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IT can be Bangladesh's Super Highway to Prosperity

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IT can be Bangladesh's Super Highway to Prosperity

Size of Bangladesh economy is very small. Size of the population of the country is very big. In the past nobody in the world noticed us because of the tiny economy. We do not show up in the world map because we do not feature as a serious market for buying or selling.

All these can change now. Bangladesh can become a familiar name in the world market if we take advantage of the new technologies, particularly Information Technology, which are changing the world dramatically. Stage is already set. In the previous decade the world has just seen the tip of these changes. Next decade will unfold scenarios which will redefine the lives of people around the world.

Technologies are all interrelated. If there is a dramatic change in one technology, immediately impact of it is felt in many other directions. At this moment Information Technology (IT) is the most dynamic sector. It is leading the way. Other technologies are getting reshaped because of fast changes in IT.

New Economies

IT is helping the rich countries to expand their economies at a sustained and fast speed. These economies are assuming features which are so distinct from their previous structures that it has become necessary to call these economies as "New Economies". It is obvious that the rich economies are the ones which are benefitting the most from the IT. Except for some small spill-over effects here and there, there is very little that IT has offered to the people in the poor countries. But this does not have to be so in future.

IT eliminates middlemen. It eliminates middlemen in the value-chain when it comes to production and marketing. IT eliminates middlemen in the knowledge-chain when it comes to understanding the economy and the society. In the process it creates not only a New Economy, but it can also create a New Society.

It is not the big size of the annual addition to the GDP which characterizes the New Economies. It is not about the quantum of wealth that people are accumulating by using this technology. IT's unique contribution comes from one fundamental fact : it is creating a new relationship among people, and between the producer and the consumer. In the economic sphere, this new relationship is leading to significant reduction in cost. Having demonstrated this in unmistakable terms, IT has set the process in motion to dismantle the old economic relationships and the institutions which were based on those relationships. Nobody can escape from this change because the emerging new relationship means reduction in personnel cost, reduction in processing and production time, better appreciation of market needs, more options for producers, more opportunities, and more choices for the consumers and producers alike.

Digital Divide

What happens to the poor economies which did not show much of a progress in the past half a century ? Two things can happen :

1.0 In the face of the emergence of New Economies and their ever increasing strength in the world economy, weak and small old economies will get further marginalised, making it more difficult for them to compete in the world economy and survive. IT will obviously make globalisation fast and unstoppable. Global companies will dictate the terms for the weak economies.

2.0 Or it be just the opposite. IT will spread into the sleepy economies so fast that they can longer remain sleepy. In the interest of the fast expanding economies IT will come to the shores of the poor economies. If IT can make a full blown entry into a poor economy it would be difficult for the poor economies to remain poor and stagnant. If the national leaders are wise, and the people are eager and energetic IT can be turned into a magic wand. After that anything it touches, it will turn into gold. Best aspect of IT is that it cannot be controlled by a single owner or authority. It is an empowering tool which enhances options and brings all the knowledge at your disposal. When IT can enter into a poor economy the people will benefit from the wider choices and new relationships within and with the world at large. This will no longer limited to traditional uni-directional relationship. IT stands for multi-dimensional and global relationship. IT does not recognise borders. It cannot be contained within any kind of borders and limits. Getting in touch by one person to any other person, from any where to any where, in almost costless way, is the hall-mark of IT.

Consider the above two options and make YOUR own choice --- and make that choice come true.

In order to achieve the desirable outcome, obviously, our leaders have to be wise, our people have to mobilise all their energy and organisational skills, and we as individuals must feel strongly committed to make that happen. If we just lie on our backs under the prosperity-tree for the juicy fruit of development to fall right into our mouth, we'll need lots of prayers, lots of luck and a very long wait before we succeed in our mission. To get to the fruit faster, alternative strategy would be to climb the tall, difficult tree and get to the fruit.

Which among the Third World countries will get ahead and transform its economy dramatically to become a global player will depend on how quickly a country decides to get up and starts making arduous efforts to the get to the fruit.

IT and the poor

Can IT get to the poor countries and to the poor people ?

