

December 11, 2009 | HOME PAGE

SEARCH

RIEAS Research Institute for
European and American Studies



[ABOUT US](#) [BLOG](#) [PUBLICATIONS](#) [RESEARCH AREAS](#) [WSN](#) [CONFERENCES](#) [MCIS](#) [AFFILIATES](#) [LIBRARY](#) [CONTACT US](#)

[HOME PAGE](#) | [RESEARCH AREAS](#) | [GREEK STUDIES \(EN\)](#) | [E-GOVERNMENT AND ECONOMIC DEVELOPMENT](#)

E-GOVERNMENT AND ECONOMIC DEVELOPMENT



Dr. Peter Nanopoulos
(Computer Science Department Chair, Assistant Professor of Computer Science and Information Technology University of Indianapolis-Athens).

Copyright: Peter Nanopoulos on line

Until recently, we used to teach our students that economic development is driven by four foundational factors of production: Land, labor, capital, and entrepreneurship. In the digital age we need to add one more latent element, Information Technology, in recognition of the fact that technology defines the competitiveness of agriculture, the efficiency of industrial production, and the productivity of the steadily rising services sector, which includes governmental output.

New bodies of technical knowledge, breakthrough inventions, and creative applications of technology add value to the cycle of production and consumption by pushing aggregate demand higher, by generating employment and real wages, by increasing company profits and tax revenues, and by expanding the horizons of international trade. During the 1990s, the business sector in the G7 group of countries (Canada, France, Germany, Japan, Italy, the United Kingdom, and the United States) experienced a steady increase in the growth rate of capital accumulation between 1.5 and 1.7 percent per year due to strong investment in high tech. The urgent survivability of economic systems through aggressive neo-Keynesian interventions, including strategic investment in Information and Communication Technologies (ICT) was made clear during the G-20 Washington Summit of 2008 and it was again re-affirmed as a key public policy in the G-20 London Summit of 2009.

The Global IT Report 2008-2009 that was recently published by the World Economic Forum poignantly emphasizes two factors that can generate expanded production capacities needed to overcome the current economic crisis: Solid education systems and high levels of technological innovation. Under the theme "Mobility in a Networked World", the report ranks 134 countries according to the level of growth due to ICT, with the following top ten nations receiving a score spread between 5.85 and 5.41: Denmark, Sweden, USA, Singapore, Switzerland, Finland, Iceland, Norway, Netherlands, and Canada.

In the emerging economies of Latin America, hopes and actions are centered upon the premise that an expanded Production Possibilities Frontier can be achieved through the internet and the new economy. In the newly industrializing economies of the Pacific Rim, China, and India, the complete overhaul of their education systems continues to produce highly talented technologists whose skill sets are driving groundbreaking technologies in Silicon Valley and worldwide.

The crucial point to take away from these efforts is that growth and stability depend on resource allocation for the creation of technology products and services, the capacity of the economy to absorb this output domestically and to promote it beyond its borders, the ROI of these investments, and the establishment of effective linkages. In contrast, when the economy lacks the required infrastructure (e.g., internet, mobile telephony, computers, and consumer electronic devices sold at affordable rates) and the ability of absorption of high tech products and services (i.e. confident consumer spending, consistent industrial investment, and new high tech jobs), technology creation stands the risk of becoming a socially inefficient externality.

The integration of ICT in corporate organizational decision-making mechanisms is not changing human nature; it is just making it more predictable. Instead of closing a deal with a handshake or over a business lunch, it can be closed with a text message, a VoIP call, or a web conference. As it was in the old economy, the pressure to contain costs while ensuring quality remains a key operational condition; technology can be used to measure and monitor this condition more precisely. In the new economy, the workplace is defined not only by its ability to produce profitable products and services but also by its capacity to make faster and better decisions through innovative ICT systems, including wired and wireless global communication tools, e-commerce solutions, Customer Relationship Management (CRM) databases, intelligent Enterprise Resource Planning (ERP) software, web-based project management, high-speed intranets, and cloud computing.

In a similar juxtaposition, the Old Public Administration was characterized by bureaucracy, arteriosclerotic decision-making, political ideology, cradle-to-grave employment, inadequate response to citizen needs, and fear of change. The armamentarium of the New Public Administration and its more recent derivative, the New Public Management, is composed of a wide array of government reforms, including improved quality of regulation, responsive services, substantially reduced red tape, merit-based assessment of personnel, business process reengineering, a clear delineation of organizational structures, the objective evaluation of citizen-focused operating outcomes, the paradigm shift to electronic governance (the development of public policy through



RESEARCH PROJECT FOR
THE EUROPEAN UNION

LoginForm

USERNAME

PASSWORD

Remember Me

LOGIN

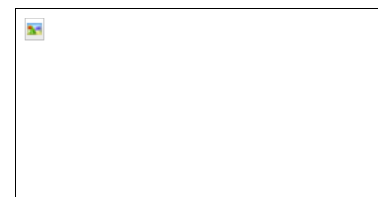
[Forgot your password?](#)

[Forgot your username?](#)

[Create an account](#)

RIEAS Events Upcoming Conferences

December 2009						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		



ICT), the design of electronic government (the execution of public policy through ICT), and performance metrics.

[SITE MAP](#). [LINKS](#). [COPYRIGHT POLICY](#). [TERMS OF USE](#).

Numerous case studies that have been generated during the past decade from around the world suggest that the route to socio-economic development passes through the reform and informatization of the public sector. In the case of Greece, Article 5A of the Revised Constitution guarantees not only the right to being informed through electronic means but also the right to participate in the information society. E-government initiatives under gradual construction include electronic medical records, digital invoices and sales receipts, digital schoolbooks, government transparency, and technology training.

© 2009 RIEAS

Research Institute for European and American Studies

POWERED BY INFINITY