

# **CONNECTIVITY AND SKILLS**

# **TOWARD LATIN AMERICA 4.0**

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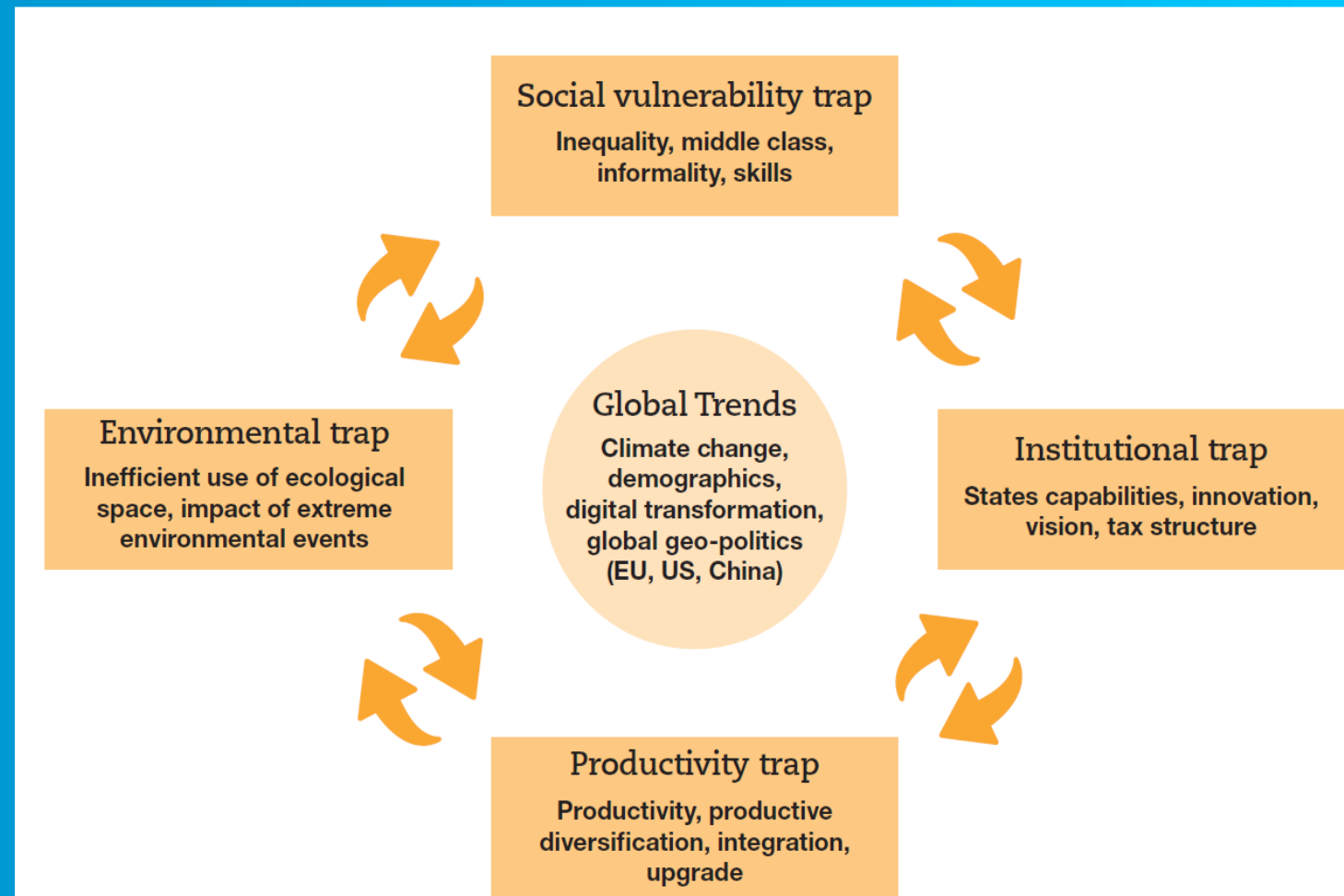
# CHALLENGING TIMES IN LATIN AMERICA

## BREAKING THE NEGATIVE CYCLE

### TECHNOLOGY AS A DRIVER TO:

- Overcome the **middle-income trap** (productive transformation)
- Strengthen the **emerging middle class(es)**
- Breach the **citizens-institutions gap** (efficient, transparent, capable and forward looking)
- **Sustainable** development (e.g. Smart cities)

*Source:* OECD/CAF/ECLAC EU (2019), Latin American Economic Outlook 2019: Development in Transition, OECD Publishing, Paris. .



