E-Governmental Challenges: Case Study: Albania

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Abstract

The impact of the digital revolution in public administrations across developing countries in general and in Albania more specifically using the cases of public service innovation: e-government are analyzed. In particular, the paper describes a transitional context of the country in which public service innovation policies have been implemented, illustrates developments in service modernization and identifies some of the key challenges faced by the Albanian government in introducing service innovations.

The public service innovation policies through One Stop Shops and e-government are an attempt of the Albanian government to improve quality of public services and reduce corruption and eventually an increased credibility in front of the Foreign Direct Investors Community.

However, as this paper argues, some progress in improving accessibility and quality of public services has been noted but the implementation of the "digital wave" has been limited and constrained by the institutional framework and culture prevailing in the Albanian bureaucracy. The main conclusion is that the governments of transition countries need to critically analyze the pros and cons of the innovation policies and reflect on their cultures before making further steps to adopt e- Gov policies.

This article is an extension of the theme of e- government as a tool to struggle with corruption. E- Government, enabling citizens to directly contact state authorities via the Internet, eliminates contact with officials, thereby reducing their permissive function and the risks of corruption, ensuring transparency and accountability. The purpose of this article is a comparative analysis of the development of e- government in different countries of Europe and Asia, as well as consideration of the correlation between the expansion of e-government functions and the reduction of corruption risks in Albania.

Keywords: *Innovation policies, foreign direct investments, accountability, correlation, corruption, e- government, transparency.*

1. Introduction & Theoretic Baseline

The day-to-day business of (any) government is built on information. Information is a critical resource that helps to ensure the accountability of government, enables governments to manage its operations though making them more transparent, and allows the public to participate in the governance of their country. With the revolutionary changes that ICTs are bringing to our

global society, governments worldwide continue to develop more sophisticated ways to digitize its routines and practices so that they can offer the public access to government services in more effective and efficient ways. (Armstrong, C. L. 2011).

With the revolutionary changes that ICTs are bringing to our global society, governments worldwide continue to develop more sophisticated ways to digitize its routines and practices so that they can offer the public access to government services in more effective and efficient ways. Across the world, 173 of 190 countries use the Internet to deliver government services. These activities are broadly referred to as digital government, which is an "umbrella term that comprises all uses of information and telecommunication technologies in the public sector" (Garson p. 18). e-Government focuses on the utilization of information and communication technologies (ICT) to deliver government services. e-Government is part of other closely related efforts in digital government. The term e-governance characterizes efforts to use ICTs for political purposes and the organization of political activity in a country.

The challenges and issues of implementing e-Government systems will also be relevant to implementing ICTs to build systems to support e-governance. The e-government paradigm is based on one-window services, where public services are carried out electronically. Thus simplifying, standardizing, anonymizing the public services to citizens, making them much more mobile and transparent (Bondarenko et al.: 2020). The transition from the industrial to the post-industrial stage of development leads to the transformation of the whole life of society, including the economic, social, and political areas. Following the paths of developed countries and under pressure imposed by the international donor agencies, many developing countries have been trying to reshape their administrative systems along this new "digital logic.

Albania has been under growing pressure by the international community to engage in political reforms that include a modernization agenda to improve quality of public services. In recent years, Albania has made efforts to modernize the public sector, including technology-based reform of administrative governance systems. A parallel effort has been a focus on the use of information and communication technologies for provision of services and inclusion. Albania has not been immune to the international trends and has adopted a Digital Agenda as a key policy paper in the current administrative reform. Transforming the old principle of leadership –I AM IN CHARGE- mode of government into integrated governance through multiple stakeholders is an emerging policy paradigm in Albania.

Albania is emerging as a dynamic, economic and political actor in the Balkan region. It has rich natural resources, particularly oil and gas reserves, which are being exploited through massive foreign investment. Over the past decade, the country has made impressive policy strides, progressed towards developing a rules-driven fiscal framework, strengthened public management and the business climate, and allocated resources for improved social services and critical infrastructure to sustain growth (World Bank, 2019).

Since 2014 the government of Albania launched two ambitious programs aimed at modernizing and improving public services through single-window arrangements: One Stop Shops (Public Service Centers) - innovative organizations which provide services of different government

bodies through one location and e-government (World Bank, 2016). Giving an answer to the question of how relations between citizens and the state are changing, we can confidently say that e-government enhances transparency, accountability, the gap between government and society and the anti-corruption component.

