
The World's Most Tech-Ready Countries 2014



By Bruno Lanvin , Executive Director of the INSEAD European Competitiveness Initiative and Executive Director for Global Indices and Beñat Bilbao-Osorio, Snr. Economist, Global Competitiveness & Benchmarking Network, World Economic Forum with INSEAD Knowledge

The latest Global Information Technology Report demonstrates that infrastructure is only half of the battle in creating a networked nation.

With 90 percent of its population online, high levels of technological innovation and the concerted efforts of governments business and individuals investing in ICT, Finland once again tops the ranking of the most network-ready countries in the [**Global Information Technology Report \(GITR\) 2014**](#), produced by INSEAD, the World Economic Forum and Cornell University.

It also has something in common with Singapore (2nd), Sweden (3rd), the Netherlands (4th), Norway (5th) and Switzerland (6th). All of these advanced economies have maintained the same leading positions as 2013. Two more Asian countries have nudged into the top 10, with Hong Kong jumping six places to 8th and South Korea moving from 11th to 10th. The United States has risen slightly (to 7th from 9th) and the United Kingdom has fallen two

places to 9th.

Country	2014	2013
Finland	1	1
Singapore	2	2
Sweden	3	3
Netherlands	4	4
Norway	5	5
Switzerland	6	6
United States	7	9
Hong Kong SAR	8	14
United Kingdom	9	7
Rep. of Korea	10	11

Despite these minor shuffles, the story of the winners and losers in ICT-readiness is also a story of ICT inequality. The digital divide between developed and developing countries is widening as emerging nations, despite large investments in ICT, are failing to reap the same big economic and social benefits from technology as their more developed cousins.

It's not just about the wiring

“Large emerging countries are hitting a glass wall,” said Bruno Lanvin, Executive Director of INSEAD’s European Competitiveness Initiative. “They are not receiving the benefits of the changes made in ICT...there are obstacles to receiving those benefits, especially in talent and skills.

“We also see that the digital divide is not homogenous,” Lanvin added. “We have a digital divide in Europe between Northern Europe and Southern and Eastern Europe; we have a digital divide in the Middle East, between Gulf Cooperation Council (GCC) countries on the one hand and North African countries on the other; and we have other divides in other parts of the

world.”

It's a matter of policy

Policies matter, insists Lanvin. “Indeed policies that have to do not just with ICT specific measures, but also with environment, business climate and the ability to bring foreign investment and attract talent. All this is becoming very clear again from the rankings of this year’s report.” The case of Mauritius demonstrates this fact. Located in Sub-Saharan Africa, a region at the lower end of the digital divide, the country has managed to rise seven places to 48 to become the highest ranking country in the region. “Countries in even more remote areas of development have shown the way by being inventive, by being innovative and by gearing their ICT investment to higher levels of competitiveness, growth and job creation,” Lanvin added.

Asia tigers roar

Brazil, Russia, India and China (the BRICs) maintained their positions in the middle of this year’s rankings despite pressure from new challengers. “A few of the BRIC countries are lagging behind; this is not so much due to what the BRICs are not doing to leverage their ICT systems, but because other countries are going faster than them and moving ahead in the rankings,” said Beñat Bilbao-Osorio, Senior Economist of the Global Competitiveness and Benchmarking Network at the World Economic Forum.

These rising stars in the networked readiness rankings include Indonesia which rose 12 places to 64th place and the Philippines which jumped eight rungs to 78.

Their success, says Lanvin, can be largely attributed to their geographical location in a dynamic region where many neighbours have already forged a path translating ICT investment into strong economic growth and social progress. “There are regional dynamics at play, by which countries can draw lessons from the experiences of their neighbours. And it’s sometimes much easier to infer lessons from your neighbours with similar economic, social, cultural environments than from other parts of the world,” he added.

Can big data close the divide?

Within the ICT landscape what is being called “big data” represents an unprecedented opportunity. The GITR authors say the data boom is akin to the Texas oil boom of the 20th century, calling big data a new asset class.

The ability of companies and governments to sort and structure vast amounts of financial transactions, social media interactions and patterns of human behaviour will be reaping what Cisco Systems believes is a US\$19 trillion value opportunity.

ICT ahead

This will also have implications for policy makers. Those able to respond fastest will be able to help their companies and countries succeed. Policies on a range of ICT matters will count even more in the years ahead, the report's authors suggest. "Issues like data privacy and internet governance will be actively discussed in the coming months, and will determine to a large extent how the world as a whole will be able to take advantage of the IT revolution, and the globalisation of the Internet," Lanvin said.

The Global Information Technology Report uses public data and surveys including an Executive Opinion Survey of more than 15,000 executives polled by the World Economic Forum that gauges usage, socio-economic impact, political and regulatory environments and the climate for business and innovation, as well as ICT infrastructure, digital content, ICT affordability and ICT skills.

For more on the perils and promises of big data and how policy makers and executives should be positioned to capture its potential, read our special supplement [Your Big Data Action Plan](#)

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