



# TALKING WITH...

EMMA TUCK TALKS TO MOHAMED MUHSIN, VP AND CIO OF THE WORLD BANK GROUP ABOUT THE WAY ICTs ARE BEING USED IN ASIA TO STRENGTHEN ECONOMIC GROWTH AND SOCIAL DEVELOPMENT.

**W**hen James D. Wolfensohn took over as president of the World Bank in 1995, he decided that information and technology should become a key enabler in the business strategy of the Bank. Mohamed Muhsin was appointed vice president and chief information officer to help maintain the Bank's ICT strategy. He is the Bank's senior spokesperson on information and technology management and helps the organisation and its partners to use technology in an effective way.

Previous to assuming this position in 1997, Muhsin worked as director of the Bank's information technology services, where he implemented a wide range of information management initiatives to align services with the needs of Bank operations around the world. Before joining the World Bank, Muhsin was a business manager in Sri Lanka, and worked for ten years as the financial director of Zambia's industrial and mining conglomerate. He was also an advisor on state enterprise reform in the office of the president of Zambia, Kenneth Kaunda.

**ET.** What role is the World Bank playing as a facilitator in connecting global learning opportunities together with investment assistance for local development in Asia?

**MM.** The Bank and other multilateral organisations see our role largely as a catalyst, facilitator, broker and connector. We position ourselves at a major intersection of the network economy where we help to connect global learning opportunities with investment assistance to governments. Put another way, it's about having two currencies: the currency of money and the currency of knowledge. We believe our work in bringing knowledge and information to developing countries is as important as the capital and investments that we provide as an engine for development. This is the critical role that the World Bank is attempting to play and I would venture to say playing increasingly effectively. Other multilateral organisations are also working towards the same goals.

**ET.** How are ICTs currently being used in Asian countries to overcome the traditional barriers to development and strengthen economic growth and social development?

**MM.** As an Asian myself, I see that the first step taken by several Asian countries was to

liberalise the telecommunications sector – hand-held cell phones are now part and parcel of life there. It has brought in a revolution that one could not have imagined before – even to the point where people ask the question, how could we have managed without them? The question now is, what's next?

Increasingly, we find in our studies and visits to countries is that schools, governments and private organisations have increasingly reached out to technology. They have begun to appreciate the power of the computer in schools and the facilitation that computer networks can provide in sectors such as health and agriculture.

There is what I would call a major sea change. I will give you one example. In rural Thailand there is a young lady who we met called Sanit 'Nanoi' Thipnangrong. She had only four years of schooling as a child but took just three months to learn how to use a computer. In a little house down a dirt road in the outskirts of Buriram province in north-east Thailand, Nanoi's computer provides the facilities for a small shoe factory to keep their accounts computerised. In return they provide her with payments to meet her electricity bills. This is the type of grassroots change that has caught on. In India there are several examples of online information sectors where people get help to pay their property taxes, obtain birth certificates, apply for death certificates, etc.

I would assert that there is a sea change of reform. In schools, for example, the World Bank has been involved in a programme called



WorldLinks which has provided connections and access to education, equipment and training. Today it connects over 100,000 students in 27 countries, and I am sure there are others that do the same. The point I am trying to make is that at different levels of society in Asia things are beginning to happen.

**ET.** Do you feel that Asia is an environment where ICT-enabled business models can thrive, in terms of entrepreneurship, liberalisation and infrastructure?

**MM.** As you will appreciate, in Asia there is a culture and an ethos for entrepreneurship. Business is part of the way of life in Asia and people do try and engage in small and large business opportunities. Therefore the issue of young entrepreneurship is critical in Asia for its success – and people are beginning to use ICT to help them succeed. To go back to the issue of cell phones, this itself has been a catalyst. People are looking for Asian applications for the use of ICT to help them succeed.

**ET.** What obstacles do policy makers and business leaders from the region's developing nations face as they struggle to participate more fully in the networked world?

**MM.** My own experience has been that part of the problem has been the entrenched thinking of governments that they need to control the telecom sector or the advent of computers coming in through tariffs, and so on. Where ICT has caught on, in terms of where we are today, is where governments have essentially got out of the way of the reforms and helped the private sector to move forward. Liberalisation of the economy through deregulation of the telecom sector has been the single most important way in which reforms can be brought about. Where governments are reluctant to allow the private sector take the ball and run, we've had a slowdown in the way in which ICT is helping the economy.

**ET.** In what ways can the shift towards e-government serve to enhance efficiency and transparency, whilst reducing corruption and bureaucracy?

**MM.** The shift and the transformation is slower than one would like it to be. There are some leading examples. We have seen how the Grameen Bank in Bangladesh has used technology at a grassroots level to help people to move forward. In Madhya Pradesh we see illiterate villagers using intermediaries and Internet kiosks to get the best prices for agriculture. At the other end of the spectrum, and in a more sophisticated manner, in Singapore computerisation has driven forward the simplification of shipment handling in government operated ports. This has again improved efficiency.

The bottom line is that there have been administrative reforms and process changes that have helped the government to improve. There have been very good examples of electronic delivery of citizen services. This has been somewhat slow to catch on because governments themselves are pre-occupied with other competing pressures in the allocation of resources. But an important start has been made in Asia with e-government, e-business and e-commerce, which I think in the coming years will catch on like wild-fire.

**ET.** Many of us are talking about the 'digital divide' but the reality is that up to a half of the world's population has never even made a phone call. How is Asia addressing this issue?

**MM.** I think you have hit on an important point. Language is a major hurdle even if you have a computer or are connected to the networked world. Only ten percent of the global population speaks English and not everyone can read and write English. To the extent that language issues can be resolved, the digital divide itself can be bridged.