# GLOBAL TRENDS

## STRUCTURAL POSITIVE DRIVERS IN LATIN AMERICA

RAPID IT ADOPTION  
TRANSFORMING SOCIAL  
LANDSCAPE

### Technology

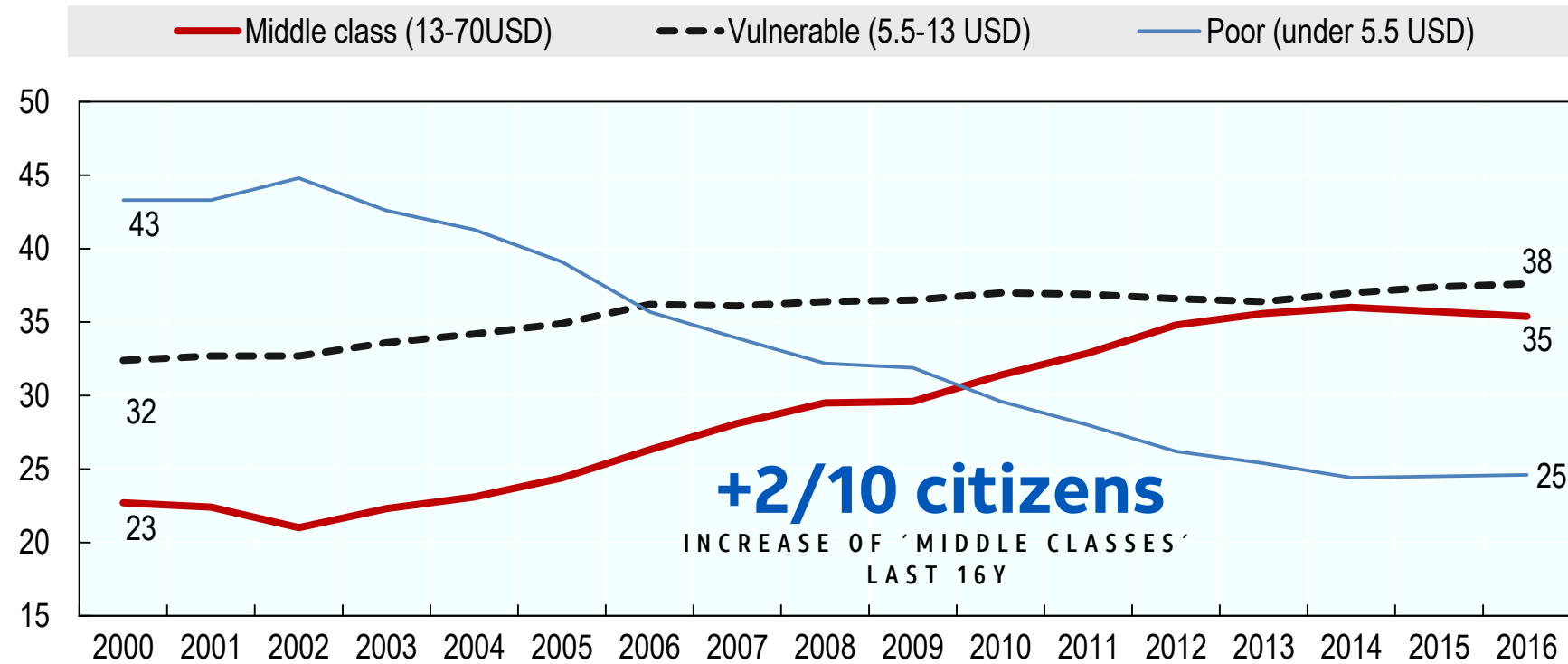
leapfrogging (faster IT adoption, good practices)

