



Policies for the New Economic Order
By
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ICT Innovation for
Caribbean DEVELOPMENT



CARIBBEAN ICT Roadshow

SCOPE

1. CONTEXT
2. THE KNOWLEDGE ECONOMY
3. ECONOMIC IMPACTS
4. SOCIAL IMPACTS
5. LESSONS LEARNED
6. POLICY ACTIONS
7. CTU INITIATIVES



CONTEXT

The next information revolution is well under way... It is not a revolution in technology, machinery, techniques, software, or speed. It is a revolution in **CONCEPTS...**

(Drucker, 1998).



CONTEXT

The nations that will be successful in the information revolution may be large or small, and are unfettered as to hemisphere. Assuredly, however, they will have invested in the critical information, computer, social and Internet infrastructures
(McGovern, 1998).



CONTEXT

“ The gap is reflected in existing inequities in education, employment, poverty and limited opportunities for persons in the developing world and indeed in the Caribbean. Too many of our people remain disengaged. As a consequence, Caribbean countries need to move more expeditiously to reduce the gap and to begin to exploit the full potential of ICTs. ICTs are recognised as enablers to facilitate solutions and present new opportunities for economic growth and development.”
Prime Minister Thomas (2010)



CONTEXT

“We in the Caribbean must now employ ICT as an instrument of education, training and skill acquisition, if we are to build the knowledge based society that can give us the competitiveness and sustainability for modern life. The technology must be deployed in our education and training institutions for improved learning and teaching, and for stimulating innovation and creativity”.

Minister Kennedy Swaratsingh (2010)



THE KNOWLEDGE ECONOMY AND KNOWLEDGE-BASED SOCIETY



‘A knowledge-driven economy is one in which the generation and exploitation of knowledge play the predominant part in the creation of wealth’

(United Kingdom Department of Trade and Industry, 1998).



What is Knowledge:

1. Knowledge is an essential public good.
2. Knowledge is now the third and most important factor of production
3. Technology and knowledge are now the key factors of production “New Growth Theory”
4. Formal knowledge
5. Tacit Knowledge

