

The Internet
in India and China
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Abstract

This article compares the diffusion of the Internet in China and India. Using a six–dimension framework for characterizing the state of the Internet in a nation, we observe that, while both nations have made significant progress since our last comparison (in 1999), China enjoys a substantial lead over India.

We also examine determinants of Internet diffusion. We find that the Chinese Internet has benefited from economic and trade reform begun in the late 1980s, a strong government commitment to the Internet, complementary human and capital resources, etc. The two nations have very different governments and policies, leading to differing approaches to the introduction of telecommunication competition and infrastructure development. China has pursued a strategy of competition among government–owned organizations while India has set policy via recommendations of publicly visible task forces. It remains to be seen whether India’s relatively transparent and market driven approach to Internet policy (and access) will prove effective in the long run.

India and China have approximately 40 percent of the world population, and most of their inhabitants live in rural villages that lack basic telephone service. If the Internet is to succeed in raising the level of human development and curtailing migration to teeming urban centers, it must succeed in India and China. What we learn there may enable us to provide communication and information to the world’s 1.5 million unconnected villages.

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Introduction

One cannot ignore India and China [1] — they are like elephants in the living room. They have 40 percent of the world population (primarily in rural areas), have rich histories and aspire to superpower status, share a border with contended territory, have growing middle classes that are an important global market, and are major producers and polluters. China and India have very different political and economic systems, but both have assigned high priority to information technology and the Internet, and the Internet may play a pivotal role in the development of the relationship between the two nations [2]. Their differences act as an experiment, shedding light on Internet diffusion and development in general. India and China are home to a large percentage of the world’s impoverished people. If the Internet is to improve the state of human development, it must succeed in India and China.

In 1998, we conducted studies of the Internet in China and India [3], and, in 1999, published a paper comparing the two [4]. For the studies and comparison we used a comprehensive, six–dimension framework we developed for characterizing the state of the Internet in a nation [5]. This framework, which has been applied in 30 national case studies and three surveys [6], consists of six dimensions along which we assign one of five ordinal values ranging from zero (non–existent) to four (highly developed). [Table 1](#) summarizes our six dimensions. Note that several of the dimensions have explicit sub–components.

Table 1: Dimensions of Internet diffusion.	
Pervasiveness	Our primary indicator of <i>pervasiveness</i> is the number of Internet users per capita. While this indicator is difficult to define and pin down, we are satisfied to classify nations using a rough, order–of–magnitude estimate.