Emergence of the **middle class**

**Young demographics**

### LATIN AMERICAN POPULATION BY SOCIO-ECONOMIC GROUPS

(% OF POPULATION)



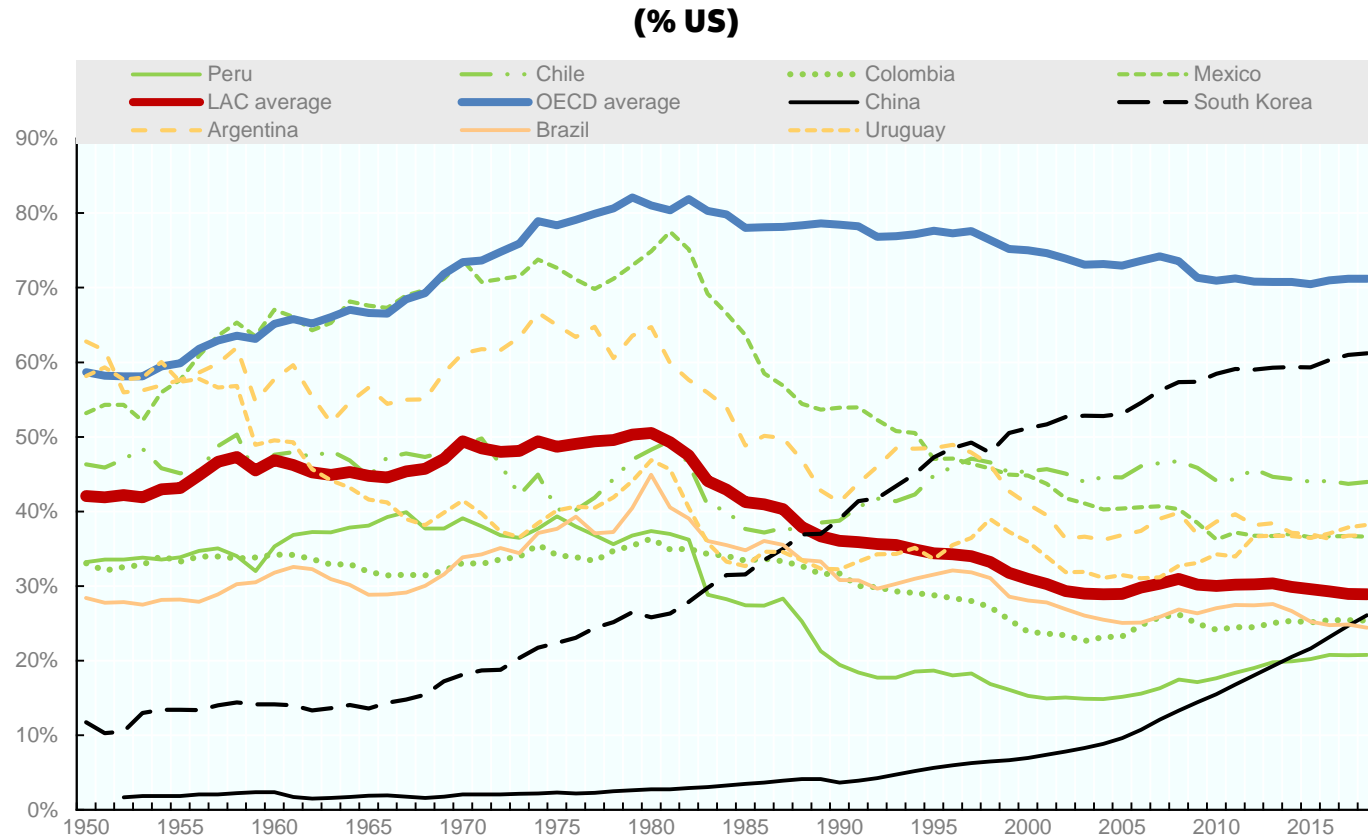
*Note:* The affluent, those that earn over 50 USD per day are not included.