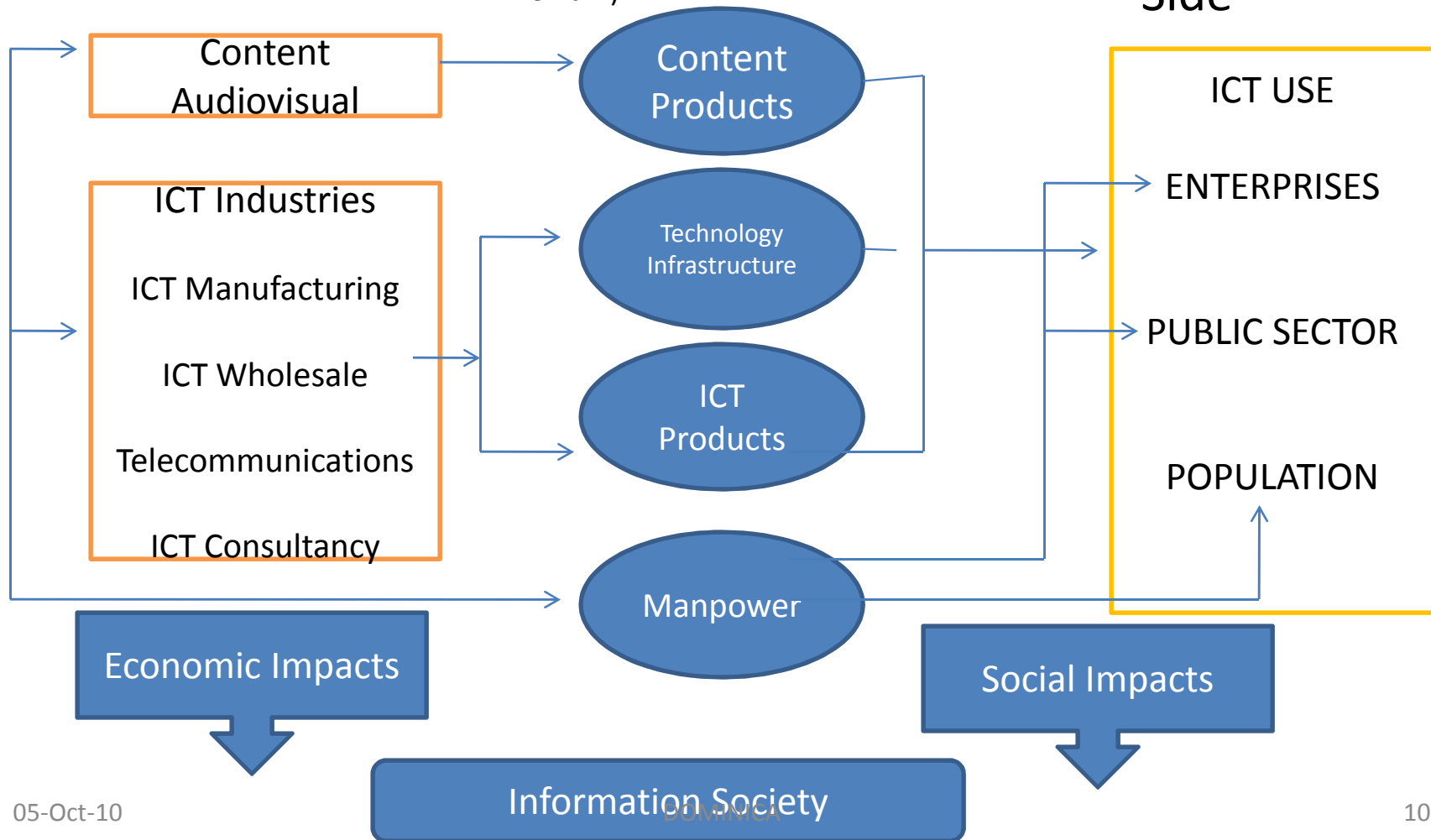


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Supply Side

