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The economic and financial crisis: Impact on e-government in Denmark?

Adam Grønlykke Møllerup

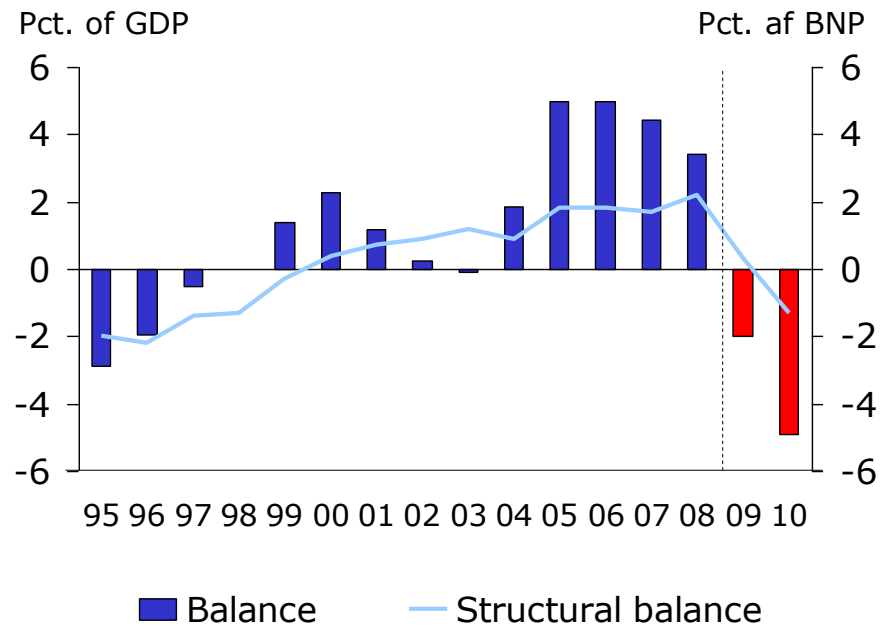


The case of Denmark – “the flexicurity test”

- Budget deficits increase the public sector debt
- Rise of structural unemployment
- Decrease in labour supply
- Fall in investments
- Decrease in productivity
- Low contribution from human capital
- Relatively hard hit bank sector
- Still very fragile

