this e-service. In other words, local authorities have no other choice than implementing change to build an e-local government because digital technologies are changing relationship not only between public administrations at central and local level, but also between public authorities and citizens. Local authorities become then actors of the e-government process in many countries.

In Czech Republic for example, the process is supported by the Union of towns and municipalities and the Association of regions. The aim is to undertake advisory activities for Czech local authorities.

In the same way, in Poland, regional strategies regarding the development of e-services are designed at the regional level in accordance with the national strategy. In the light of this analysis, digital technologies make local authorities work together to implement the process of the e-government.

Consequently, local authorities have a new competence or responsibility issued by the intervention of digital technologies in the local governance. In this context, the local governance is being transformed by this evolution. Local authorities have to take it into account in their development strategy. That is why it is necessary to give time to think and analyze the process.

3. Digital technologies: an instrument of local good governance?

By this time, these transformations incite to wonder if the advances made in technology have effects on local good governance.

3.1 The aim of a bigger efficiency and a better quality of the local public services

The intervention of digital technologies in public services contributes to modernize public administrations. As it has been noticed, the digitization is more than a computerization of public services. Both central and local levels are concerned by this process of the implementation of e-services.

As regards local governance, what are the objectives of this modernization? Concerning this questioning, it is possible to highlight at least two objectives.

The first one is directly linked to the running of public services. Indeed, modernizing public local public services by using digital technologies aims to develop a network of public administration contact points. Thanks to this network, users can access to public request or information on one point-stop rather than having to visit many offices. Users will then be able to save time when applying to public services.

⁸ Cf. the Act 300/2008 Coll., on Electronic Actions and Authorized Document Conversion.

⁹ J. Jarolimek, J. Vaněk, E. Červenková, V. Smíšková (2010). Evaluation of data box introduction process in the Czech Republic. *Agris on-line Papers in Economics and Informatics*, Vol. II , No. 2.

This process is often implemented by using an electronic filing room. It is a secure email system used for sending and receiving digital signed data messages which make contact between users and administration easier. The system offers the same guaranty than manual signatures on documents sent by mail.

For example, in Czech Republic the obligation to have a filing room was implemented at central administration level on 2005 and has been extended to cities and municipalities. Therefore, Czech citizens could in august 2011 access to 405 993 data boxes.

This process of modernization intends to make citizens save time and enjoy a better quality of public services. But it is important to notice that the process is also controlled by users of public services as regards the results.

Indeed, the strategy for the development of Information Society in several eastern countries foresees that the success of the digital process will be also measured from the citizens' point of view. So, to evaluate the results of this modernization, they will have to answer some questions linked to the simplification of the process, the guarantees offered, the time saved... For example, citizens have to answer questions like the following ones: Has the communication with the public administration been improved and simplified? Are the electronic forms more reliable than the traditional paper form? Do they save time by the access to public request on one-stop point?...

On others words, citizens become through the e-government process actors of the running of public services. They are not only users but they are also associated in the running as regards efficiency and quality of public services since their viewpoint is henceforth taken into account to implement the modernization.

Through this evolution, local governance is changing. Consequently, local good governance has to be analyzed at the light of this new conception dealing with efficiency and quality of public services as well as democracy since citizens' viewpoint is significant as regards the evaluation of the success or the failure of e-local services.

Moreover, the second objective of the e-government is to develop interactivity between public administration and users. This objective can be illustrated by two examples.

The first one is the example of e-health in the Karlovy Vary region in Czech Republic. In this region, an electronic health records system allows a rapid communication between physicians and the possibility for these to access their patients' information in real time. Patients can access to their electronic health record but they cannot change it. Patients can allow healthcare professional to update their data. So they become active patients thanks to the interactivity of this e-health system¹⁰.

The second one is the implementation of an Electronic Journal for Public Information. The Act on Access to Public Information makes available on the Internet an official electronic journal for public information of communities, cities, provinces and central administrations. This information system has been developed through Gateways in order to offer citizens the possibility to settle procedures electronically, use data resources and find information about events taking place in their region.

¹⁰ Another example is the Kolín-Čáslav health data and exchange network that has been analyzed as one of ten implemented and ongoing European good practice cases as regards the interoperable Electronic Health Record (EHR) and ePrescribing systems in Europe. See A. Dobrev, K. Peng, Y. Vatter, T. Jones (2009). *The socio-economic impact of the Kolín-Čáslav health data and exchange network*, European commission, April 2009.

4. Local Authorities Confronted with the Digital Gap

Digital technologies have effects on local governance as it has been analyzed by dealing with the objectives of the modernization of “e-local services”.

However, as it has already been noticed, the financial costs of the implementation of e-services are heavy – so it is very important to take this criterion into account in order to analyze the success or the failure of the e-government reform at local or regional level.

The financial criterion is very important for several reasons. The first one is that local governments have to find new resources to provide new technologies. Secondly, employees of local authorities have to be trained not only to use digital technologies but to make the access easier to users as well. This aspect highlights that public sector employees both at local and central level are a significant part of the digital modernization. If they are trained, they could be the actors of the modernization of e-services. Regarding our topic, it means that employees of local authorities can become the actors of the local good governance.

They are an important key of reform but the training of the employees of local authorities is also a heavy financial cost. From another point of view, this cost has to be taken into account. Indeed, European subsidies are provided to help local governments to implement e-government process. But this situation leads to a paradox: applying for these subsidies is sometimes very difficult and complicated for local governments because of the lack of training of the employees of local government...

At the light of this analysis, the success or the failure of the local good governance depends on the possibility of local government to finance e-process. The stake is that local governments who can afford to finance the e-process will manage to implement and develop it.

On the other hand, small municipalities or regions that cannot finance the digitalization of local public services may stay dissociated from this modernization. The main problem is then to face the digital gap.

To try to avoid this situation, local governments have to develop financial strategies to save resources in order to manage the implementation of e-government at local level.

And on the middle term, local governments have to invest on the training of their employees because the implementation of e-services relies on them. Consequently, the local good governance from the viewpoint of e-local services is closely linked to the training of human resources. This analysis shows that the running of public services is being transformed in the digital era not only through the advances made in technology but through human resources of the public sector as well.

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