Philanthropy for Global Digital Opportunity
A Brief Guide
Prepared by the AOL Time Warner Foundation

The growth of information technology has sparked rapid economic growth in developed countries and is changing the way people live, learn, and work. One of the principal challenges facing the global community is to ensure that advanced communications services – and the attending economic, social, and political dividends – are spread throughout the world. Those countries and regions that are unable to tap the power of information technology are said to be in a void or a "digital divide." While technology is no "silver bullet" for the problems of the developing world, information and communications technology can be powerful democratizing forces, offering greater economic access to capital, allowing remote areas to overcome geographic boundaries, reducing educational disparities, and preventing cultural alienation, a risk that the divide between nations will grow if we fail to ensure that all nations have the opportunity to participate fully in the network economy and society.

A Global Snapshot:

There is a substantial and growing "digital divide" between developed and developing countries:

• As much as 80% of the world's population has never made a phone call. There are more telephones in New York City than in all of rural Asia, and more internet accounts in London than in all of Africa.

• Industrialized countries, with only 15% of the world's population, are home to 88% of all internet users. Finland alone has more internet users than the whole of Latin America.

• Of the estimated 332 million people online in March of 2000, less than 1% (2.77 million) live in Africa. Excluding South Africa, the continent generates only .02% of global internet content and there are fewer than 100,000 dial-up internet accounts for over 700 million people.

• Less than five percent of the computers that are connected to the internet are in developing countries.

• A recently created index of technological progress demonstrated that access to technology became more unequal between 1992 and 1997, far more rapidly than differences in income distribution. The index measured personal computers, internet hosts, fax machines, mobile phones, and televisions.

• Fewer than 20,000 of Argentina's 10 million students now have internet access.

It's critical that developing countries participate in the networked economy:

• Global electronic commerce could reach $7 trillion by 2004.

• Weak communications networks in Africa could account for as much as one half of the difference between Africa's manufactured exports as a share of GDP and East Asia's share.

• Only 12 percent of local telecommunications markets in developing countries are liberalized.

• In the five years following privatization of telecommunications companies in Peru, the number of fixed lines increased 165 percent, the number of mobile lines increased from 20,000 to nearly half a million, and access among the poorest households increased from near zero to around 20 percent.

Who Can Help to Expand Digital Opportunity?

To be successful in turning the digital divide into digital opportunity, a systematic and coordinated effort must be undertaken with the participation of varied partners and stakeholders, including individuals, companies, foundations, non-government organizations (NGOs), governments, and multilateral organizations.

It is important to recognize that there are diverse cultures, conditions, and needs in developing nations, and local cultures must be respected, preserved, and promoted. Developing countries should be looked at as more than "new markets." They should also be supported in their efforts to produce indigenous content and export products and services that reflect their culture and entrepreneurial aspirations.

What Should the Goals Be?

• **Increase connectivity:** Improve connectivity by mobilizing resources to support community access programs and encourage the development of IT hardware and software tailored to the special needs of developing countries.

• **Forward-looking policy:** Foster appropriate policy and regulatory environments by supporting the provision of policy advice and facilitating the sharing of experiences among developing countries.

• **People development:** Build human capacity by focusing on basic education and lifelong learning with particular emphasis on building IT skills among users and policy professionals.

• **E-commerce inclusion:** Encourage participation in global e-commerce by increasing e-commerce readiness and use, and providing advice to start-up businesses in developing countries.

• **Applications innovation:** Develop and promote applications such as "digital libraries" that allow nations to share their cultural heritage.

How Can Private Philanthropists Help?

• **Research:** Research on the conditions of developing countries, their priorities, and how integrating information technology can advance them is essential.

• **Advocacy:** Increased public education and advocacy at all levels is necessary to put global IT issues in front of international, national, and local leaders.

• **Support programs:** The development and support of local programs that leverage existing technologies and organizational capacity will allow for rapid infusion of information technology in remote and insular areas, especially where these efforts strengthen local intermediaries.

• **Productivity tools:** Identify, develop, and distribute sustainable productivity tools and applications that have short and long-term utility for developing countries and can be recycled, refurbished, and/or deployed internationally at marginal cost.

• **Information sharing:** Support global efforts to share best practices in programs and grant making. Aggregate current content and sources focused on expanding digital opportunity and serve as conveners for ideas and initiatives.

• **Capacity building:** Bundle appropriate technology capacity building and support into grants for developing nations and NGOs. Digital commitments should be integrated commitments that address infrastructure, skills, content, and cultural issues.

Where Can You Go to Learn More?

Digital Divide Network
An excellent clearinghouse for learning about US approaches to policy, programs, and funding efforts to bridge the digital divide.
www.DigitalDivideNetwork.org

Digital Opportunity Channel
A collaboration of OneWorld and the Digital Divide Network, the Digital Opportunity Channel seeks to bring a global perspective to discussions on information technology and the digital divide.
www.DigitalOpportunity.org

World Resources Institute
WRI has created a Web site, *Digital Dividend*, that is dedicated to exploring creative business approaches, public private partnerships, and other sustainable ways to bridge the global digital divide and create lasting economic, social, and environmental benefits. The site allows users to track digital dividend programs, find projects that need partners, investors, and technical support, and add their own initiatives.
www.DigitalDividend.org

The World Bank – Information for Development Program (InfoDev)
A global grant program managed by the World Bank to promote innovative projects on the use of information and communication technologies (ICTs) for economic and social development, with a special emphasis on the needs of the poor in developing countries.
www.infodev.org

United Nations Economic Commission for Africa (UNECA)
UNECA's Development Information Services Division (DISD)'s goal is to assist member countries in using information and communication technologies (ICT) to assist in sustainable development.
www.uneca.org/programmes_home.htm

World Economic Forum
The World Economic Forum's Global Digital Divide Initiative is designed to raise awareness of the global digital divide and to bring together public and private sector actors to transform the digital divide into digital opportunity. A new pilot program will provide hardware and software to public schools in Jordan.
www.weforum.org/DigitalDivide