*Source:* OECD/ECLAC/CAF based on LAC Equity Lab tabulations of SEDLAC (CEDLAS and the World Bank, 2017).

# PRODUCTIVITY

ISN'T EVERYTHING, BUT, IN THE LONG RUN, IT IS ALMOST EVERYTHING (P.KRUGMAN)

## LABOR PRODUCTIVITY IN LAC, OECD AND ASIA



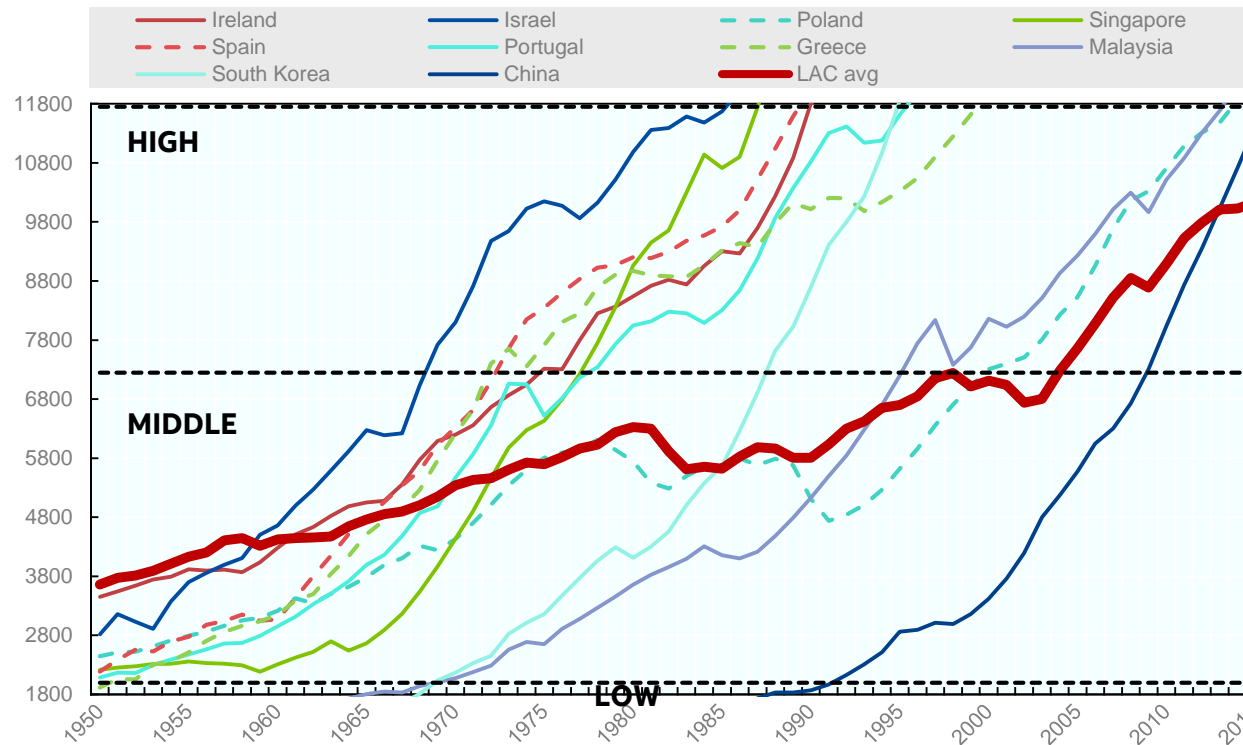
Source: OECD/CAF/ECLAC based on Conference Board (2018), The Conference Board Total Economy Database.