The purpose of the article is an attempt to find a correlation between the introduction of electronic public services and the reduction of corruption in Albania.

2. Literature Review

According to many researchers, as Bhatnagar and Apikul (2006), Andersen (2009), Elbahnasawy (2014), the potential impact of e-government on reducing corruption is undeniable. Bhatnagar and Apikul (2006) claim that the use of information and communication technology (ICTs) has dramatically changed public services. Bertot et al. (2012) make a general theoretical conclusion about the potential of applying e-government to improve transparency and strengthen anti-corruption actions. Bhatnagar and Apikul (2006) highlight four anti- corruption strategies using e-government.

- The first one is a prevention strategy, which implies preventive measures of reducing corruption, particularly reducing bureaucracy, simplifying rules and procedures, eliminating intermediary officials, which anonymizes and standardizes the process of providing services and reduces the possibility of abuse of authority and power.
- The second is a pressure strategy, which is possible due to the transparency of electronic communications and the ability to monitor the progress of online procedures, requests, appeals to state authorities by citizens.
- The third is an accountability strategy is implemented by increasing access to information, data publicity, and empowering citizens, publishing government information.
- The fourth strategy contributes to the development of computer literacy and civic culture of people, which largely eliminates corruption. Among global e-government researches, there is empirical evidence for a clear quantitative correlation between the application of e-government and the reduction of corruption in both developing and developed countries and that is also the case for Albania.

Andersen (2009) states that the prevalence of e-government from 10% to 90% means a reduction in corruption from 23% to 10%. Elbahnasawy (2014) claims that "the influence of e-government on the struggle with corruption is clearly positive and empirical results show that e-government is an important tool in the fight against corruption". Studies of Lio, Liu, and Ou (2011) based on data from 70 countries, from 1998 to 2005, they also come down to the hypothesis that there is "a strong theoretical basis to believe that e-government can promote transparency and accountability and the Internet can be used as a tool to fight corruption effectively". Later studies such as Knox and Janenova (2019), Mensah and Mi (2019), consider the impact of e-government and electronic communications overall on the development of publicity, transparency and

accountability in society. Estonian researcher Karv (2015) examined the correlation factors between the introduction of electronic services and the reduction of corruption in Estonia, a young European country with great success in implantation of electronic government.

3. **Methodology**

In our study, we relied on the method of the Estonian researcher Karv (2015) in which he uses the method of comparison and distinguishes four factors of correlation of e-government to reduce corruption. These are: **a)** the elimination of intermediaries between citizens and authorities; **b)** increasing transparency; **c)** increasing accountability; **d)** narrowing the gap between citizens and government officials.

The applied method consists in comparing the indicators, and in the influence that they have on other indicators, which is calculated by measuring the key global indicators of public administration efficiency. So, the decrease in intermediaries between citizens and the state is calculated by using an indicator, the number of Internet users and electronic appeals of citizens. The increase in transparency is measured by Transparency International through the Corruption Perceptions Index. Accountability is reflected in the World Bank's Global Governance Indicator (TIME SERIES) – World Government Indicator (WGI). The narrowing of the gap between citizens and government authorities is measured by using the criterion of citizens' trust in the state (Eurobarometer Research). These indicators are closely interrelated, and each of them has a separate effect on reducing the level of corruption.

In addition, the research approach that will be followed and the conditions under different phases of data gathering must be detailed from the initiation of contacts, case study selection, pre-eliminatory questioner, style/form etc.

Vis a vis style/form that will be used, Chicago Style – author date has been selected. The rationale for this choice is based on added practical values and follows the tendency for this paper.

The applied methodology consists in studying the influence of some indicators on others, where the determination of correlation factors is most important. The article makes extensive use of content analysis of various sources of information, documents, and analytical reports.

4. **Ground Work**

According to the data of the "The State Supreme Audit Institution"[1] of the Republic of Albania, the most corrupt areas in Albania (pre digitalization) were the government procurement system; licensing area, including state authorities issuing licenses and permits, ministries, committees, departments; control and supervisory authorities (police, Ministry of Internal Affairs, the court of justice, tax and financial, sanitary inspections, customs,); social area of education and healthcare. To reduce corruption, electronic government services were introduced in the following areas: governmental procurement, electronic licensing sectors, electronic business registration,

electronic customs declaration, specialized electronic service centres for the issuance of a driver's license and registration of transport, electronic service in the social sectors.

