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“ The future depends on technology, and if we don't lead our students toward it, we would be failing.”

—*Senior IT education administrator, Honduras*

“ Many fear privatization of HONDUTel will not occur anytime soon.”

—*Honduran telecommunications executive*

As part of its reconstruction and transformation process after the devastating damage from Hurricane Mitch in 1998, Honduras invested heavily in infrastructure development. Yet, Honduran telecommunications and ICT infrastructure remains poor (Ranking in Information Infrastructure micro-index: 71) and, together with widespread poverty, an inadequate education system, and limited available funding, there are major challenges to Networked Readiness as indicated by its seventy-second overall ranking.

A very large percentage of the Honduran population, principally in rural areas, continues to lack access to basic fixed-line telephone services and electricity. Twenty private ISPs compete to provide services to an estimated 30,000 users. Internet dial-up fees are comparable to those in other Central American countries and, as in many other developing nations, represent a significant portion of individuals' average monthly income.

Honduran institutions have made efforts to join and create regional networks to promote ICT diffusion. An example of this is the Red Hemisférica Universitaria de Ciencia y Tecnología (RedHUCyT), a network of academic and scientific institutions throughout Central and South America. Through RedHUCyT, with participation from HONDUTel, the national telecommunications company, and the Autonomous University of Honduras (UNAH), Honduran researchers have received greater access to communications equipment, network manager training, technical assistance, and knowledge sharing.¹

A number of national-level initiatives are focused on extending connectivity to rural areas and schools, which is currently quite limited (Ranking in Internet Access in Schools: 71). Solar.net Villages is a collaborative effort with UNESCO (United Nations Educational, Scientific and Cultural Organization), and the National Council for

Science and Technology (COHCIT) that, among other services, provides rural communities a connection to the Internet via satellite. The goal of the project is to create a model for sustainable development that can be replicated nationally. The environmentally sustainable villages aim to advance the community in health, education, and small-business development. The success of the first two communities in San Ramon (Choluteca) and San Francisco (Lempira) has led the government to request funds and plan for construction of hundreds more centers throughout the country over the next several years.² *Ampliando Horizontes*, another nationally coordinated project, launched in 1998, is a computer education initiative that is part of the National Education Plan. The project aims to connect 192 schools nationwide, using the computer as a pedagogical tool.³

Telecommunications in Honduras remain underdeveloped compared to other countries in the region. At fewer than five telephones per hundred inhabitants, Honduras has the second-lowest teledensity in Central America. Partly due to Hurricane Mitch, the partial privatization of HONDUTel was postponed again, this time until 2002 (Ranking in Effect of Telecommunications Competition: 74). Upon privatization, the winner is set to receive a monopoly on basic services through 2005 and a mobile PCS license. Although Honduras was one of the last Latin American countries to license cellular services, use of them is expanding rapidly. In the coming year, the national government will try to tackle the politically sensitive issue of reform in the electricity sector. Many hope these reforms will improve basic services, expand coverage throughout the country, and lay the groundwork for future Networked Readiness.

Key Facts

Population	6,485,000
Rural population (% of total population) 1999	48.34 %
GDP per capita (PPP)	US\$2,469
Global Competitiveness Index Ranking, 2001–2002	70
UNDP Human Development Index Ranking, 2001 (adjusted to GTR sample)	69
Main telephone lines per 100 inhabitants	4.60
Telephone faults per 100 main telephone lines	24.00
Internet hosts per 10,000 inhabitants	0.20
Personal computers per 100 inhabitants	0.93
Piracy rate	68.00 %
Percent of PCs connected to Internet	0.20 %
Internet users per host	312.50
Internet users per 100 inhabitants	0.62
Cell phone subscribers per 100 inhabitants	2.39
Average monthly cost for 20 hours of Internet access	US\$22.36

RANK

Networked Readiness Index **72**

Network Use component index **72**

Enabling Factors component index **71**

■ Network Access **68**

Information Infrastructure 71

Hardware, Software, and Support 64

■ Network Policy **73**

Business and Economic Environment 74

ICT Policy 71

■ Networked Society **64**

Networked Learning 74

ICT Opportunities 48

Social Capital 69

■ Networked Economy **70**

e-Commerce 70

e-Government 72

General Infrastructure 67