Even if we leave it to the market forces alone it is very likely that IT will get to the poor countries sooner or later. Whether it will be sooner or it will later will depend primarily on the mood of the respective governments in those countries. Governments in poor countries will generally be inclined to block the entry and spread of IT in their countries. Except for the blockade created by government policies and its bureaucracy. I see no problem for IT to come to a poor country. What I suspect, market mechanism alone cannot ensure fast speed of spread of IT in the poor countries. Something else is needed. I feel that international organisations are needed to be created, with a mandate to bring IT to the poor and the poor countries. I have been advocating for the creation of an "International Center for Information Technology to End Global Poverty" to achieve this objective. NGO's, businesses, academic institutions, UN agencies, foundations, civil society organisations, etc. can link themselves with each other to find ways and means to bring IT to the poor and poor countries.

Can IT really get to the poor people ? Market forces do not take poor people with any seriousness because they are neither producers nor consumers of any consequence. I have no doubt that IT can be reached by the poor people, but they would have to be reached by creating new variety of business organisations which will help the poor people in engaging in business activities. I have been calling this type of business enterprises as "social-consciousness driven enterprises" which may have high profit, low profit, or no profit, but must have clearly defined social goals.

Many of the Grameen enterprises, such as, Grameen Bank, Grameen Telecom, Grameen Phone, Grameen Communications, Grameen Software Ltd, Grameen IT Park, Grameen Securities and Management Company, Grameen Shakti (Energy), Grameen Uddog (Enterprise), Grameen Shamogree (Products), Grameen Fund (venture capital fund), Grameen Agriculture, Grameen Kalyan, Grameen Education etc. falls into this category. Conventional

economic theory ignored the poor because it has conceptualised the world as a wage-employment-based world. If you are not a wage-labourer you are not in the market. Idea of self-employment never crossed the minds of economists. If we bring in the self-employment as an option for the people to make a living, the poor immediately draws attention of the market.

IT is the greatest technology the world has ever known to promote self-employment. Self-employment alone will be a great reason to bring IT to the poor people.

It is silly to ask the question : "How can a poor person own a computer to have access to internet ?" This question can be posed in another way : "How can a poor woman in a Bangladeshi village own a mobile phone ?" Through Grameen Bank and Grameen Telecom we have given the answer to this question in a clear loud voice. Grameen Communications has given the answer to the first question by creating village internet kiosks.

Remember, Grameen is using the IT designed for better-off people in rich countries and businesses in those countries. Grameen do not have the capacity to design appropriate IT devices and appliances for the poor. If it had, it would have designed completely different kind of IT devices and appliances which would act as a friend, a philosopher, a guide, a business consultant, a business executive, a teacher, an accountant, a doctor and an entertainer for a poor person.

Business with social goals can be much better than business for making personal gain only, even in strictly business terms. IT is a sector where it can be demonstrated much more clearly.

Someday IT will become part of our lives in Bangladesh even if we stay lying on our back and wait for the juicy fruit to drop right into our mouth. But this conference is not about lying on our back. This is about getting up the tree and get to the fruit NOW .

Bangladesh

What prospect does Bangladesh have in entering into the IT age fast ? I feel very optimistic about Bangladesh getting to the frontline of IT revolution. To begin with, we have a very young population. That is a very big help. Younger a person is, quicker is the speed in getting into IT mode. Half the population of Bangladesh is under twenty. They are very creative too. With little or no help, some of these young people are coming up with great success stories in IT.

Bangladesh has led the world in micro-credit --- a home-grown technology which has been adopted world over. Micro-credit and IT have one big thing in common, they both empower individuals. This makes them mutually reinforcing. Bangladesh is the only country in the world which could take mobile telephone to the poor women in the villages in a very successful commercial way because of micro-credit. That has laid the foundation of future inroad of IT services like e-commerce, e-healthcare, e-literacy, e-education, e-jobs etc to the villages in general, and to the poor women in particular. With IT we can put the whole world in the hands of the poor people to rush out of poverty in their individual creative ways. We already have fibre-optic backbone running along the railway tracks of our country. If we can quickly connect it to the fibre-optic submarine cable, almost the whole country will be fully connected to the world immediately. With this backdrop, I strongly feel that Bangladesh can be a world-class player in IT very soon.