# PRODUCTIVITY DRIVES PER CAPITA INCOME

## OVERCOMING THE MIDDLE-INCOME TRAP

### PER CAPITA INCOME IN LAC, EUROPE AND ASIA

(PPP 1990 USD)



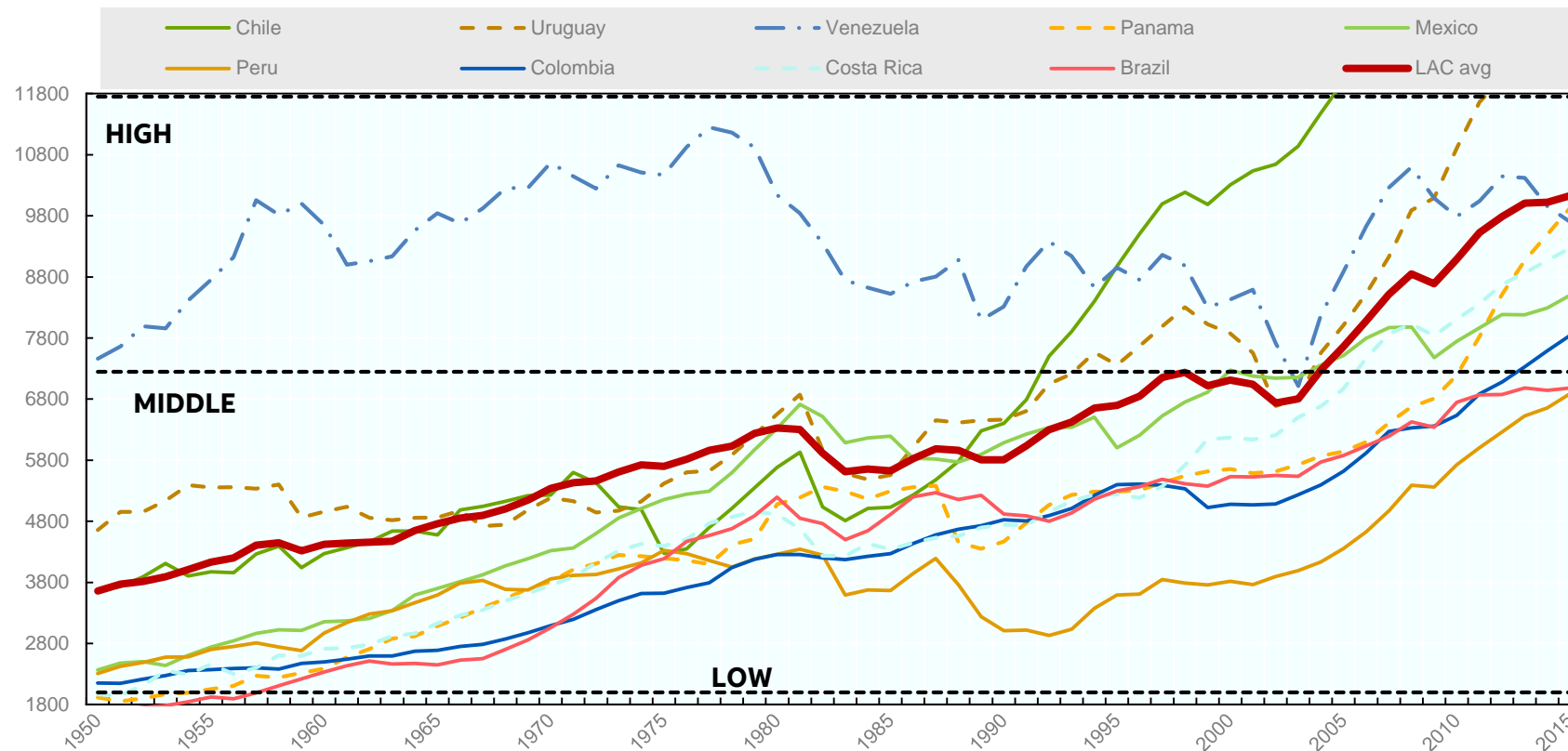
Source: Melguizo A., S.Nieto-Parra, J.Perea and J.Perez (2017), "No sympathy for the devil! Policy priorities to overcome the middle-income trap in Latin America", Working Paper 340. OECD Development Centre. 2017.