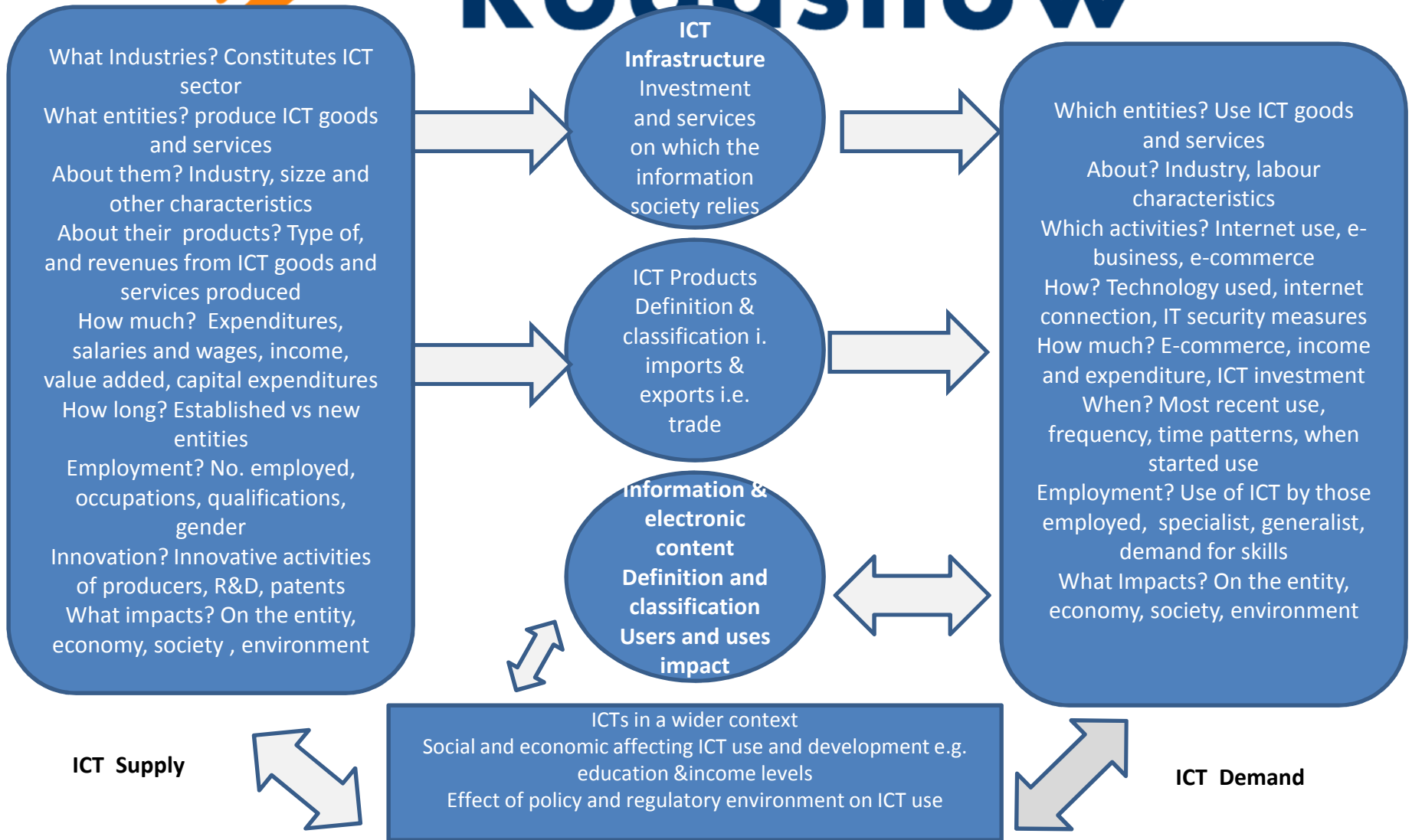
Conceptual Framework for Statistics on the Information Society (Statistics Demark)

