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Email: [Ethel.Ramos@text100.co.za](mailto:Ethel.Ramos@text100.co.za)**South Africa Loses Ground in Global Ranking of Information  
Technology Competitiveness***EIU study finds US and other leaders maintaining strength while  
developing economies gain momentum*

**Johannesburg, 27 September 2011** — South Africa is losing ground compared to other countries in information technology, slipping four spots and ranks 47 in the worldwide rankings due to a poor showing on indicators of the foundation areas for IT innovation, the [Business Software Alliance](#) (BSA) reported today with its publication of 2011 edition of the Economist Intelligence Unit's [IT Industry Competitiveness Index](#).

Updated for the fourth time since 2007, the *Index* benchmarks 66 countries on a series of indicators covering the critical foundation areas for IT innovation: overall business environment, IT infrastructure, human capital, research and development (R&D), legal environment, and public support for industry development.

Topping the overall rankings for 2011 are the United States, Finland, Singapore, Sweden, and the United Kingdom.

This year's *Index* finds that countries traditionally strong in IT are maintaining their positions of leadership in part because "advantage begets advantage" — they have built up solid foundations for technology innovation through years of investment, and they are continuing to reap the benefits. But the global field of competition is becoming more crowded as new challengers, especially in developing economies, raise their games to meet the standards the leaders have set.

"It is abundantly clear from this year's *IT Industry Competitiveness Index* that investing in the fundamentals of technology innovation will pay huge dividends over the long term," said BSA President and CEO Robert Holleyman. "It is also clear that no country holds a monopoly in information technology. There is a proven formula for success, and everyone is free to take advantage of it. Because of that, we are moving to a world with many centers of IT power."

“In the years ahead, policymakers in South Africa have an opportunity to improve their ranking. We know from global experience it will be worth the effort,” Holleyman said.

The biggest movers in this year’s Index compared to the previous edition in 2009 include Malaysia, which vaulted 11 spots in the overall rankings because of a surge in research and development activity, and India, which leapt 10 spots on the strength of its robust research and development and dynamic human capital environment. A number of other countries — including Singapore, Mexico, Austria, Germany and Poland — posted strong overall gains this year by showing new levels of strength across the board in all IT foundation areas.

“As the global economy starts to recover, it is more important than ever for governments to take a long-term view of IT industry development,” Holleyman said. “Policy and business decision makers cannot not just look at this issue on an annual basis, or they risk being left behind. They must assess the next seven to nine years, and invest accordingly, in order to make substantive gains in IT competitiveness.”

The 2011 *IT Industry Competitiveness Index* is available for download on BSA’s website at [www.bsa.org/globalindex](http://www.bsa.org/globalindex), along with interactive ranking tables, detailed country summaries, industry case studies, and video interviews with IT experts.

#### **About BSA**

*The Business Software Alliance ([www.bsa.org](http://www.bsa.org)) is the leading global advocate for the software industry. It is an association of nearly 100 world-class companies that invest billions of dollars annually to create software solutions that spark the economy and improve modern life. Through international government relations, intellectual property enforcement and educational activities, BSA expands the horizons of the digital world and builds trust and confidence in the new technologies driving it forward.*



#### **About the Economist Intelligence Unit**

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