# NOT MUCH 'AMERICAS LATINAS'

## OVERCOMING THE MIDDLE-INCOME TRAP

### PER CAPITA INCOME IN LATIN AMERICA

(PPP 1990 USD)



Source: Melguizo A., S.Nieto-Parra, J.Perea and J.Perez (2017), "No sympathy for the devil! Policy priorities to overcome the middle-income trap in Latin America", Working Paper 340. OECD Development Centre. 2017.

# WHAT ARE THE GOOD PRACTICES?

## OVERCOMING THE MIDDLE-INCOME TRAP

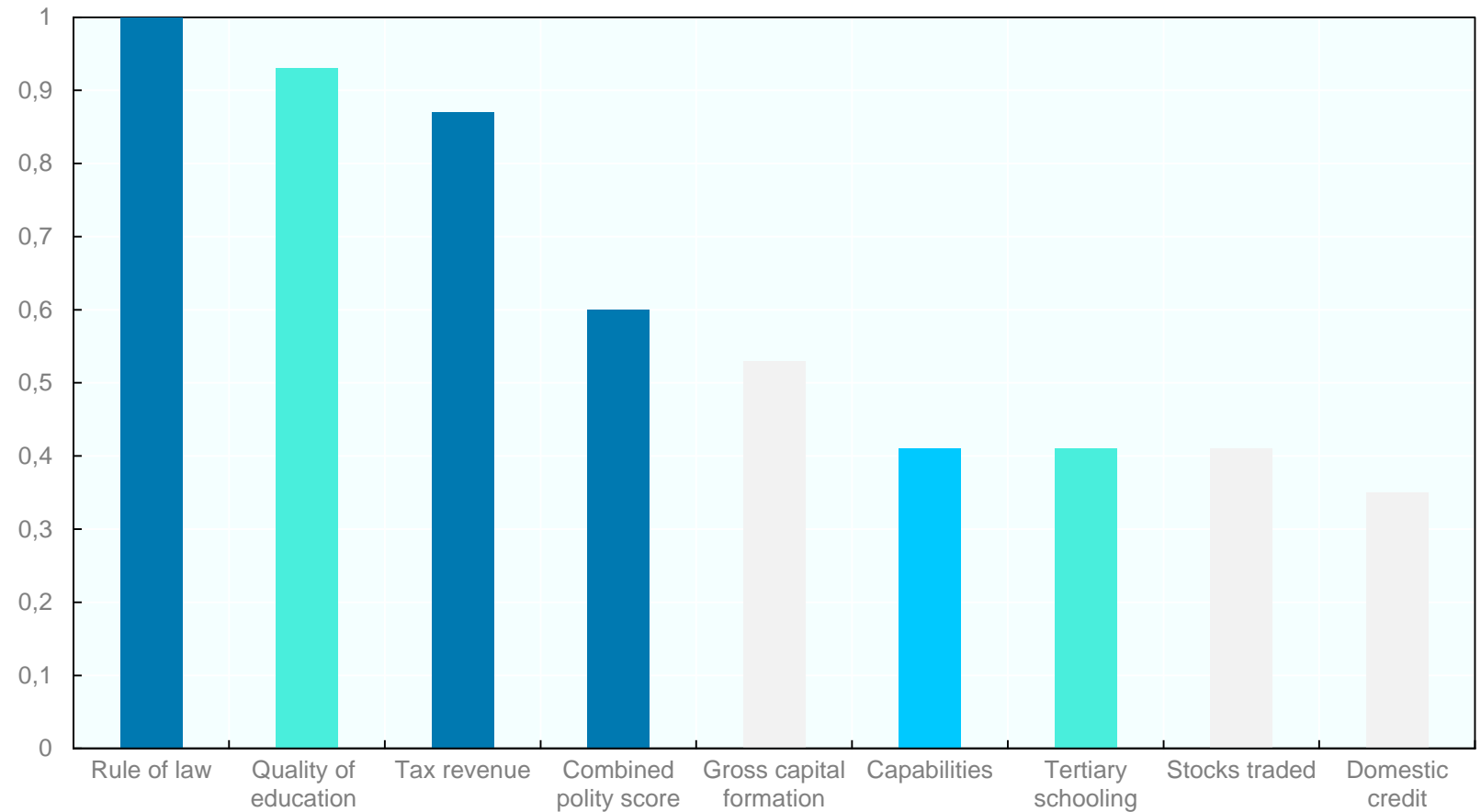
MIDDLE-INCOME TRAP IS EXPLAINED BY:

