The 6th Global Forum on Reinventing Government
“Toward Participatory and Transparent Governance”

Enhancing Public Transparency through e-Government

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The Definition of Transparency

- **The value of transparency**
  - Becomes one of key values with accountability which the public sector should pursue in democratic countries

- **Definition**
  - Reliable, relevant and timely information about the activities of government available to the public (Kondo, 2002)
  - Includes ensuring openness about policy intentions, formulation and implementation
  - Non-asymmetry of information between principal (citizens) & agent (government) : a necessary condition for controlling government officials’ moral hazard

- **Limitation**
  - Goldfish bowl phenomenon in consultation democracy
The Significance of Transparency

- **People’s right to know and access to government information**
  - Overcoming bureaucratic secrecy by promoting participation
  - Enhancing the quality of democracy

- **Efficient allocation of resources in society**
  - Early warning system for economic & social crisis
  - Assigning the right person in the right position based upon performance & merit instead of informality & cronyism

- **Corruption control**
  - Preventing political & administrative corruption
  - Controlling rent seeking behaviors by special interest groups
Corruption and Transparency

- **Relationship between corruption and transparency**
  
  (1) Corruption = monopoly + discretion – accountability (Klitgaard, ‘88) and,
  
  (2) Corruption = – transparency therefore,
  
  (3) Transparency = - monopoly – discretion + accountability

- **Implications**
  
  - Transparency is high, where competition exists, administrative discretion is restricted,
  
  - and accountability is high (or accountability is high, where transparency is high).
Efforts for Enhancing Transparency

- **One of key goals of government reform since 1990s**
  - Roh Moo-hyun Administration (2003-present)

- **Legislation and institutionalization**
  - Freedom of Information Act, Administrative Procedure Act, etc.
  - Establishment of Korea Independent Commission against Corruption (02.1)

- **Improving public services and operating system**
  - Management Disclosure Requirements (Framework Act on the Management of Government - Invested Institutions, etc)
  - Customer charter system
  - Outside director system

- **e-Government**
# Recent Legislations on Transparency

<table>
<thead>
<tr>
<th>Act</th>
<th>Year</th>
<th>Purpose of Legislation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Regulation Framework Act</td>
<td>1997</td>
<td>To clarify targets and means of regulation to promote administrative transparency</td>
</tr>
<tr>
<td>Freedom of Information Act</td>
<td>1998</td>
<td>People’s right to know and access to government information</td>
</tr>
<tr>
<td>Administrative Procedure Act</td>
<td>1998</td>
<td>To Clarify administrative activities &amp; business processes</td>
</tr>
<tr>
<td>E-Government Act</td>
<td>2001</td>
<td>To enhance productivity and transparency of government operation</td>
</tr>
<tr>
<td>Anti-corruption Act</td>
<td>2002</td>
<td>To operate political party and funding</td>
</tr>
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</table>
Conceptual Framework of Transparency

Institutional arrangements
- Promoting competition
- Reducing facial contacts
- Restricting discretion

Quality of democracy
- Freedom of expression
- Participation

Business Practices
- Information disclosure
- Information sharing
- BPR

e-government
- Two-way website
- Information disclosure
- Information sharing
- E-participation

Value
- Right to know
- Efficient allocation
- Quality of policy
# Transparency-increasing Factors

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Factor</th>
<th>E-means included in e-Govt Korea</th>
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<tbody>
<tr>
<td>Quality of democracy</td>
<td>Freedom of expression</td>
<td>Internet-based media</td>
</tr>
<tr>
<td></td>
<td>Participation</td>
<td>E-policy forum, E-conference</td>
</tr>
<tr>
<td>Institutional arrangements</td>
<td>Promoting competition</td>
<td>Increasing service providers &amp; providing non-stop services</td>
</tr>
<tr>
<td></td>
<td>Reducing facial contacts</td>
<td>FAQ, Q&amp;A, and e-applications</td>
</tr>
<tr>
<td></td>
<td>Restricting discretion</td>
<td>Standardized paperwork, E-manual, E-appeals &amp; petitions</td>
</tr>
<tr>
<td>Business practices</td>
<td>Information disclosure</td>
<td>Electronic information disclosure &amp; dissemination</td>
</tr>
<tr>
<td></td>
<td>Information sharing</td>
<td>Inter-agency database sharing center</td>
</tr>
<tr>
<td></td>
<td>Process redesign</td>
<td>Streamlining business process</td>
</tr>
</tbody>
</table>
Software approach to the public sector reform

- Improving the way of services to citizens and operating system instead of restructuring & downsizing the public sector
- 11 inter-agency projects (4 front, 4 back office, 3 infrastructure)

Mission oriented project management

- Coordination by the president’s strong leadership
  - Monitoring by the Presidential Special Committee on e-Government
- Inter-agency collaboration
  - MOGAHA: administrative support
  - MIC: technical and financial support (NCA)
  - MPB: public sector reform
- Meeting the deadline before the end of the presidency
## e-Government in Kim Administration

<table>
<thead>
<tr>
<th>Category</th>
<th>Project</th>
</tr>
</thead>
</table>
| Front office (G2C, G2B)         | - Government for Citizen (G4C)  
- Home Tax Service (HTS)        |
|                                 | - Social Insurance Information Sharing Sys (SIIS)                                             |
|                                 | - e-Procurement System (GePS)                                                                |
| Back office (G2G)               | - National Financial Information System (NAFIS)                                               |
|                                 | - Personnel Policy Support System (PPSS)                                                      |
|                                 | - National Education Information System (NEIS)                                                 |
|                                 | - Local Gov’t Information Network System (LGINS)                                               |
| e-Government Infrastructure     | - e-Approval & e-Document                                                                      |
|                                 | - e-Signature & e-Seal System                                                                 |
|                                 | - Consolidated Information Resources                                                           |
Best Practice: GePS

