

How to maximise digital dividend?

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The world is currently undergoing a digital revolution. This revolution has already yielded significant economic and social benefits globally in the form of higher economic growth, expanded opportunities, and improved service delivery; it has the further potential of ushering in what technologists call “the third industrial revolution.” However, these digital dividends have so far been unevenly distributed across the world. For digital technologies to benefit everyone everywhere, it requires closing the existing digital divide. In its annual flagship publication, the World Development Report 2016, the World Bank dwelled on the topic of digital dividend. It suggests that to maximise digital dividends, it is not sufficient to adopt digitisation, it needs to be supported by a trifecta of appropriate regulations, education, and institutions.

It is heartening to see that Bangladesh has a well-articulated digital strategy, known as “Digital Bangladesh” which envisages a modern, knowledge-based society driven by new information and communication technology (ICT). This strategy, as the Seventh Five Year Plan of the country posits, will ensure an efficient delivery of government services and help create employment and alleviate poverty. In addition, it will help promote democracy and human rights, ensure transparency and accountability -in short, it will foster an inclusive society.

These are, no doubt, laudable aspirational goals. However, talking the talk is not the same as walking the walk. How has the country really fared by the available metric of digital progress?

The available statistics suggest that in recent years the country has indeed made significant progress in ICT adoption. It now has about 130 million mobile subscribers and 43 million Internet subscribers. In other words, more than 80 per cent of the population is currently

connected by mobile and about 27 per cent by Internet. Though these numbers are impressive, they still fall short of the global averages. A recent report by the United Nations International Telecommunication Union (ITU) notes that there are now 3.2 billion people online, representing about 44 per cent of the global population, and 7.1 billion mobile-cellular subscribers, which is about 95 per cent of the global population. This means that despite considerable investments in the sector – as well as enthusiastic embrace of the new technology by people – the country has not kept pace with the unfolding global ICT revolution.

The ITU also compiles an ICT Development Index (IDI) to gauge the state of ICT development across countries. As usual, like in many other areas, Asia remains a continent of extremes in terms of the IDI index: while some Asian countries – such as Korea, Hong Kong, and Japan – are the leaders in the world, it also includes some of the laggards.

Of the 167 countries ranked by ITU, Bangladesh ranked 144 and was classified as one of the least connected societies, below all Asian countries except for war-ravaged Afghanistan. Bangladesh also ranked below such countries as Laos (138), Nepal (134), Cambodia (130), and even the otherwise hermetic state of Myanmar (142). This suggests that even though Bangladesh has made some strides in ICT development, its progress has not kept pace with the brisk pace of many of its Asian neighbours.

Though access is important, it is not the only thing that matters for digital dividend. An important factor is regulation. The kerfuffle that followed the government's recent ban of Facebook, Viber and WhatsApp had brought to the fore a set of vulnerabilities of the current digital policy. These restrictions, which reflected a top-down, knee-jerk reaction to a security concern, were ineffective – as people quickly figured out the easy and obvious technological fix. Yet, it nonetheless tarnished the image of Bangladesh as an illiberal political regime.

Though the government security concerns were understandable, its effort at redress was informed neither by a sophisticated understanding of the technology nor by the recent experiences of other countries. As most of these messaging apps and data in mobile devices are encrypted end to end, efforts at accessing and prying into them are nothing but a fool's errand. Thus far, Western technology companies have not relented even to the pressures of powerful governments such as the United States. In a "60 Minutes" interview, Apple's Chief Executive Tim Cook recently defended their policy of phone encryption for protecting

individual privacy and safeguarding proprietary data.

Similarly, the government's vigorous campaign for registering all SIM cards are likely to prove futile for enhancing national security. Many governments in the world such as Canada, the Czech Republic, New Zealand, Romania, and the United Kingdom had earlier considered the merits of mandating prepaid SIM registration but subsequently concluded against introducing it. On the other hand, Mexico, in the midst of a bitter drug war, ended up repealing registration three years after enactment, as it failed to produce results. In short, recent experiences suggest that in most instances, having the least regulation is possibly the best regulation in the digital domain.

Beside regulation, institutions have a critical bearing on ICT developments. Recent international ratings of institutions suggest that the country has experienced a degree of deterioration in the quality of its economic and political institutions. The Index of Economic Freedom, the annual ratings of economic freedom published by The Wall Street Journal and the Heritage Foundation, ranked Bangladesh 137 out of 178 countries in its 2016 publication. Of concern were the declines in the areas of business, labour freedom, and of corruption. Similarly, Freedom House, an independent watchdog organisation, assesses democracy and political freedom across the world. In its 2016 assessment, Bangladesh was ranked partially free, with deteriorating political freedom.

Even though one does not need to take these rankings and assessments religiously, one thing that leaps out of the data is-everything is not hunky-dory in Bangladesh as far as economic and political institutions are concerned. However, this need not to be so.

To unleash the enormous potential of the new technology, access to the technology is necessary but not sufficient; access must be supported by appropriate regulations, education, and institutions, areas where there is plenty of scope for improvement in the country.