Institutions

Skills

Productive structure

Finance & investment

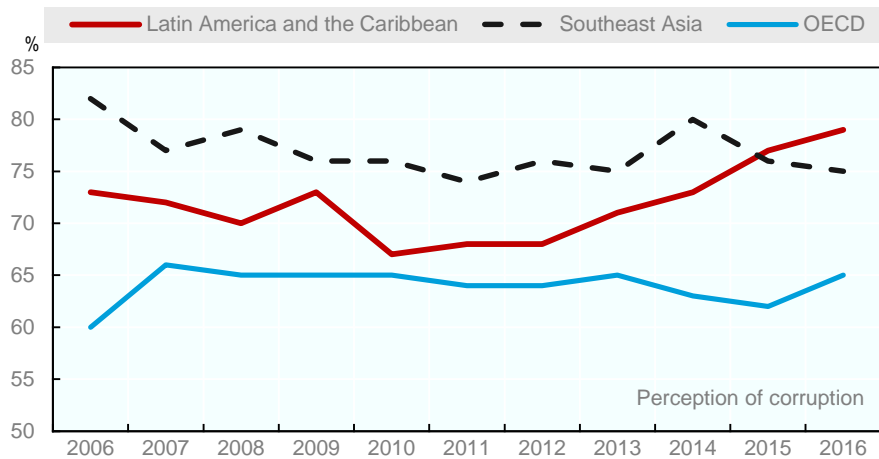


Source: Melguizo A., S.Nieto-Parra, J.Perea and J.Perez (2017), "No sympathy for the devil! Policy priorities to overcome the middle-income trap in Latin America", Working Paper 340. OECD Development Centre. 2017.