- **Procurement**
  - Easily corruptible public areas (TI, 2000)
    - Procurement, Tariffs, Taxes, Police, Immigration, Licenses, etc.
  - Cartel to fix prices and share markets in Korea in 1960s & 1970s (intimidation and collusion) (Klitgaard, *Controlling Corruption*, 1988)

- **e-Procurement System (GePS)**
  - On-line processing of procurement life cycle: registration, bidding, contract & payment through GePS portal site, eliminating unnecessary visits to agencies
  - No entry & exit barriers to procurement markets in national markets
  - Standardized E-catalogue and code system for government goods & services
  - Awarded the first UN Public Service Award.
e-Government in Roh Administration

- **Vision**
  - Building global top ‘open’ government

- **Goals**
  - Establishing ‘network government’ through service delivery innovation
  - Establishing ‘knowledge government’ through administrative productivity & transparency
  - Establishing ‘participatory government’ through people’s real sovereignty

- **Lead Organizations**
  - Coordination: Presidential Committee on Gov’ Innovation & Decentralization (Subcommittee on e-Government)
  - Administrative support
    - Government Innovation: MOGAHA
    - Technical support: MIC (NCA)
    - Budget: MPB
## e-Government Roadmap

<table>
<thead>
<tr>
<th>Field</th>
<th>Agenda</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business practices</td>
<td>1. Establishing E-transactions</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>2. Expanding Information Sharing</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>3. Service-centric business process</td>
<td>1</td>
</tr>
<tr>
<td>Service Innovation</td>
<td>4. Enhanced G2C</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>5. Enhanced G2B</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>6. Expanded E-Participation</td>
<td>1</td>
</tr>
<tr>
<td>Information Resource Management</td>
<td>7. Consolidated information resources</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>8. Strengthening information security</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>9. Strengthening IT manpower &amp; organization</td>
<td>1</td>
</tr>
<tr>
<td>Revision of Laws</td>
<td>10. Revising laws and rules</td>
<td>1</td>
</tr>
<tr>
<td>4 areas</td>
<td>10 agendas</td>
<td>31 (45)</td>
</tr>
</tbody>
</table>
Strengths of the Roadmap

- **Seamless integration from e-Government to e-State**
  - Local e-Government, e-Assembly, e-Audit & Inspection

- **Including a variety of e-Participation projects**
  - e-Participation in policy process (e-Forum, e-Conference)
  - e-Participation Portals of the National Assembly
  - e-Voting and e-Election

- **Strengthening the value of transparency & accountability**
  - Real time Management of National Agenda and Govt Business
  - Business Management System of the Presidential Office
    (“Easy-one system”)
  - e-Disclosure of Government Information

- **Consolidation of Gov’t-wide Information Resources**
  - Developing BRM & ITA
  - Consolidation of govt-wide back office information resources
On-going Progress of the Roadmap

- **Progress of the Roadmap projects**
  - BPR/ISP phase: 3 projects
  - Pre-development phase: 7 projects
  - System Development phase: 21 projects
  - More than 90% projects are in progress as scheduled

- **Institutional rearrangements**
  - Rearranging lead organizations
    - Reestablishing the Presidential Special Committee on e-Gov’t (Deputy Minister level) under the Presidential Committee on Gov’t Innovation & Decentralization
    - Reinforcing e-Gov’t Unit of MOGAHA
  - Strengthening project management
    - Monitoring and evaluation
Case 1: Integrated Financial System

- Reforming the national financial system
  - The importance of early warning system since crisis in 1997
  - Enhancing the transparency of integrated financial resources

- Main contents
  - Integration of revenues, debts, budget, settlement, and audit
  - Linking of central & local governments, and public bodies
  - NAFIS: 1st e-government project in 2002 (central government base)

- The 2nd e-Government Roadmap
  - Organizing Digital Budget/Accounting System Planning Task Force
  - Integrating vertical & horizontal flows by accrual accounting
  - Developing the system as a benchmarking case with the World Bank
Case 2: Presidential Business Management

- **Presidential Business Management System (PBMS)**
  - easy-one (e-지원, the source of knowledge) system
  - President Roh’s strong interest, support and practice
    - Strong motivation for securing administrative transparency & accountability

- **Structure and elements**
  - Document Management System
    - Real time report, review and direction, using standardized document management card
  - Policy Agenda Management System
    - Managing the Presidential agenda according to hierarchical functions & policy goals & milestones
  - Records Management System
    - Recording & archiving all published/unpublished documents of the Presidential Office and exposed to the historical evaluation
Expected Effects of PBMS

- **Document Management System**
  - Speedy decision making and business process
  - Utilizing records for ex-post evaluation

- **Policy Agenda Management System**
  - Identifying and clarifying individual task and responsibility
  - Reflecting a variety of opinions on the policy making process
  - Real time management of the progress in implementation of the presidential agenda
  - Transparent & accountable transfer of business between secretaries

- **Records Management System**
  - Preserving for archives
Future Direction of e-Government Korea

- **Enhancing the quality of democracy**
  - Gov’t of the people
    - Information opening & dissemination (ownership of information)
  - Gov’t by the people
    - Controlling the government officials by active participation in the policy process

- **Enhancing the values of public administration**
  - Gov’t for the people
    - Quality service to citizens
    - Efficient management of back office information resources

- **Strategies**
  - Seamless integration across the government at all levels
  - Linking government innovation to e-Government
The End

Thank you