Commentary on
"Equitable access: People, networks and Capabilities"

by David Souter

F.F. Tusubira, June 2008[1]

While David Souter has, in his issue paper *Equitable access: People, networks and capabilities*, given a very good analysis, the following comments focus on areas where I have a difference in perspective or where I feel there is need to reinforce.

The assumptions level

Solidity of underlying assumptions is what creates a reliable case. Souter makes three key points in his paper:

- *That policy-makers and regulators are at the centre of rapid, large-scale ICT roll-out globally.*
- *That "[i]mproving their capabilities, and those of industry actors in general, to predict and innovate amidst change and uncertainty could do much to increase the pace of infrastructure deployment and maximise resulting social and economic returns."*
- *That the value of ICTs is "unlocked by skills which are not widely available within poor communities."*

I note the following gaps at the assumption level.

The rapid growth of mobile usage in Africa: This was an accidental rather than a planned outcome of policy and regulation. In addition, the standard process of corporatisation, privatisation, and liberalisation was conceived and driven by external agencies (World Bank, International Monetary Fund and International Telecommunication Union), which continue to have a disproportionately high influence on sector policy and regulation. Is it then right to assume that policy-makers and regulators sit at the centre of this massive change? Yes, we need capacity building, but within a broader context that considers institutions or people (internal and external) that, in any particular country, drive policy and regulation. The identification of such players requires specific country analysis: countries, especially in Africa, differ radically according to the authority and power of their regulators and policy-makers, and according to political governance and structures.

Availability of skills: The value of many new opportunities – including, in particular, the internet – is unlocked by skills which are not widely available within poor communities. It is a common presumption that a lack of skills is indeed a key barrier. Communities have demonstrated that they have the capacity to develop these skills independently, so long as there is easy access to technology. The hole in the wall computer experiments, the illiterate women of Grameen phone fame: all have demonstrated this. Poverty is about a lack of opportunity, not stupidity.

I also subscribe to the more cautious interpretation that information and communications technologies (ICTs) will enhance what is going on in developing countries rather than

displace this with the brave, new "knowledge society". One can indeed question the assumption that knowledge per se is the driver: knowledge creates competitive advantage and can indeed drive innovation, but does not replace goods and services.

Strategic approaches

The demand and supply side of infrastructure: It is well argued that there is need for intervention on both the demand and supply side of infrastructure. The real question is, by whom? Policy-makers and regulators for the ICT sector cannot be supermen and superwomen, on the one hand worrying about the supply side, and on the other hand worrying about demand-side challenges and capacity across the sector. By opening markets, policy and regulation create an environment in which those who are more demand savvy can create applications and services (including capacity building) that bring value to consumers. Where then is the gap? Government, as the overwhelmingly dominant player in the economy in developing countries, needs to invest in a transition to delivery that takes full advantage of ICT opportunities. This creates value for the demand side and hence incentive for investment in equipment and knowledge. The players in the private sector – especially the small ones – can then ride on this and deliver services and value, at marginal cost for both the supplier and the consumer.

ICT policies that have been adopted by many governments: It is true that the capacity to implement these has often been weak. However, we also need to note that the bigger challenge is the flaws inherent in the policies themselves – the conception, the framework, and implementation strategies. Most ICT policies are more of a wish list than a coherent framework and realistic plan of action.

Rapid changes in the sector: Smart regulators have moved to technology neutrality in delivery platforms, but have not taken the logical step to service neutrality – the recognition that convergence has enabled literally any platform to deliver any service, and that licensees should be permitted the flexibility to provide any service mix to maximise viability and value to customers. This is especially important in marginal markets – like rural communities – where service mix minimises overall business risk through internal cross-subsidy. Rapid change in the sector then stops being a regulatory challenge: it instead becomes a continuing business opportunity. This would leave only the challenge of scarce resources, specifically spectrum. The focus then becomes spectrum efficiency, and managing the spectrum in ways that always leave the regulators' options open – a back-door exit predicated on the inevitable impact of evolving technology. Technology and service neutrality would eliminate worry about rapid changes with respect to the national market so that capacity building then addresses the new challenges of regionalism and transnational operators.

