

Foreword

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Information and communication technologies (ICT) have been a core driver of the phenomenon of “globalization.” In this new environment, information has new value and generates new power. Information is changing the rules of competition and the very basis on which investors, producers, and consumers make their decisions.

As governments, businesses, and civil society devote increasing attention to ways in which globalization can be an efficient tool for more equitable international relations, they naturally come to the conclusion that this question is tightly linked to another one, namely: How can societies with different levels of development turn the ICT revolution into an instrument that reduces the risk of marginalization and alleviates poverty?

Taking action in this broad and complex area requires a clear assessment of how well, or how poorly, equipped a country is to face the challenges of an information-driven global economy, and how ready it is to benefit from potential “digital dividends.”

For over six years, the Information for Development Program (*infoDev*; <http://www.infodev.org>) has been exploring these questions. A multidonor program administered by the World Bank, *infoDev* has been the grant mechanism through which a large number of “ICT for development” projects have been financed all over the world. The decision to fund a project is based on its originality, usefulness, scalability, replicability, and relevance; that is, on its potential to bridge the so-called digital divide. The *Global Information Technology Report 2001–2002* is a project that meets all the criteria necessary to receive *infoDev*'s support.

Even more compelling than bridging the digital divide, however, was another reason why *infoDev* wanted to support this report. Throughout its existence, *infoDev* has been confronted with one of the most striking characteristics of the world of ICT: its potential to reduce poverty. While anecdotes abound about how particular ICT projects contributed to the fight against poverty, it remains remarkably difficult to convince many decision makers, private and public, that fighting the digital divide is a priority

and an avenue by which to reduce the broader, more complex, and deeper development divides. How does one go from anecdotes (which can illustrate) to experience (which can be shared) to knowledge (which can be disseminated), and then to strategies and actions (which can make a difference in the lives of people)? This report is a major step in that direction. By offering state-of-the-art reflections on some of the key facets of the global information revolution, and by providing a set of comparable Networked Readiness indicators, the *Global Information Technology Report* provides a sound and comprehensible tool for action for those who want to go “from here to there.”

To gear up for the challenges and opportunities of the Networked Economy, action will be required from governments (economic and regulatory reforms, for example); from the local private sector (which will have to upgrade its organization, equipment, labor force, and business practices); as well as from international investors, who will have to prove imaginative and daring enough to seize fresh opportunities. Such action will also require the involvement of civil society, because the world of information and knowledge needs more than a technological or economic vision: it calls for new kinds of social contracts.

After a year of shocks and increased awareness about the promises of information dividends and the dangers of information divides; after the production of various reports and plans of action (including those of the World Economic Forum's Global Digital Divide Initiative, the G-8 DOT Force and the United Nations ICT Task Force); and after major changes in the international economic landscape (including the entry of China into the World Trade Organization (WTO) and the launch of a common European currency); it is auspicious that 2002 should start with the publication of the first *Global Information Technology Report*. May it be of use in helping as many individuals, enterprises, and countries as possible to consider globalization an opportunity, poverty alleviation the challenge, and digital dividends a way to bind these elements in a virtuous circle of growth, fairness, and peace.