



## Connectivity Scorecard 2010

Argentina – rises up the ranks with strong consumer performance

### Overview

Argentina breaks into the top five resource and efficiency-driven economies<sup>1</sup> on the Connectivity Scorecard 2010, finishing in 4<sup>th</sup> position. The country overtakes neighbors Brazil and Columbia and is only one rank behind Chile, the strongest Latin American performer.

Argentina boasts a strong consumer infrastructure but delivers a mixed performance in the business category and on government-related metrics.<sup>2</sup> With Chile and Argentina in the top five, together with Brazil, Mexico and Colombia in the top ten, Latin America has made significant progress in realizing the full potential of Information and Communications Technology (ICT).

	Score	Weight
<b>Consumer</b> Infrastructure	0.81 (0.93)*	0.18
<b>Consumer</b> Usage & Skills	0.66 (0.74)*	0.18
<b>Business</b> Infrastructure	0.55 (0.72)*	0.23
<b>Business</b> Usage & Skills	0.49 (0.79)*	0.34
<b>Government</b> Infrastructure	0.54 (0.85)*	0.03
<b>Government</b> Usage & Skills	0.43 (0.80)*	0.05

\* The score of the leading performer for this component

Fig 1: Sub-category Scores and Weights 2010

### Strengths

Argentina's strengths come to the fore in the consumer infrastructure sub-category, where it scores 0.81 compared to the highest score of 0.93. The country's lead in this area is bolstered by a strong performance on virtually all metrics, including fixed-line and mobile phone density. The country also has one of the highest broadband penetration levels in Latin America. Argentina's score in the consumer usage and skills sub-category is further boosted by very high literacy rates of 97.6%.

<sup>1</sup> As defined by the World Economic Forum

<sup>2</sup> While the "government infrastructure" sub-category of the Scorecard measures a country's performance on provision of e-government infrastructure, the "government usage and skills" sub-category looks at the usage of e-government services per capita

### Weaknesses

Argentina performs modestly in the business category. Its score in the business infrastructure sub-category is impacted by relatively low enterprise spending levels on ICT hardware and software when compared to top performing nations such as South Africa. Though Argentina shows a fairly high penetration of personal computers and of secure internet servers, its performance in relative terms is only moderate.

Argentina also reports weak business spending on IT services and relatively low international traffic levels, which hamper its performance in the business usage and skills sub-category. Considering that these two sub-categories carry the maximum weight on the Connectivity Scorecard, the country's modest business performance has a greater impact on its overall score.

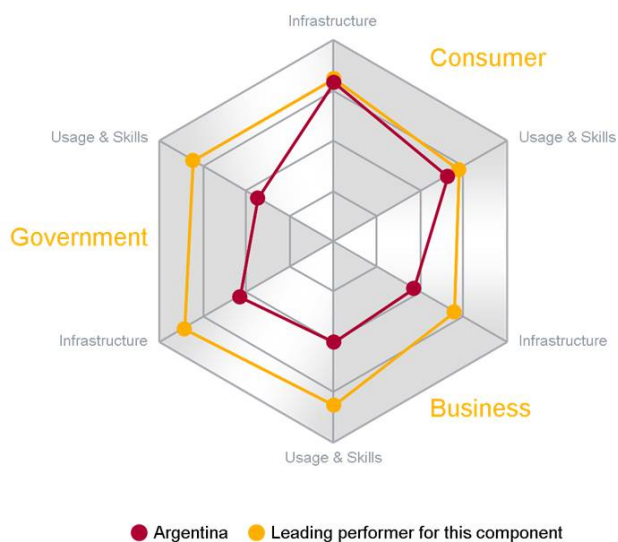


Fig 2: Sub-category Scores 2010

Argentina fares no better in the government infrastructure and government usage and skills sub-categories. The availability and uptake of e-government services are average at best. However, since the government category carries a low weight, the impact of these scores is somewhat limited.

### Conclusions

Argentina has made considerable progress in developing its consumer infrastructure, especially in improving its broadband penetration. The country's telecommunications market is one of the most developed in Latin America, with very high fixed-line and mobile penetration.

In order to replicate this success in the business category, the country needs to increase ICT investments by its enterprise sector. Argentine businesses do not appear to be sophisticated ICT users and this puts them at a disadvantage in today's digital economy. Efforts to improve its performance in the business segment will go a long way in boosting its status as a leading adopter and user of technology.

### 2010 compared to 2009

The Connectivity Scorecard is based on comparative scores between countries, and, therefore, each country's performance is measured in relation to the best performing nation in each segment at a given point of time. As with other indices of relative rankings, it is therefore hard to interpret the Scorecard in terms of absolute "improvements" or "deteriorations" and to make comparisons of scores over time.

Added to this, a number of changes have been made to the indicators in the 2010 version of the Scorecard to reflect the changes in technology and to more precisely capture "real-world" data. The UN E-Government Readiness Index was used to measure countries' performance in the government category, rather than the Brookings Institution E-Government measures used last year. New metrics from the Economist Intelligence Unit have also been incorporated.



Fig 3: Sub-category Scores 2009

### About Connectivity Scorecard

The Connectivity Scorecard is a global ICT index which unlike other available research, is the first of its kind to rank countries in terms of "useful connectivity" – that is, not only on the deployment of ICT infrastructure but also to measure the extent to which governments, businesses and consumers "make use" of connectivity technologies to enhance social and economic prosperity. This "useful connectivity" is defined as the bundle of infrastructure, complementary skills, software and informed usage that makes ICT the key driver of productivity and economic growth.

Commissioned by Nokia Siemens Networks, the study was created by Professor Leonard Waverman, Dean, Haskayne School of Business, University of Calgary, and Fellow, London Business School. The study was conducted under Professor Waverman's direction by international economic consulting firm LECG.

For more information on the Connectivity Scorecard, visit [www.connectivityscorecard.org](http://www.connectivityscorecard.org):-

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