

There's room for IT in government amid crisis

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Education, health, environment and infrastructure are areas where governments in the Asia-Pacific region would mostly focus their attention and budgets on as they cope with the present global economic storm. Somewhere in the projects that would come from these areas are IT-related ones that would be incorporated as an element of new vital government initiatives.

This, in a nutshell, is the prospect awaiting IT and CIOs in government that market researcher IDC deduced from its latest Government Insights study, *Economic Stimulus and Expansionary Budgets: Tabulating the Government's Response to the Economic Downturn in Asia-Pacific*.

IDC said there are \$767 billion worth of initiatives that have been unveiled by governments in the Asia-Pacific (excluding Japan) or APEJ between August 2008 and April 2009.

The initiatives range from economic stimulus packages and expansionary budgets to the advancement of planned spending and projects.

Gerald Wang, market analyst for IDC Government Insights Asia-Pacific, said, "Most new government budgets do not single out IT spending but incorporates it as an element of a new and urgent government initiative. Despite this, it is still welcoming news for both government technology officers and information technology vendors."

Based on the initiatives announced by governments across the APEJ region, IDC Government Insights analysts have identified the following key areas of investments, the implications of these priorities on ICT spending, as well as potential opportunities for businesses. These investments will begin in late 2009 and continue through 2014.

Infrastructure projects

Infrastructure projects not only help immediately create jobs but also boost citizen services, as they provide an opportunity for government agencies to address aging issues and problems with congested transportation systems, or upgrade healthcare and educational facilities for the benefit of their citizens.

The spike in infrastructure projects would likely boost ICT investments in areas such as remote monitoring for building maintenance, automated adherence to stricter safety standards and environmental compliance such as monitoring technologies for industry emissions.

Future schools

Future schools, which leverage on innovative technologies and business models to reach their target groups, will emerge as a key investment for governments. Among others, future schools address the objective of governments to create jobs through upgrades in educational infrastructure.

An example of public sector ICT spending that will likely arise from the emergence of future schools is the upgrade of existing ICT infrastructure in educational institutions across all levels.

Healthcare reforms

Healthcare is a key investment area for governments as it is related to job creation, skills development, citizen-services enhancement, and digital inclusion.

Healthcare investments provide a clear boost to public sector ICT investments. For example, to accelerate the move toward patients' digital information, investments will have to be made in the existing ICT infrastructure of hospitals.

Green technologies

The current financial crisis provides a window of opportunity to restart the economic engine with a focus on long-term solutions that are economically, socially and ecologically sustainable.

In this context, national stimulus packages, to varying degrees, are seeking to not only revive but also green their national economies.

Furthermore, green technologies also help government agencies meet cost-cutting and budget optimization goals through a focus on energy efficiency.

Investments to strengthen green infrastructure across the APEJ have clear implications for technology spending in areas such as intelligent grid technologies, energy efficiency technologies, environmentally sound technologies (ESTs) that generate low or zero waste, etc.

The IDC Government Insights study features a specific country-by-country analysis of the budget stimulus initiatives across 13 APEJ economies. It serves as a guide to public sector CIOs seeking to optimize technology selection and implementation strategies.

In addition, it also provides guidance to IT vendors on how to best engage the public sector and plan the best business strategies to pursue new revenues from the opportunities generated by economic stimulus initiatives.