Demand Side





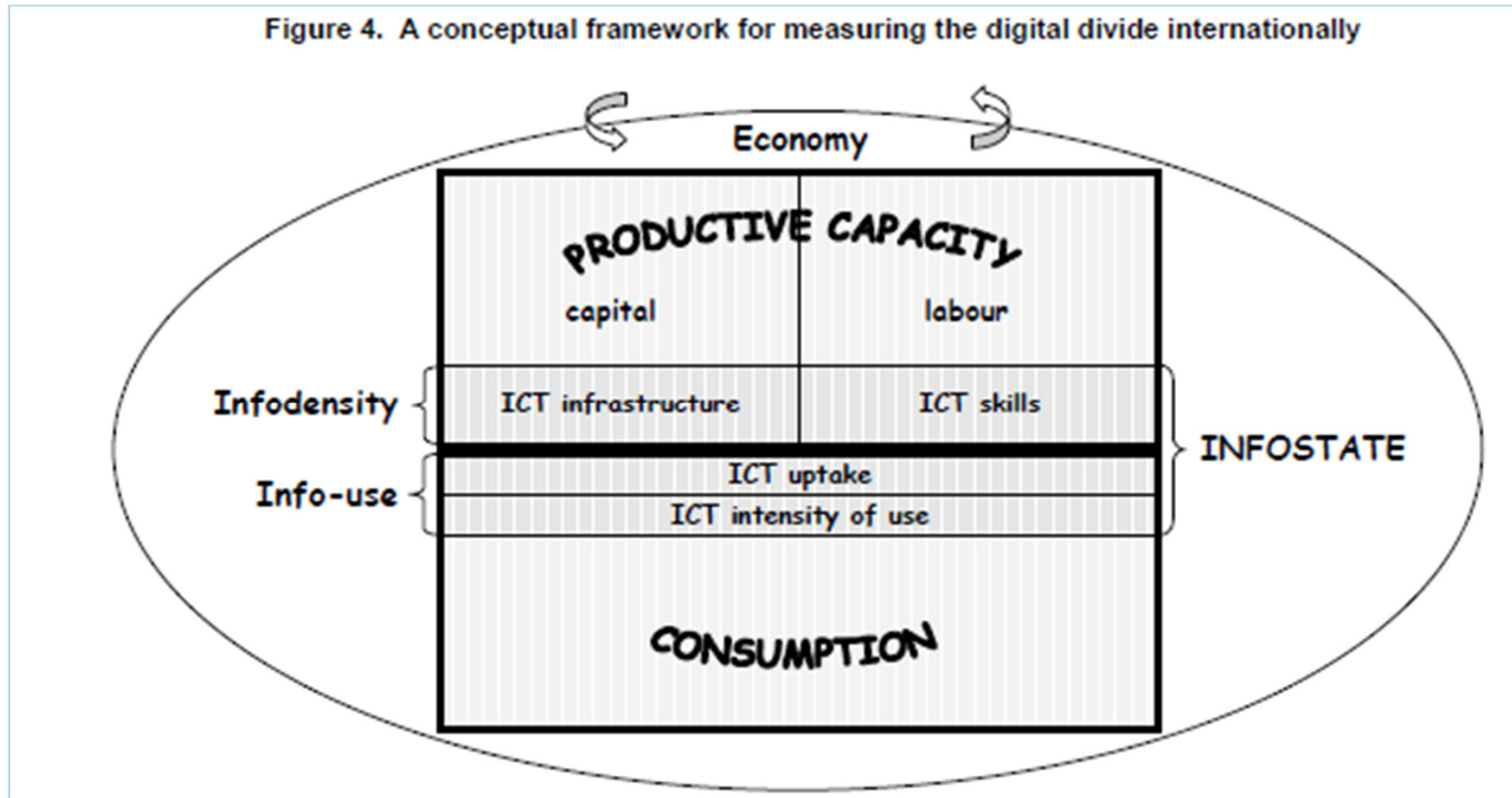
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Figure 4. A conceptual framework for measuring the digital divide internationally



OECD, 2009- Guide to Measuring the Information Society



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Conceptual Areas Related to the Knowledge-based Economy (Statistics Demark)

KNOWLEDGE-BASED ACTIVITIES

Products
Clients
Organisations

INNOVATION

Innovative enterprises
New Products
New Enterprises

GLOBALISATION

Import/Export
FDI
Types of Cooperation

R&D

Private Sector
Public sector
R&D share of GDP

INFORMATION
SOCIETY

COMPETENCES & SKILLS

Formal Education
Learnings
Mobility

Economic Impacts

Growth of enterprises
Gross value added
Productivity

Social Impacts

Digital Divide
Multiethnic Society
Work life/leisure



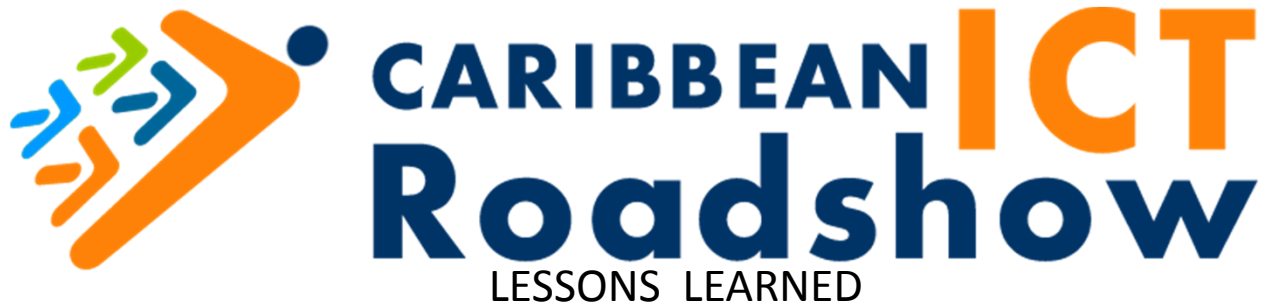
ECONOMIC IMPACTS

1. Transformation of the supply and demand chains
2. Reorganisation of internal structures
3. New approaches in the delivery of government services and interaction with citizens and businesses
4. Changing consumer consumption and spending patterns
5. Birth of new firms
6. Changing industrial organisational structures
7. Reduction in market friction and transaction cost
8. Productivity improvements



