

**Under the patronage of:
the Honorable TUNG Chee Hwa, Chief Executive Hong Kong
Special Administrative Region , The People's Republic of China
& Mr. Mike MOORE Director General, World Trade Organisation
& Mr ZENG Peiyan, Minister, State Development, Planning
Commission, PRC**

World Services Congress

On

Services: The Drive for the Global Economy

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PLENARY SESSION ON THE CHALLENGES OF THE NEW ECONOMY

Opening Statement by
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Opening Statement

The Challenges of The New Economy World Services Congress 2001,Hong Kong

1. One of the defining characteristics of our current era is the speed of change. The common wisdom has been for governments to avoid even attempting to regulate the Internet. Technology has seemed to move faster than our own institutions and has defied our ability to fully absorb, comprehend, and respond to it. One more thing, technology can move only forward.
2. At the same time, recent analysis has increasingly pointed to the importance and even the primacy of services in economic development. In the past it was viewed as necessary to industrialize in order to develop. Industrialization has many negative ramifications. In the classic image of industrialization only a few individuals manage to create a satisfactory life and most find themselves with no exit from a nameless, anonymous oppression that is their lot in life.
3. But the development of information and communication technologies (ICT), among them the Internet, has greatly enhanced our ability to offer new opportunities to individuals and communities that previously had no lifeline. It means the possibility to have more choice regarding development alternatives and to possibly avoid the negative repercussions of development that until now have been considered normal. The dramatic reduction in communication costs, and increases in efficiency have allowed developing countries to exploit their cost advantages in providing various services.
4. And while information and communication technologies represent a lifeline to developing countries, they are the nervous system of the developed world, maintaining complex relationships and interactions of increasing scope and sophistication. They have resulted in significant changes in service delivery and consumer expectations. The borderless nature of the Internet has enhanced opportunities for business, expanded markets and complicated regulatory functions.

5. I believe that we are now entering a new stage in the Internet revolution. The Dot Com implosion did not discredit the value of the Internet, but it did bring a dose of reality back, not just to the wild-eyed investors but also to business and society at large. We have not lost sight of the power and potential of the Internet, but we have begun to see it in a more manageable context. The Internet is a tool that works well with, but does not replace, the real world. What the Internet does redefine however is the opportunities available to all who are able to access it.

6. In my capacity as chairman of the ICC Commission on Telecommunications and Information Technology, I have the honor to be one of these knowledge workers in the global business community aspiring to help develop and promote a business-friendly approach to e-commerce. The ICC is active in providing leadership in the digital world, collaborating with government regulatory bodies, working to overcome the digital divide, supporting the liberalization of telecommunication authorities and other ICT supporting policies, and developing resources, standards and other instruments to advance productive ICT policy and practice around the world.

7. In closing, I venture to claim that the ICT digital divide, unlike the wealth divide, is bridgeable. While the economically developed often found it difficult to dig into their pockets for the economically underdeveloped, it is in the interest of the knowledge-developed to bridge the knowledge gap. As a pragmatist, I am basing my optimism on the conviction that the present narrow “*knowledge society*” is knowledgeable enough to realize that working towards expanding into a wider “*global knowledge society*” is in its own economic interest as much as it is in the interest of the “*knowledge underdeveloped society*”. A digital economy of more than six billion consumers is larger than a digital economy of less than one billion .

8. As an optimist too, I claim further that in the “*cyberspace*” all citizens of the world – the “*on liners*”- enjoy equal opportunities and equal rights of choices. As such we are able to live in a virtual world of “*real global democracy*” while we continue our strife to enhance our national democracies- which are often unreal- in “*real space*”.

9. *The best way to predict the future is to shape it.* Let us shape a new world economy, which will make this a better new world for all of us. A body of knowledge, involving all stakeholders, needs to be mandated to address the challenges of this new world economy. I am confident that the UN – ICT Task Force (United Nations Information and Communication Technologies Task Force) being established, will aspire to coordinate that role.

Talal Abu- Ghazaleh
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