

# Promoting economic growth by broadband development in emerging countries: An empirical study

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## Abstract

Emerging countries play an important role in the global economy. It is a firmly held fact among economists and policy makers that emerging countries will be leading the global growth in the future. Broadband infrastructure is vital for these economies to transform them to knowledge -based economies. This study aims at examining the impact of broadband infrastructure on economic growth in 22 emerging countries including Arab countries from 1998–2008. The empirical study shows that there is a positive impact of broadband uptake on economic growth. In addition, the contribution of this paper is also in the introduction of a telecom competition index, which became significant once it was controlled for FDI as a percent of GDP. Thus, governments are suggested to create an enabling environment and open their markets for more competition, in order to induce the establishment of more broadband and telecom networks in their respective countries.

**PublishedIn:** Telecom World (ITU WT), 2011 Technical Symposium at ITU