SOCIAL IMPACTS

1. New modes of human behaviour
2. Modified ways of personal communication and interaction
 - e.g. Rapid increase in Short Message Service
3. Digital Divide: economic marginalisation and social exclusion



All the national knowledge economy strategies have similar attributes:

- An efficient and cheap universal telecommunications network
- Improved productivity through information-intensive, value-added businesses
- Improved industrial and commercial competitiveness
- Support for the information services sector
- A focused investment in education and training (especially technical education) together with lifelong learning and up-skilling
- A better-informed populace with higher level of participation in democracy
- Support for cultural values.



Policy Actions: The Four Pillars

1. Drive **Market based change**
 - To respond to global competition and market forces
2. Preserve/ build **a competitive structure** for the future :strong institutions & firms, human capital and skills so as to compete in the new economy
3. **Manage the adjustment** so as to maximise overall growth and to ensure that pressures of adjustment does not constraint growth
4. **Ease the burden of adjustment** on individuals, family and regions to help them make the transition to the new economy



Policy Actions: Priority Areas

1. **Enhance knowledge diffusion**
 - Support **innovation**
 - Encourage Industry, government and university **collaboration**
 - Supporting the diffusion of new technologies
 - Facilitating the development of **information infrastructures**

2. **Upgrade Human Capital**
 - Encourage access broad base formal education **especially the ability to learn**
 - Provide incentives to firms and individuals to do training on the job to transfer **tacit knowledge** and promote life long learning and continuous training

3. **Promoting organisational change**
 - Translating technological change into **productivity gains**
 - increase flexibility e.g. working hours, networking, multi-tasking
 - Governments can provide the conditions and enabling infrastructures.



CTU INITIATIVES



CTU Innovators and Entrepreneurial

Foundation will provide to young innovators:

1. Logistic and strategic support for business planning
2. Mentoring by successful entrepreneurs
3. Access to a network of relevant contacts and expertise
4. Introduction to new opportunities



CTU INITIATIVES

1. Support and promotes CARIBNOG as a collaborative forum on technical issues
2. Promotes the establishment of National Internet Exchange Points (IXPs)
3. Promotes the adoption of :
 - The Declaration of Anguilla on Internet Governance
 - The Declaration of Paramaribo on Broadband
 - Spectrum Management Policy Framework Document
 - Internet Governance Policy Framework Document
 - Guide Book of the Adoption of IPv6
 - Oversees the HIPCAR Harmonisation Project



CTU INITIATIVES: Policy Research

- 1. Implications of Technology and Service Convergence on the Operational and Organisational Aspects of Regulation**
- 2. Globally Comparable Caribbean ICT Survey Instruments and Baseline Status of National ICT Data Acquisition**
- 3. Analysis of the Policies Designed to Encourage Development of Businesses in the ICT-Services Sector**
- 4. Collaboration Policy for Functional Cooperation in the Area of Crime and Security, through ICT**
- 5. An Examination of Prevailing Models for the Evaluation of the Impact of ICT on Development within the Caribbean**



No nation can 'free-ride' on the world scientific system. In order to participate in the system, a nation ... needs the capability to understand the knowledge produced by others and that understanding can only be developed through performing research.

(Salter and Martin, 1999).

Government policy approaches toward the Internet should start from two basic principles: avoid unnecessary regulation, and question the applicability of traditional rules
(Werbach, 1997).

THANK YOU