Another hurdle is, of course, that almost half the world's population live on less than US\$1 a day. This poses the problem of whether people can expect to reach the digital divide when, in fact, they don't even have the resources to feed their own people.

The third issue is gender. In societies that have traditionally been gender discriminatory, women are much less likely to have been given the opportunity to take advantage of information technologies. The gender divide has been additional set-back to these countries moving forward. However, there are excellent examples in countries such as Ethiopia, Kenya, South Africa, India, Ecuador and China where communities have taken leadership roles in bringing women into community centres and helping them to appreciate what computer technology can do. Then they go back and engage in looking after the children, along with farming and the other pressures in their lives. The divide itself is there. Changing it is about leadership in the community and an appreciation by organisations that we need to bring women into the fold as well. The World Bank is sensitive to this issue and we are doing our best to raise awareness of the role that women can play in helping to bridge the digital divide.

**ET.** Although less than five out of 100 people currently living in East and South Asia are connected to the Internet, within five years analysts predict that the majority of people surfing the Net will be in developing countries. How is the region gearing up for the revolution in connectivity?

**MM.** I think that India and, more recently, China have led the way. I was in China recently and it is very clear that they are moving extremely fast. These two countries in particular have had extremely strong leadership in propagating the use of technology. While only five out of 100 people are connected to the Internet in East and South Asia, to the extent that the leaders in these countries are now engaged, I feel that the region is gearing up to the use of ICT. But you are absolutely right that this will reform the environment in five years or maybe even before.

**ET.** With governments in Asia set to boost ICT – India, for example, is committed to making the country an IT superpower by 2010 – the region needs to create a pool of sophisticated IT workers skilled in information management, analysis and programming. What is required in terms of training and investment in education to enable this?

**MM.** Firstly, the ratio of the number of computers available in schools to students is extremely low. This is probably a major setback but organisations like the World Bank and other multilaterals and bilaterals are particularly interested in trying to improve the use of technology in schools. Secondly, it is not only about schools but about the teachers themselves. We believe communities and governments have an important role to play in creating a pool of sophisticated IT workers who work globally but live locally. This is critical because the skilled people need to remain in these countries. If I may quote John Chambers, the CEO

of Cisco Systems: "The two great equalisers in life today are the Internet and education." If one reflects on this one finds that in order to attain a highly skilled workforce for IT, education is critical and should really start in schools.

**ET.** Where in the developing world has ICT been used directly – and effectively – to address development goals? What lessons can we draw from these success stories?

**MM.** Let me start with the photographs of China. The minister of finance in China recently said to me: "I have the money and resources to build schools but I cannot get the best of my teachers to go to rural areas – so please help us to develop distance learning." You see in the picture (above) children reading their books in the sunlight

and in the other picture (previous page) the child has drawn a beautiful picture of a satellite with a plane flying over it representing the child's hopes and dreams to connect their little world in rural China to the global environment.

This is graphic illustration of how developing countries want to use ICT. In Sri Lanka there is an UNESCO sponsored project where villages are logging onto the Internet through their local community radio station. Now you may ask the question, how does that happen? The villages don't even need a computer – listeners simply call in, mail in or drop off their questions to the radio station. Then local bilingual experts (lawyers, doctors, teachers) browse the Internet and translate information and build a community database of answers. The listeners can also come into the station before they explore the Web.

The idea here is that you are circumventing the problem of connectivity. There is only one place where you can have an Internet connection – and they are exploiting this by connecting it to a radio broadcast system. This is very imaginative. On the other hand, if you look at somewhere like Chile the education sector is fully connected – more than 5,000 schools and some 24 universities are interlocked. There is a lot that's happening in this area with very good examples that are inspiring.

**ET.** While building domestic ICT production capacity may address local needs and help strengthen domestic economic links, are you not concerned that it may restrict the ability of countries to adopt new technologies and gain competitive advantage in the global economy?

**MM.** In one way the digital divide itself has been an opportunity for people, through lack of resources as opposed to by design, not to invest too much in technology. Many countries now, particularly in the continent of Africa and South and East Asia, are leapfrogging their way into the new networked economy. One could look back and say it is good that we did not invest at that time because things have changed and they can now take advantage of this. However, at the end of the day all development is local and you have to get people in their local environment to take charge of what they want to do and then reap the tremendous benefits from the investments that they



make. I am hopeful that while people may feel they are in their own little local world, in the final analysis, whatever investments they make in the modern age are not going to be wasted. It is a first step in what has become a very steep digital divide.

**ET.** Conversely, if it is necessary to use ICT to improve the competitive position of a developing country in the global economy, is there a risk that ICT will fail to meet development goals by diverting attention away from local markets and businesses?

**MM.** Many people rightly ask the question, why should we invest in computers? Shouldn't we first focus on clean water, better roads and electricity? One person in fact said to me, "I can eat bread but I cannot eat a computer." The answer to that question is, of course, yes. But remember that successful efforts in community development require one resource more than any other, and that is information and the exchange of information and knowledge. Computers, especially PCs, are one device that can help you to plug into the networked world. ICT is something that will help people to improve the quality of their lives and bring about development. In Asian economic and social development frameworks we will increasingly depend on giving everyone inexpensive and effective connectivity to local and global networks.

**ET.** To conclude, what moves are necessary by policy makers at a global level to improve the adoption of ICTs in the developing world?

**MM.** I think that leaders and politicians in power now should realise that in five or ten years from now the populace that will be voting them in or out will be people of a different age who have seen the power of the networked economy, who really want to be global citizens, whose hopes and aspirations are about connectivity and being part of the global world. Unless leaders are able to recognise that they need to invest in education that is connected by electronic means to the world at large, they are going to be left behind. We need to be able to look those children in the eye and say, "we made it happen" not "we missed the opportunity." ■