Focus on Southern Africa

- James Alleman
- Carl Hunt
- Paul Rappoport
- Lester Taylor
  - Marty Garity
  - Barbara Sorce

Literature Review

Telecommunications and Economic Development:

- A Strong Statistical Relationship Exists
- Recent Literature Suggests Causality
Telecommunications in the Infrastructure: Benefits

- Reduced Time of Transactions
- Eliminates Distance of Transactions
- Expands and Enhances Communications
- Reduces the Cost of Production

Telecommunications represents the nerve structure of an economy and is as important to the growth an economy as the transportation was to development in the 19th. and early 20th. century.

Economic / Telecommunications Environment

- Economic Environment
- GDP & Telephone Development
- Within Country Growth Comparisons
- Efficiency of Service Provision

Countries Examined

- Angola
- Botswana
- Lesotho
- Malawi
- Nambia
- South Africa
- Swaziland
- Tanzania
- Zambia
- Zimbabwe

Economic Comparisons

- Population
- GDP
- Telephone Density
- Efficiency of Provision
- International Traffic

Focus on:

- Economic Environment
- GDP & Telephone Development
- Within Country Growth Comparisons
- Efficiency of Service Provision
Logarithm of GDP & Telephones (DELS)

Country Comparisons:

- Angola
- Botswana
- Lesotho
- Malawi
- Mozambique
- Namibia
- South Africa
- Swaziland
- Tanzania
- Zambia
- Zimbabwe

Estimated Telephone Short-Fall

Index of GDP Growth

Index of Population Growth

Index of Telephone Growth

Focus on:

- Economic Environment
- GDP & Telephone Development
- Within Country Growth Comparisons
- Efficiency of Service Provision
Indices of GDP & Telephone Growth

Focus on:
- Economic Environment
- GDP & Telephone Development
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Indices of Economic Variables

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Focus on:

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Efficiency of Telephone Provision

Mozambique

South Africa

Tanzania

Zambia

Zimbabwe

Countries' Average

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ANALYSIS: Two Models

- Log of Growth of GDP versus Telephone Penetration Lagged
- Log of Growth of Telephone Penetration versus GDP

ANALYSIS: Two Models

- Log of Growth of GDP versus Telephone Penetration Lagged
  - Telephone Proxy for Investments
  - Impact Takes a Year
- Log of Growth of Telephone Penetration versus GDP
  - Instant Impact on Telephone Penetration

ANALYSIS: Two Models

- Log of Growth of GDP versus Telephone Penetration Lagged
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Confirms Telecommunications Investment Impacts Economic Growth and vice versa

CONCLUSION

Telecommunications Infrastructure Investment & Economic Development

- A Positive Relationship Exists
  - Theoretical and Empirical Results Confirm
  - This Analysis Confirms Others' Results
  - Estimations of the Magnitude Vary

CONCLUSION

Telecommunications Infrastructure Investment & Economic Development

- A Positive Relationship Exists
- Telecommunications Investment Not Sufficient.
- Human and Capital Resources Required
- Other Infrastructure Investments Required