The first factor influencing the impact of electronic services on petty corruption is the reduction of intermediaries between citizens and the state, the so-called "middle-man", officials who are obliged to provide state services to citizens without delay. The elimination of "middle-man" was measured using an indicator of the usage of the Internet for interaction with government agencies. Looking through the data, we can see how many people use computers and the Internet to communicate with government services. This indicator of the use of the Internet in addressing government authorities automatically determines the elimination of officials in the chain of interconnections between people and the state. According to data from National Agency for Information Society (2019),

The graf. below (graf 1), shows the number of newlly added electronicaly services for 2013-2019 period. During this time, e-services have rise 43 times.
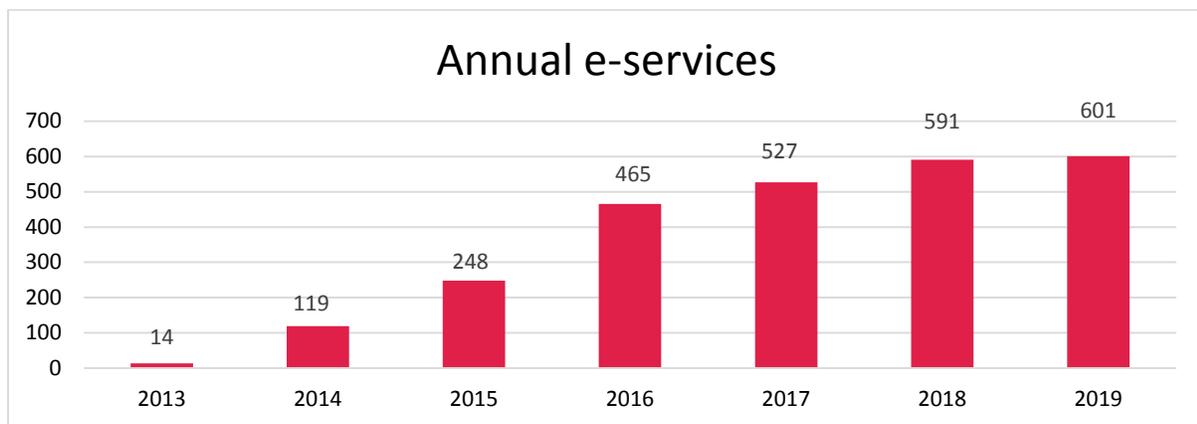
Graf 1. Number of e-services each year level 3-4 (according to UNPAN 2014)

The govermental portal e-Albania has been linked to Governmental Interoperability Platform, which is the cornerstone architecture that enables the interoperability of public eletronic data bases in real time. More than 70 milions transaction have been register for the year 2019 (Graf 2).
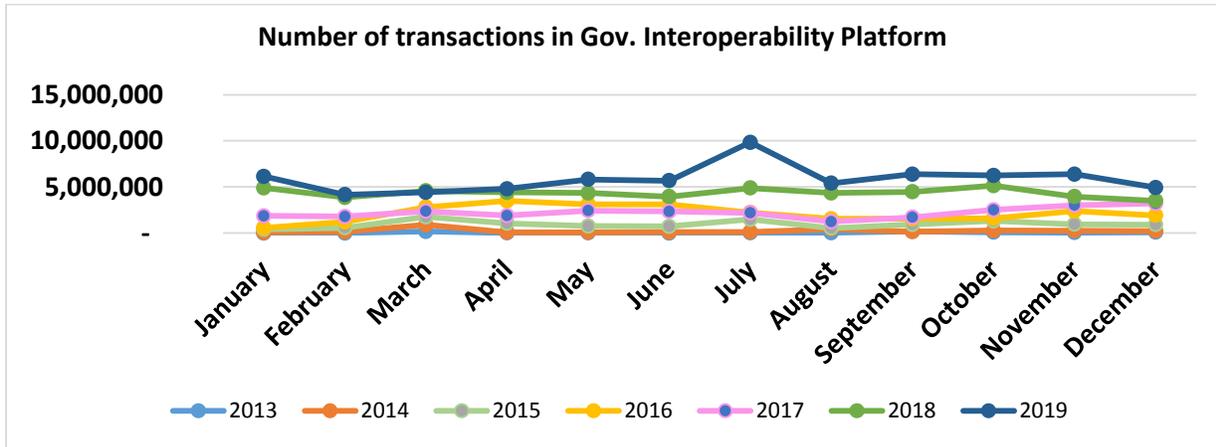
Graf 2. The number of transactionin Gov. Interoperability Platform. (NAIS annual report 2020 available at www.akshi.gov.al)

The stated factors speak in favour of the increase in the number of electronic state services each year, Albania is systematically digitalizing. In 2020, "the Digital Agenda 2020" program was launched, which resulted in significant success in promoting the development rating of the e-government readiness index (EGDI).