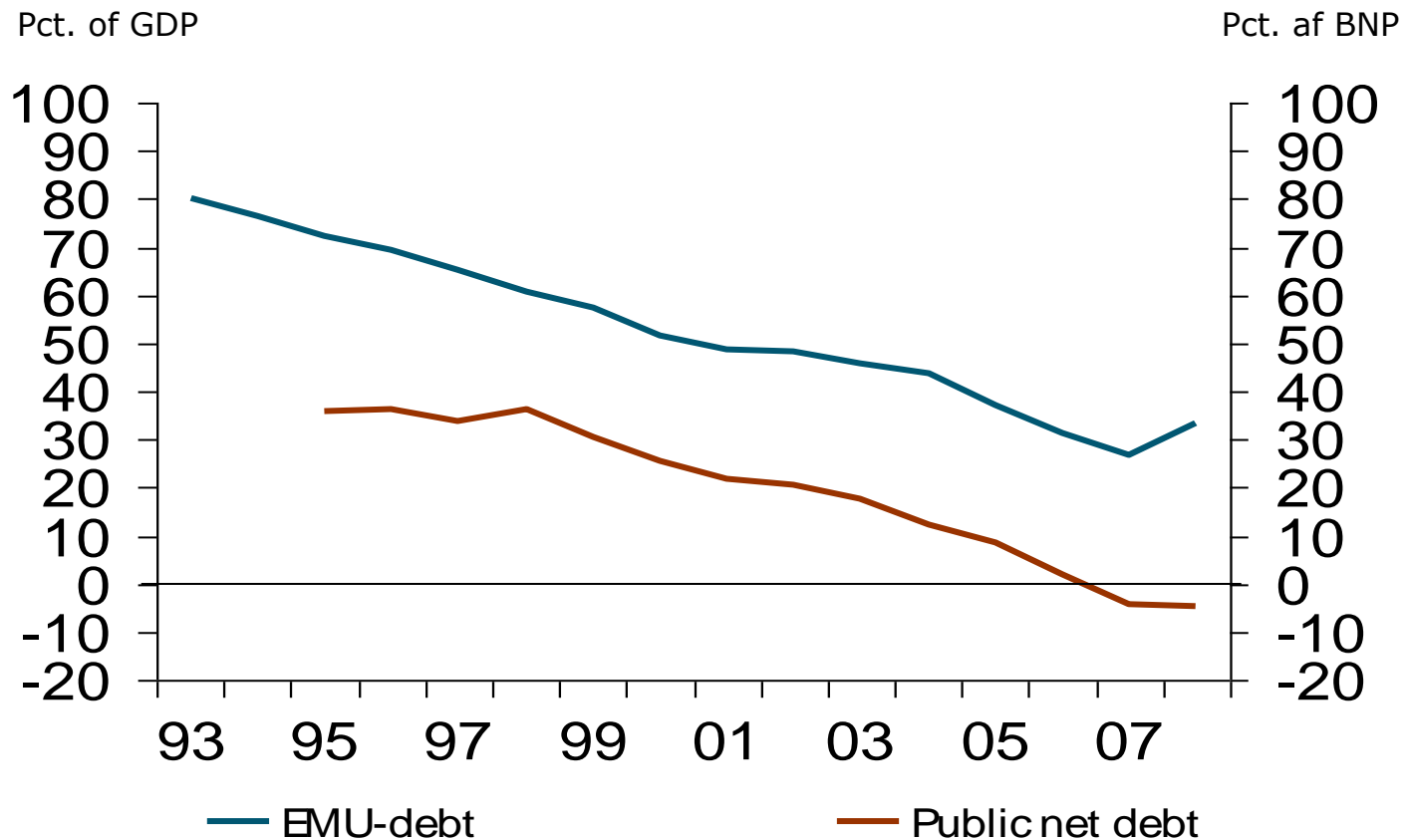


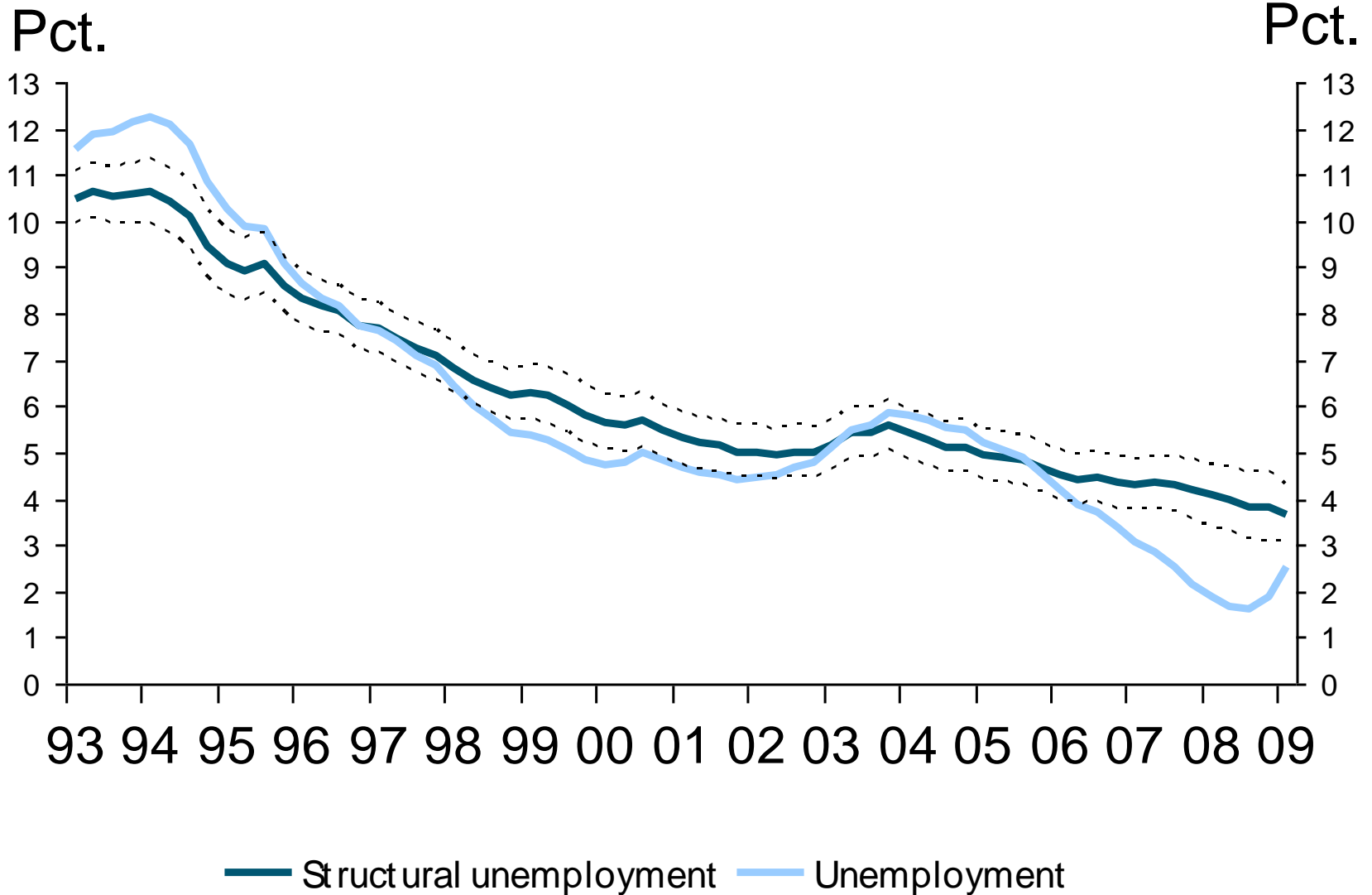
Considerable budget deficits





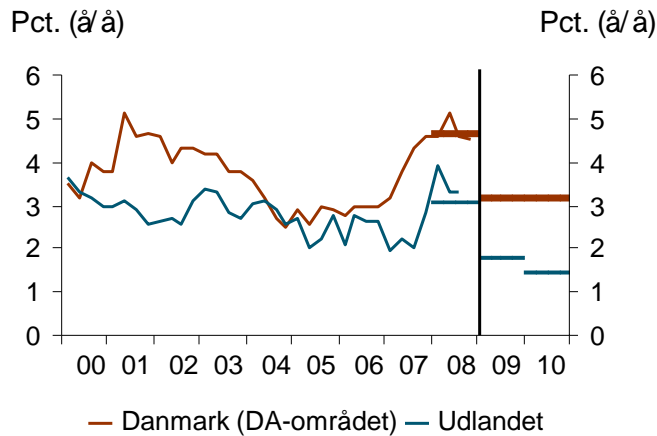
Public debt re-increasing



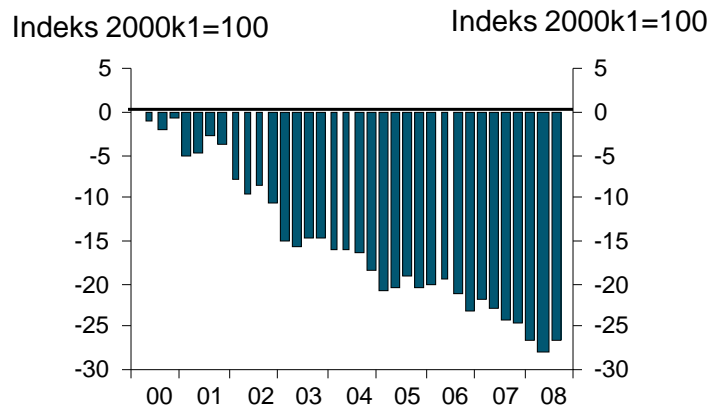




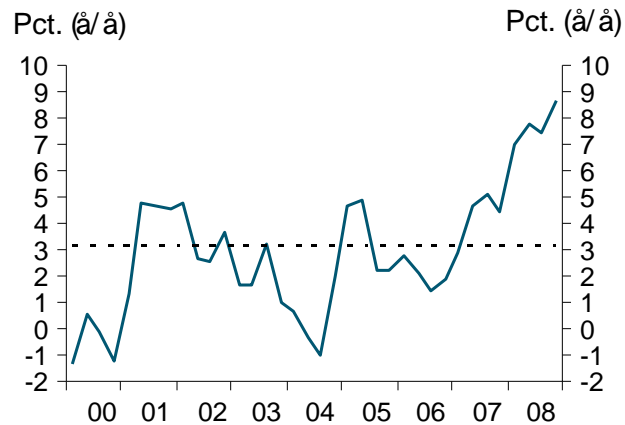
Salary increase in DK and abroad



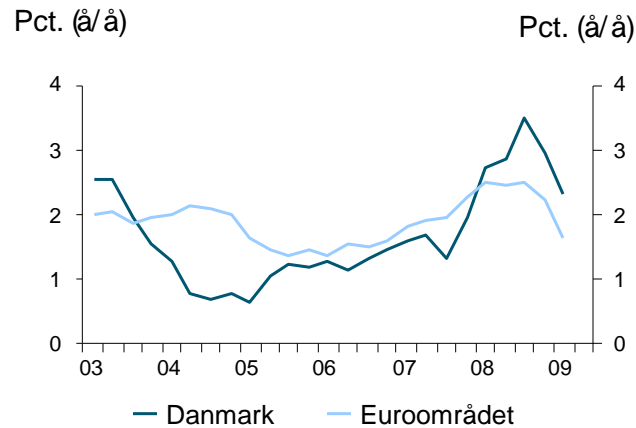
Competitiveness on salary



Cost pr unit

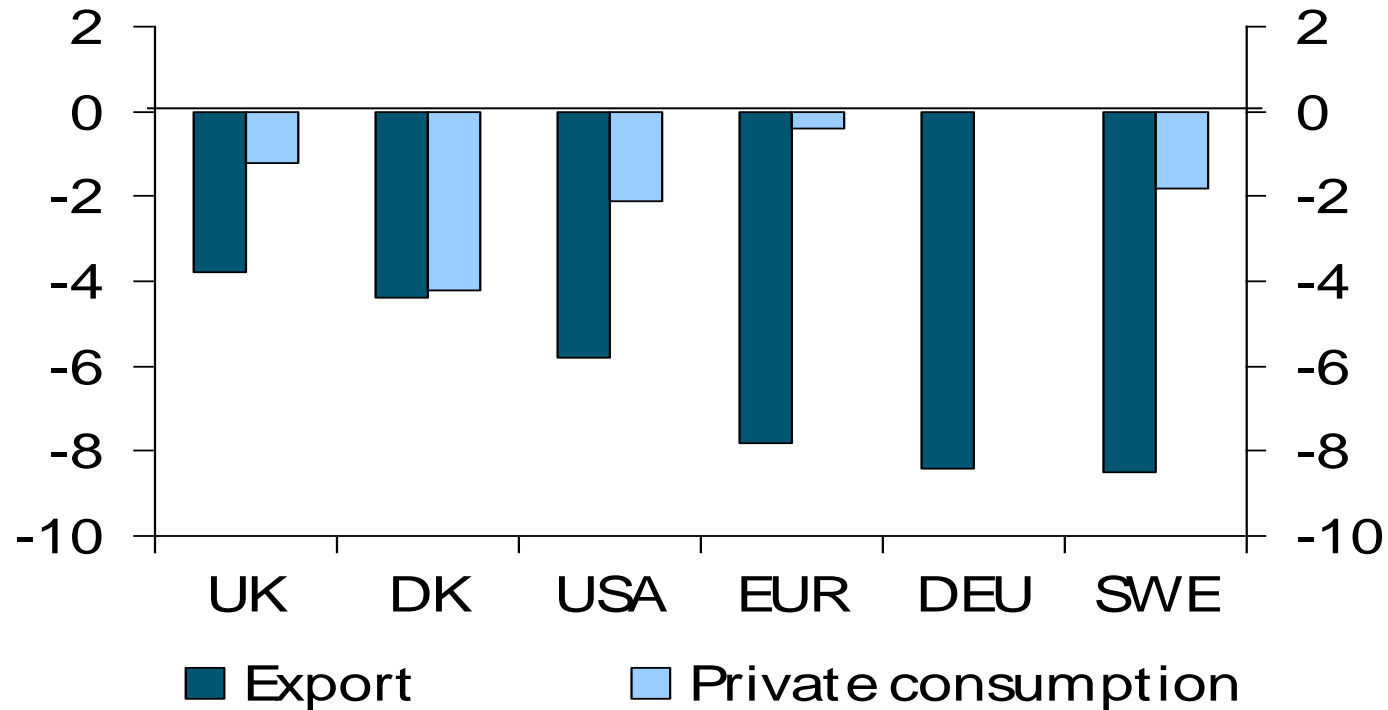


Core inflation in DK and the eurozone





Growth in exports and private consumption 2. half year of 2008.





Economic crisis – measures taken

- Bank guarantees (Danish state has taken over several banks)
- Expansive financial policy
(budget deficit, fiscal reform, release of SP, etc)
- Growth forum is to increase and sustain future growth (fx green tech)
- Considerable investments are being advanced (trafical infrastructure, hospitals, energy renovations).

E-government is not an explicit area of investment, but:

- Strong need for structural reform and higher productivity
(f.eks. de-bureaucratization programme)
- Investments in modernisation and innovation – including e-government
(ABT fund)
- Use of business case model and better loan access mean that good
(e-gov) investments can find financing



Impact on e-government?

- Lever to politicise larger e-government domains in a whole of government approach?
- Readiness for larger investments
- Increased awareness on the necessity of efficient use of it
- Focus on “e-government performance”, measurements of actual outcomes



MINISTRY OF FINANCE

Thank you!

Questions or comments to agm@fm.dk.

For more information on the Danish economy, see fm.dk.