Does user behaviour change rapidly? Quantification of rapidity is itself subjective. Europe looks at mobile uptake in Africa as rapid, but it is really slow when one factors in the lack of any alternative means of telecommunication.

Capacity

Network capacity

Building inwards from the periphery: This is a business decision. Is there sufficient motivation and value for the community (or an entrepreneur) to invest? Because it is not a marginal cost, the full impact of investment is borne by the investor community, and there must therefore be high returns in terms of value (community investor) or income (private investor). On the other hand, this paradigm is an opportunity for universal service funds, enabling the building of isolated community networks, which in turn helps to change behaviour, and make the connection of an established consumer base to a larger network more viable. This can go along with asymmetrical interconnection rates in favour of community networks.

Capacity and capabilities of policy-makers and regulators:
Local power-play analysis of the sector is important before we address capacity and capability. The first question: In the country, who has the power (as opposed to mandated authority) over sector policy, regulation, and enforcement? This will reveal groups and individuals (some external to the country) who must be targeted if capacity-building interventions are to have impact.

Integrated approaches to infrastructure development: This is an environmental (political) challenge. We must accept the current structural and process weaknesses in many African countries as fact, and accept that they will take time to address, and then define strategies that can work regardless. In an under-resourced democracy, it takes a long time – generally longer than the life of a government – to achieve the required integrated approach. Autocracies like Rwanda and Ethiopia have a command structure in which once those in power are convinced, they can require and enforce integrated approaches. Such environments unfortunately do not permit regulatory independence, and impact can go either way. In Ethiopia, the impact is negative, while in Rwanda it is very positive. A specific example is the national identity cards (supposed to be in place by the end of 2008) required within the East African Community as a key step towards open borders. While Uganda and Tanzania have gone through failed attempts to implement the card system, Rwanda has moved and implemented it at low cost as an element of its national ICT policy.

Evidence-based policy: The major challenge here is no longer the lack of data and studies, because there has been a fairly high level of generation of these over the past five years, but a lack of awareness (at the political level) about the importance of

evidence-based policy. South Africa, for example, is easily one of the best-researched economies as far as the ICT sector is concerned, but this has not yet translated to exemplary policy and regulation. Some (like Uganda) have taken the research output seriously, while others have not. Where is the difference? While this is partly anecdotal, the fact that the chair of the Uganda Communications Commission (UCC) is a former academic and researcher, as is the new minister for ICT, has bearing. Indeed the major changes in policy, including full liberalisation, have occurred during the so far short tenure of the new minister.

Assessment of e-readiness: The concept of using indicators is correct, but there are often major weaknesses in the choice of indicators. A meter designed to measure kiloamperes becomes quite useless when used to measure milliamps. We lose the fine detail that would be the basis for policy analysis and synthesis.

"Although every market is different, there is much to be gained from shared experience, and partnerships like NetTel@Africa can do much to foster this." To this one can add the need for regulators to also change as fast as the technology they regulate. It is a human trait to become more conservative with age, and to resist rather than change with change. This means that, as a matter of policy, regulatory staff should have a "use by" date to permit new people with fresh ideas and more dynamic thinking to take charge. To this we need to add that capacity building should not be academic: a lot more impact will be achieved if capacity building and its methodology (peering, attachments, workshops, formal training) are developed to respond to existing national policy or regulatory challenges.

Capacity of consumers

I separate this into two categories: those who consume from the major providers in order to deliver profitable value to end-users, and the end-consumers themselves. There is no shortage of ideas in the first category, but only a shortage of environments that permit these ideas to be nurtured up to market entry. The identification of individuals in the first category leads to focused capacity building – giving them additional skills to increase the likelihood of success rather than simply training people en masse.

Do end-consumers require capacity building and information intermediaries? I would argue otherwise. This is a patronising attitude that many ICT for development professionals take – that people out there are ignorant and need training. The human mind has the ingenuity to learn on its own – or by peer example – once the benefits are clear. Capacity, on the consumer side, should be permitted to evolve on its own.