

6.3 From Divide to Chasm

Can the ICT Bridge the Development Divide in Asia?

C.N. Wickramasinghe

Department of Commerce and Financial Management, University of Kelaniya

ABSTRACT

Early part of the new millennium Information and Communication Technology (ICT) is identified as a tool that makes human life easier, but now ICT extended its role as a tool of poverty reduction and economic development in less developed countries. In developed countries amalgamate ICT with other human activities is a natural process, however still policy makers in less developed countries are trying to enforce the utilization of ICT in economic activities. Less develop countries are encouraged to use ICT extendedly not only by local policy makers but also by world organizations like World Bank, United Nations and Asian Development bank. In Asia some countries are catching up but rest still not identified the importance of ICT as a development tool moreover some are still arguing about the possibility of using ICT in economic development and poverty reduction. This debate is leading some Asian countries towards creating unbridgeable Digital Divide known as Digital Chasm.

Study analyzed the GDP per capita income, IT investment, Internet Hosts and Internet usage in 30 Asian countries for the period of 1975 to 2004 (2004 is the latest). This study was trying to find solutions for following questions,

1. Is there a relationship between economic standard and ICT investment in Asia?
2. What is the nature of the investment in Internet technology in Asia?
3. Is ICT a tool of economic development in Asia?
4. Is Asia having Digital chasm?

Study concluded that there is a strong relationship between economic standard and IT investment in Asia, countries with higher GDP per capita were investing in IT heavily and vise versa. Then study identified that higher IT investors are totally concern about the Internet hosting and usage while less IT investors are becoming lowest Internet hosting and usage countries as well. Also study identified that there are clear evidence of impact of ICT in certain economic development in certain countries that had least economic standard during 1975-1990. As a result of heavy investments in ICT, countries like China, Malaysia, Indonesia and Thailand were improved their economic standard remarkably during 1995-2004 periods. Even though other least develops countries are still at the lowest economic standard and leading their way to a digital chasm.