Support From NRB's

This needs a very strong support from the non-resident Bangladeshis (NRB's). NRB's can be strategic bridge-head in bringing IT businesses in Bangladesh. Bangladesh has to prove its worth in international IT market. NRB's can ease Bangladesh into this market by helping her with expertise, information, links and, above all, credibility. Bangladesh does not have to start big, or at the top. It is always safe and rewarding to work from the bottom and move up. Let us not expect miracles. If we work hard, miracles will happen at the end.

NRB's can help Bangladesh in designing IT related training programmes and collaborating in the areas of producing high quality human resources through right kind of training. Training itself can be an entry point to international market place by placing trained man-power at the disposal of the market.

NRB's can provide information, ideas and guidance to the IT businesses in Bangladesh. They can act as representatives of the Bangladesh based businesses and participate as partners in these businesses.

NRB's can influence government policies in direct and indirect ways. Many of them are closely linked with the top policy-makers. Many are respected for their personal achievements abroad. Many NRB's have influence with the leading Bangladeshi political parties. They can use their connections and influences to achieve policy changes in the

IT sector. The following policy changes are immediately needed :

- i. Telecommunication sector should be totally opened up for private investment. Every bit of restriction on private investment should be removed. The sooner the restrictions go, the better chance we'll have in changing our economy and the quality of life of our people.
- ii. Bangladesh should invite offers from private investors to connect Bangladesh with the Information Super Highway. Government should not get involved in owning and managing this submarine cable. Government should stay out of all telecommunication businesses.
- iii. T&T Board should soon be converted into a company and government should hand over the shares to the private sector --- if we want to get out of the present sad state of affairs in the telecommunication sector. If we cannot change this situation, forget about having IT as our launching pad for economic boom.
- iv. All restrictions on using national fibre-optic backbone for IT purposes should be immediately removed.
- v. We must open up international telecommunications for private sector investments.
- vi. Bangladesh should have a truly independent regulatory body outside the control of the government ministries. Telecom is the highway we must take to build our future. Don't allow this to be a narrow dirt-road with pot-holes where corrupt officials are waiting around for their next catch at every step of the way. With such a road Bangladesh will continue to remain where it is right now. Big talks will not change the road condition, and hence the condition of the economy. We must make the telecom a truly superhighway to take us to the future without any stop-lights or sharp turns. Of course, there should be traffic police, but not to slow us down, but to help us achieve safe high-speed driving.

IT is about speed and efficiency. Any compromise on any one of them will push us out of the way. We just cannot afford to compromise.

NRB's Can Inspire IT Activities in Bangladesh

Besides influencing government policies on IT sector individual NRB's from all disciplines can help in several other ways :

- i) Share any information, or any tip you may get on IT matters with Bangladeshi IT activists. Prepare a list of such people in Bangladesh and regularly brief them on IT matters. Nothing special. Just the kind of information that comes to you in the normal course of your work or interest. Don't expect anything in return. Just hope that it will be of some use to somebody out there. If you don't want to correspond to a whole lot of people, you can choose an individual or an organization who will copy this to many other people in Bangladesh. We in Grameen will be happy to take this responsibility.
- ii) You can think of sparing one-hour a week to think about something for IT industry in Bangladesh and let that thought grow as an action or as an idea. When it is properly formulated you can share it with a contact person in Bangladesh where it will be shared with other IT activists. We can even print it in our newspapers if you wish to. Please do let us know what you think will be the right course of our action. It'll be of tremendous help if you lend your hand in giving a boost to IT industry in Bangladesh.

I congratulate the sponsors of Tech-Transfer 2000 for taking this initiative to bring US businesses, well-wishers of Bangladesh, NRB's and technology activists in Bangladesh to get together to pool their energy, and strategise for future action. I am sure great things will come out of this conference, not because we said profound things, but because we'll be making very important contacts here. These may change our lives, and may change the lives of the 130 million people of Bangladesh.

The greatest opportunity ever for Bangladesh is knocking at our door. Let's not blow it by being slow in opening the door, or not opening it wide enough. If you blow it, history will not forgive us.

I wish this conference all the success.

Thank you.

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