E-Government Development Index	2020	2018	2016	2014	2012	2010	2008	2005	2004	2003
Albania (Rank)	59	74	82	84	86	85	86	102	110	114

Table 1. E-Government Development Index (United Nations: 2020)

Also, since the beginning of 2020, the large-scale "Digital Agenda Strategy" has been implemented in the country. One of the missions of this strategy includes measures to improve the quality and increase the number of state services provided online, which will reduce bureaucracy and corruption, as well as make government agencies more efficient and public. (Digital Agenda Strategy: 2020).

The second very important correlation factor is Transparency, which is calculated by the international rating organization Transparency International (TI). Albania ranked 106 places wich is the best result in the entire history of participation in this world ranking.

| ALBANIA	
Score	
	35/100
Rank	
	106/180
Score change	
	+2since 2012

Table 2. Transparency International (TI-2020)

According to TI experts, "the main positive changes in this rating are, first of all, associated with the adoption of new anti-corruption legislation, the introduction of public control, the implementation of systematic and consistent work to eliminate the causes and conditions of corruption, and the improvement of providing state services.". A lot has been done by the government of Albania in favor of developing transparency over this time. Namely, in 2019, the Internet portal "Open Government Data" was significantly improuved, which consists of such components as open data, open legal and regulatory instruments, open dialogue, open budgets, as well as an assessment of the effectiveness of state agencies.

The third important factor arising from transparency is the accountability of state agencies to citizens. An indicator of accountability is the World Government Indicator (WGI), which takes into account such indicators as "Voting rights and accountability to society". This project is implemented by the World Bank to computing government performance.

Indicator	Country	Year	Number of Sources	Governance (-2.5 to +2.5)	Percentile Rank	Standard Error
Voice and Accountability	Albania	2009	13	0.14	54.03	0.14
		2014	12	0.14	50.25	0.12
		2019	10	0.15	52.22	0.13
Political Stability and Absence of Violence/Terrorism	Albania	2009	6	-0.05	42.18	0.27
		2014	8	0.49	61.43	0.20
		2019	7	0.12	52.86	0.23
Government Effectiveness	Albania	2009	9	-0.26	47.85	0.21
		2014	9	-0.09	50.00	0.22
		2019	8	-0.06	50.48	0.22
Regulatory Quality	Albania	2009	10	0.24	58.37	0.17
		2014	11	0.22	60.10	0.18
		2019	9	0.27	63.94	0.18

Table 3. Indicator Voting rights and accountability according to the World Government Indicator (WGI-2019)

The fourth correlation factor is to narrow the gap between citizens and government officials and increase citizens' trust in the state. Eurobarometer studies are used to measure this indicator. In many ways, these changes are the result of the implementation of new approaches to involve society in the anti- corruption movement.
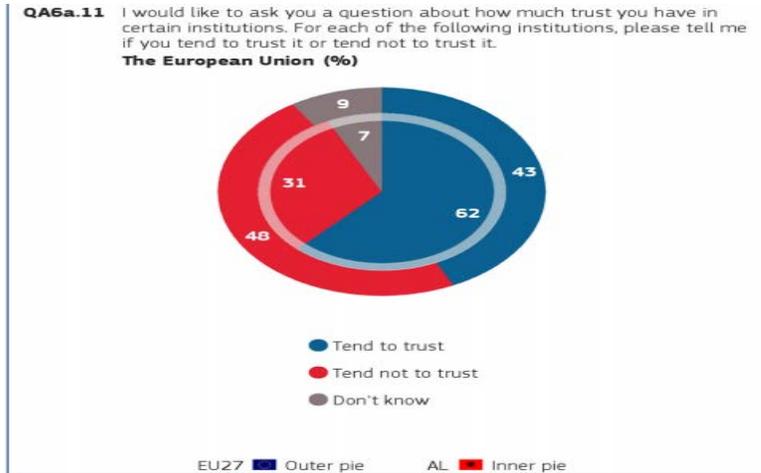
Graf 3. Standard Eurobarometer 93 (Summer 2020)

