Chapter 12

Assessing the Software Industry in Egypt

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During the 1960s, computing was introduced for the first time in Egypt. However, the use and applications was limited to the government and the public sector. It was only during the early 1980s that the introduction and diffusion of computing was widespread due to the personal computer evolution worldwide. The introduction of personal computers had different implications on organizational development and growth and was coupled with other developments in the information technology industry that relate to hardware penetration, software development, and the build-up of the telecommunications infrastructure. This chapter demonstrates the current status of information technology in Egypt with a focus on the assessment of the software industry as a major building block of the information technology industry and a possible active contributor to business and socioeconomic development at large.

INTRODUCTION

The use of computing started in Egypt in the 1960s. However, it was only in 1985 that the active role played by the government caused a change in the way information technology was perceived as a vehicle for socioeconomic development and a tool to improve the decision making process (Kamel, 1999). Such change brought into a developing country like Egypt was accelerated by the continuous development of new tools and techniques that had direct and concrete effects on socioeconomic development. Therefore, it is perceived that the way...
Developing countries will manage the computer-driven process of change will influence whether its development goals will be promptly achieved (Munasinghe 1987). This will also be bound to the continuous ability to invest in emerging technologies, the provision of skilled human resources and state-of-the-art information and communication technology infrastructure. Many researchers have identified information technology as the combination of information, computing and communication technologies (Schware and Choudhury 1988, Munasinghe 1987, Lind 1986). Today, with the evolution and diffusion of the Internet, the integration of these technology elements is invaluable to societies around the world and strongly contributing to globalization. In the developing world, most of the information technology applications were implemented to deal with major sectors in the economy such as education, health, energy and agriculture and only a few nations have recognized information technology as an emerging sector due to the massive technological, human and financial infrastructure required (Kamel, 1999).

In the past few years, the importance of information technology has been greatly emphasized in most developing countries in a deliberate effort to ensure that they do not lag behind (Goodman 1991, Lind 1991). In most of these countries, the government has played the most important role in the diffusion of information technology being the largest user of computers (Moussa and Schware 1992) and through its policies, laws and regulations it still exerts the largest influence on the diffusion of information technology throughout different organizations (Nidumolu and Goodman 1993).

In Egypt, since 1985, the driving force for the diffusion of information technology has been the government-private sector partnership. As part of the country’s structural adjustment program, a large number of informatics projects were formulated targeting the use of information technology to leverage managerial and administrative performance in the government. These projects were targeting a number of key sectors including education, health, employment, trade and local administration. In practice, most of the projects have sought to introduce computer-based technologies to contribute to socioeconomic development. Many of these projects and the related infrastructure required in terms of software development, support and maintenance were the driving forces behind the initial steps towards the build-up of a fully integrated information and communication infrastructure with its different building blocks including: human resources, information resources, software, hardware, and networking resources.

EGYPT: “A COUNTRY PROFILE”

Egypt is the cradle of an ancient civilization dating back to 3000 BC. With a population of about 68 million, out of which 19 million in its work force, Egypt is the most populous country within the region (IDSC, 2000). About 28% of its...
Digital Economy and Knowledge Economics: Implications on Economic Model
www.igi-global.com/chapter/digital-economy-knowledge-economics/65866?camid=4v1a