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ICT for development and development of ICT

The private sector can play one of the leading roles in ICT development but it remains skeptical about the profitability of ICT investment in rural areas, especially in less-developed countries. More progressive and innovative policies and a determined leadership are required to enable the full potential of ICT to work for the benefit of developing countries.

Armenian Private Sector finds itself in some kind of disadvantaged position. One of the reasons is that, Armenia has a relatively small population with minimal purchasing power. Its own demand for products/services is at present not sufficient to be self-supporting with regards to stimulating any significant economic growth from within. It must reach outside; to those countries which have more purchasing power.

On the other hand, Armenia is landlocked, making it more difficult to reach markets outside the country in order to secure and expand its export business. It is difficult to gain access to global markets without having strong regional trade.

Nevertheless, Armenia does have a history in the high tech sector that reflects the potential for success in entering and expanding its participation in the ICT arena. The IT/ICT markets are expanding worldwide and there is every reason to believe that the citizens of Armenia and the private sector can actively participate not only in growing the local ICT market, but also in the international dynamics unfolding through globalization.

In fact, it is already underway. There are several Armenian software firms that have already begun exporting their products. There are also several U.S., European, and Russian companies that have established local subsidiaries in Armenia in an effort to fill their shortages of trained ICT personnel and lower their costs—thus increasing their competitiveness in the world market.

How can we make private sector be more interested in ICT development in Armenia and in other developing countries? Private sector will make investments in ICT only if it understands its

benefits. Making investments in ICT development private sector will have more trained ICT personnel, more professionals, more informed society which will have access to their products/services by means of ICT.

In the *Report on the Information Technologies Business and Regulatory Framework in Armenia* is mentioned that majority of IT organizations (38.5%) are involved in projecting and preparing web sites, this means that we already have a experience in this field and can put emphasis on preparing personnel by using special web sites. It would be very useful and efficient that some organizations of private sector will have their own special courses, which will prepare specialists and trained personnel, specialized in the field in which they might work in the future.

Partially such kind of activity has been already done by some IT companies. For example Lycos Armenia is preparing students who will work in future for their company. This company has its own classes in YSU and other universities, and this is really working strategy. So we should show that such kind of activities has their payoff. This is the beginning of involving students and people in learning what private companies want.

I am suggesting to found learning center, which will be financed by some organizations of private sector. Making investment in this center is attractive because they will get back their investments by having good and professional specialists (we all know about problem of lack of specialist). This center will provide free access to web sites of special courses. So by having such kind of center we will increase usage of ICT by common people and also will have people who gain knowledge which is necessary for working in one of the several organizations of private sector.

Another issue that I would like to discuss is partnership of organizations by means of ICT. It can be seen from the *Report on the Information Technologies Business and Regulatory*

Framework in Armenia that already 65.4% of local private companies are using products and services of IT organizations, which means that they are already familiar with ICT and have access to ICT. We can make this private companies more connected by establishing national and international network of companies.

On the other hand it is common that many companies, factories in developing countries, especially in rural areas, even don't imagine how they can work with other companies via internet, or how can they advertise their products in international market having their own web sites. This situation might be changed if there will be some kind of advertisement of ICT usefulness and in the first period providing less expensive IT products in rural areas. This will develop economy in this areas and in the future will increase usage of ICT.

The World Bank's one of the four important information and communication technology (ICT)-related initiatives in its effort to assist developing countries cope with world developments in the information age is **InfoDev**, which coordinates the efforts of various stakeholders in fostering information-based services in emerging economies through ICT-related activities. So we are not alone in starting this process.

Nowadays we should accept and understand that information is a huge power, and ICT gives us opportunity to use its advantages in gaining information. In conclusion I would like to restate that we can not only use ICT for Private Sector's development, but also can make ICT more attractive for Private Sector to make investments in development of ICT.

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