Broadening the Agenda for ICT for Poverty Reduction

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1. The explosive growth since the last ICT4D

The most outstanding change in the use of ICTs for development since the last Harvard Forum has been the explosive growth in the use of mobile devices. According to the United Nations Commission for Trade and Development (UNCTAD), 2008 was a milestone year when over 50% of the world?s population had some level of connectivity (UNCTAD, 2008). The figures are outstanding ? in 2007 there were 3.3 billion mobile phones and 1.9 trillion text messages, the latter alone generating an income of $52 billion US dollars for mobile phone operators.

There is also a shift towards the developing countries. In absolute numbers, there were more persons with mobiles in the developing world than in the developed world. Growth rates in the Global South have also been phenomenal. In Tanzania for instance, the proportion of the population that has access to phones increased from 1.2% in 2000/01 to 25% overall in 2007, an increase of nearly 2000%! Most of the increase was in the urban areas but the rural-urban divide was much lower than in 2000/01. The use of the Internet has also increased globally, but is the lowest in Africa and is significantly lower than the increase in mobiles.

There have also been exciting changes in the Internet and mobile technology. The mobile phone is no longer just a telephone; it has features that were not imagined 6 years ago, including Internet access and multimedia capabilities. Mobiles have eliminated boundaries through their borderless roaming capabilities and made the world a single village. There have been similar developments in the Internet, especially in its ability to enable voice communication through VOIP at practically no cost for real time use. Both have made money transactions fast and effortless.

For basic connectivity, the rich-poor and the rural-urban divide - while still generally there - is changing. In a baseline survey on the use of ICTs by the poor in Tanzania and Kenya, it was found that both those below the poverty line and the females use the mobile much more than those above the poverty line and the males respectively. In some recent discussion groups in Tanzania; it was almost unanimously stated that the biggest change in the last 10 years has been the ability to communicate quickly and easily. The mobile has highlighted the tremendous demand for communication; the need to be connected and the ability to reach out to others whenever they feel the need for it.

2. Popularity of the Mobile

From the experience of Eastern Africa, the majority of the people have seized mobile technology because it fulfills an intuitive need to communicate better than the Internet or the landline. It does not require a formal training program to use it. It can be absorbed by self learning or with the help of friends. Even those with little

formal education in Eastern Africa are using the mobile as a phone, for sending SMS messages and for ?Beeping? (Call me). Those with more sophisticated phones can also access music, the Internet, etc. Access goes beyond ownership; people find arrangements whereby they can use the phones of others for a limited time for specific purposes. They have found innovative ways to keep their phone batteries charged and to overcome network problems. All this is being done without government intervention. But, there are limits.

Six years down the line the debate still continues. In the developing countries the explosive increase in the use of ICTs has not been matched with a tremendous decline in poverty or socio-economic inequalities. Have financial resources for the BOP been lured and diverted to mobiles instead of other needs? Could the outflow of capital directly in terms of airtime tariffs and purchases of equipment and indirectly through the construction of massive billboards, TV slots and promotional campaigns been better used to reduce poverty?

3. The persistence of poverty in the face of the ICT Up-Scaling

In and of itself, ICT is not a panacea for change and poverty reduction. Technologically, ICTs tend to economically favor the rich rather than the BOP; however there is a great potential to bring about positive socio-economic change. The Background Paper of this forum has explored some of these potentials and the following points are intended to add to the insightful findings of the paper.

- One of the five areas covered by the Background Paper is the Capability Factor. It identifies the critical links as being education, health and security. However, to this must be added the relevance of the information available. Basically, there has been little investment in developing appropriate local content and information in many African countries. Relevance of the content and the language in which this is available can be barriers to the use of the ICTs for socio-economic development. Governments, decision makers and development partners have taken it for granted or simply assumed that the technology will do the trick. In many African countries, ICTs are generally not integrated into Growth and Poverty Reduction Strategies or actively utilized to enhance Good Governance.

- In most East African countries, the decisions about the ICT infrastructure are externally generated. The infrastructure is generally determined by population densities and wealth levels. In countries like Tanzania, many rural areas are without the appropriate infrastructure, given its relatively low densities in the rural areas. Even where there is network coverage, some of the services that could be used by the BOP to enhance socio-economic conditions are not available. Thus, financial transactions such as money transfers using mobiles are therefore limited to the densely populated urban areas. Rural people have to resort to transferring very small sums of money using airtime. The BOP are therefore marginalized from using the more advanced aspects of the mobile technology.

- Policy makers in developing countries are still ambivalent regarding whether ICTs can contribute towards poverty reduction. Given the range of problems that have to be addressed simultaneously, this is not surprising. There is need for greater dialogue between the policy makers and those who are convinced that ICTs can make a difference to the BOP. Research has so far focused on access and use and not on impact. Impact studies can highlight non-ICT factors that are necessary to ensure that ICTs can make a difference to the BOP.

- The role of ICTs in reducing poverty has been based on anecdotes of a few individuals and not on convincing sets of data covering large sections of the population using ICTs. This makes it difficult to develop national strategies or models that can be replicated at country level.

III. Meeting the Challenges: There is need for:

(i) A better integration of ICTs in Growth and Poverty Reduction Strategies. This must be backed up by a set proportion of the budget to be allocated to ensuring that ICT infrastructure is more equitably distributed through a public-private partnership arrangement. In Tanzania there are plans to use a universal access fund to motivate the mobile operators to take the infrastructure to the rural areas. Are there other models?
(ii) An operational strategy for local operators and institutions to use this extended infrastructure to provide services to the rural areas;
(iii) The creation of local content based on felt needs of different levels of the society, especially the BOP, so that the BOP do not use the mobiles and (later hopefully, the internet) merely for ?social purposes? but also for actively getting out of poverty in its many facets;
(iv) More studies on the impact and consequences of ICTs on growth and development in their widest sense (improving the quality of life, enhancing governance and accountability; creating opportunities, providing scope for innovation, etc) using tried and new methodologies.
(v) Popularizing Internet use in a variety of ways to encourage adults and children to use the Internet. What can we learn from the popularity of the mobile?

IV. Conclusion

The potential for the use of ICTs for growth and reduction of poverty is just beginning. Poverty reduction is not only about access to resources or even entitlement. It is also linked to awareness, governance, rights, solidarity and democracy. For instance, ICTs would make a great of difference to the situation of the BOP if they could be used to control and stop misuse of power, enhance equity and ensure that appropriate information is filtered down on the use of natural resources, mining rights; climate change; disease outbreaks, etc.

Ophelia Mascarenhas, is a Tanzanian Professor from the University of Dar es Salaam (now retired) has been fortunate in being a researcher and consultant in which a number of converging interests. After completing her MLS she returned to Tanzania and joined the University of Dar es Salaam Library where she was made responsible for developing special collections such as East Africana, Liberation Collection, Environment and Development. During this time she carried out research on various social aspects including an Analytical Bibliography on Women in Tanzania, (with colleague Marjorie Mbilinyi) which was originally done for ECA and subsequently expanded through support from SIDA.

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