5. **Discussion**

As we clear up, through the analysis of these four factors, there is a correlation of e-government in reducing corruption risks. According to the first factor, there is an increase in the growth of Internet users and electronic public services in Albania, which affect the reduction of intermediaries between citizens and the state, and consequently, the reduction of corruption. According to the second transparency factor, due to the efforts of the state, the introduction of new anti-corruption legislation, the institution of public control, as well as electronic public services, Albania has made solid progress in the Transparency International (TI) rating of corruption perception, ranking 106th in 2019. However, in order to advance in this rating, Albania needs to struggle with not only petty and administrative corruption but also top corruption at a high level of power and capital. As to the third factor of accountability, electronic communications create a relationship between government agencies and citizens more transparent due to the possibility of electronic appeals, the presence of electronic receptions and electronic blogs of heads of government departments and ministries. According to the fourth factor of increasing citizens' trust in the state, it can be noted that precautions against corruption affect the reduction of the gap between citizens and civil servants and increase the trust of citizens in the state. However, e-government is not the only factor in reducing corruption but is one of the components of the overall fight against corruption. Correlation shows that e-government is effective in the struggle with petty and administrative corruption. Nevertheless, to fight against top corruption, comprehensive state measures are needed, including both preventive and possibly repressive anti-corruption measures.

We can see this from the experience of countries that have not succeeded in developing e-government but have great progress in reducing corruption. In this regard, we can trace the experience of countries like Estonia and Georgia. Estonia is a recognized leader in the development of e-government with the lowest prevalence of corruption. After the collapse of the USSR, Estonia, with a small territory and population, led by a young government, decided that

digitalization is the way of modernization and the establishment of a new effective public administration.

Georgia on the other hand, being one of the most corrupt countries in Eastern Europe at the beginning of 2000s, today is very successful in the fight against corruption. However, that is more associated with repressive rather than preventive measures. According to the researchers, "up to now, the level of perception of corruption among Georgian citizens is 4%, and only 2% actually faces bribery, while 77% of Georgians are satisfied with the government's anti-corruption efforts" (Dyusenov & Kabyldin: 2017). However, its progress in the fight against corruption can hardly be associated with the development of e-government, as its digitalization performance is not great. The UN study shows that Georgia falls behind regional and global trends in the development of e-government.

Country	E-GOV readiness rating	Corruption Perception Index Transparency International
Estonia	16	18
Albania	59	35
Georgia	60	41

Table 4. A comparative analysis of the development of e-government and the corruption perception index

As we can see from Table 4, Estonia is recognized as the leader in the development of e-government, rated 16th among 193 countries of the world, accordingly, rated 18th in the corruption perception index. Georgia, succeeding in the fight against corruption (41st) is not successful in the development of e- government, rated the only 60th. Albania, occupying a moderately good position in the development of e-government (59th), rated low (106th) in the rating of corruption, but it is a progress compared to previous years.

6. **Conclusion**

The phenomenon of corruption is as multidimensional and multifaceted as the power itself since corruption is a shadow of power. Many causes of corruption's emergence, as well as methods to struggle with it, cannot be considered in one study. Based on research in Estonia, we tried to mark variables that correlate with a positive effect on reducing corruption risks in Kazakhstan. In general, the social and economic effect of e-government on the development of the country is enormous. In the economic, this manifests itself in the form of an increase in the index of the simplicity of doing business and competitiveness; in the social sphere in the form of increasing transparency and reducing corruption; in politics in the development of accountability and feedback between the state and civil society. However, there are many factors that reduce corruption, which is not limited to the introduction of e-government. In this regard, we pointed to the experience of Georgia.

The conclusion of this research is that, despite the fact that electronic public services are not the only way to reduce corruption, they are one of the important preventive measures to reduce corruption risks. In this case, we use the term "corruption risks" rather than corruption overall, as these four correlation factors affect corruption risks as a potential possibility of corruption, which we tried to prove using Albania as an example. Certainly, for the confident conclusions of the correlation between electronic services and the reduction of real corruption the time is needed, because according to experts, it takes longer than one year to assess the impact of the fight against corruption on a state of democracy. From this, we can conclude that in the historical time perspective, with the development of measures taken by the e-government to develop transparency and accountability, this correlation will be more visible and more distinct for future comparative studies.

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