# 'DIGITAL' AND SKILLS ARE KEY

IMPROVING INSTITUTIONS, SKILLS AND PRODUCTIVE STRUCTURE

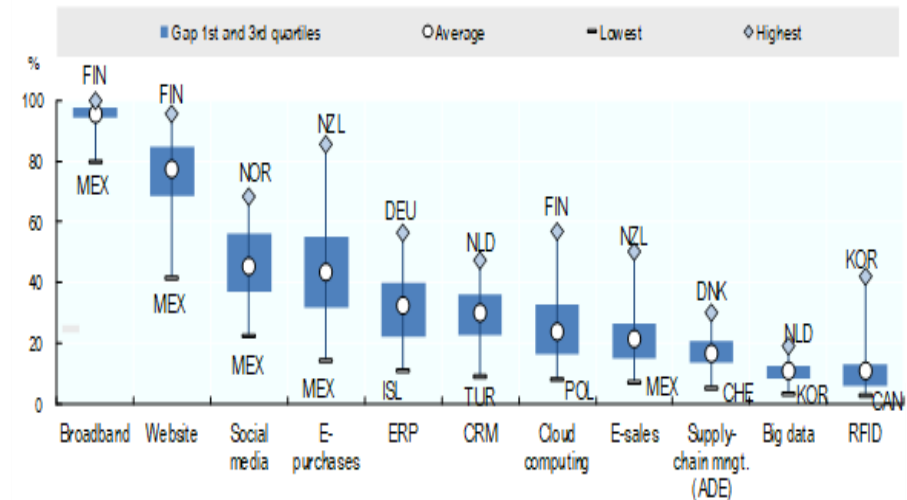
## CITIZENS AND INSTITUTIONS



## CLOSING THE SKILLS GAP



## ACTIVE DIGITALIZATION



Sources: Latinobarometro, ManpowerGroup/ANDI, OECD



# SKILLS

## BRIDGING THE SKILLS GAP

### PRIORITIZING SKILLS INVESTMENT FOR LATIN AMERICA 4.0

Interpersonal

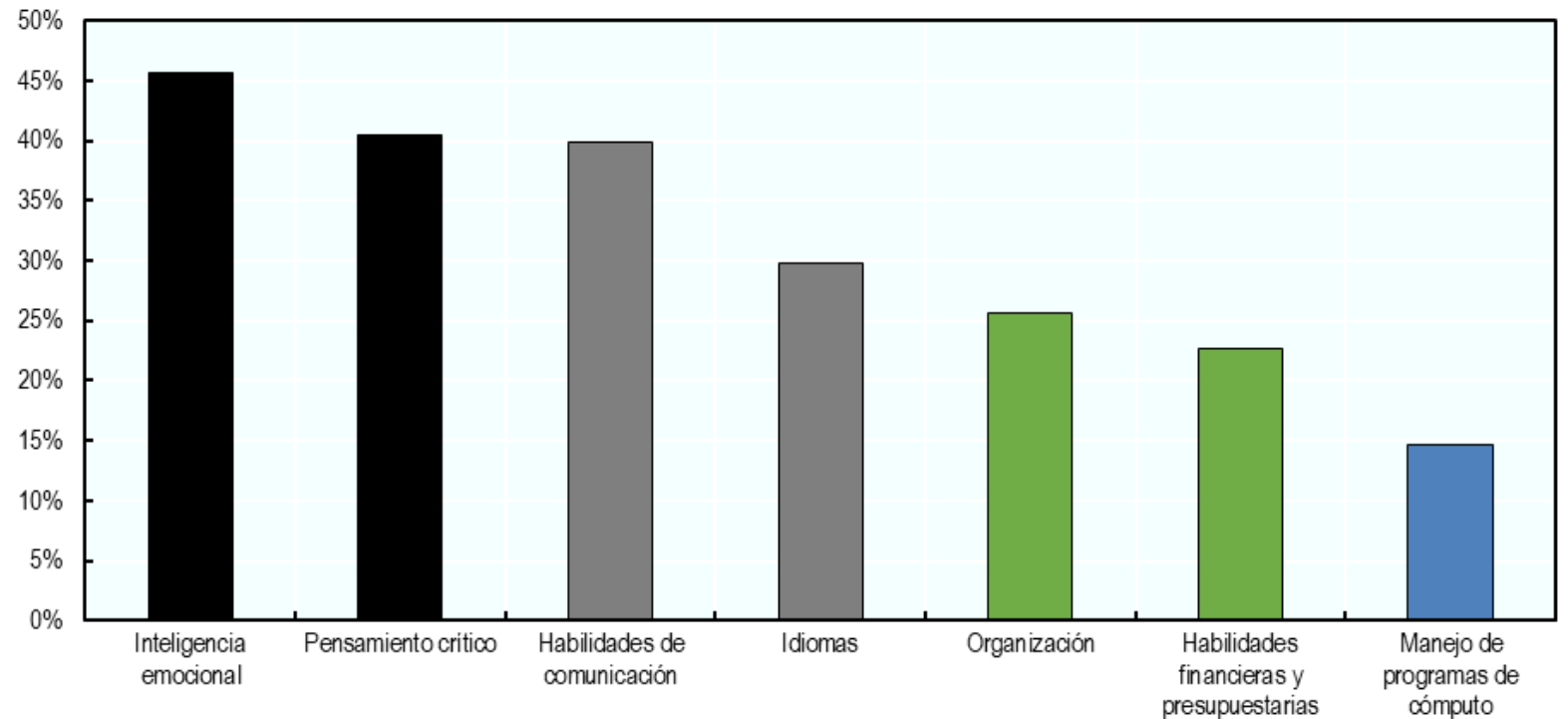
Personal

Organization

Tech/Digital

### SKILLS HARDER TO FILL

(% COMPANIES)



*Note: Sample includes responses from 1794 Latin American companies*

*Source: Encuesta empresarial ManpowerGroup/ANDI/Centro de Desarrollo OCDE*

# SKILLS

THE FUTURE OF WORK STARTS NOW

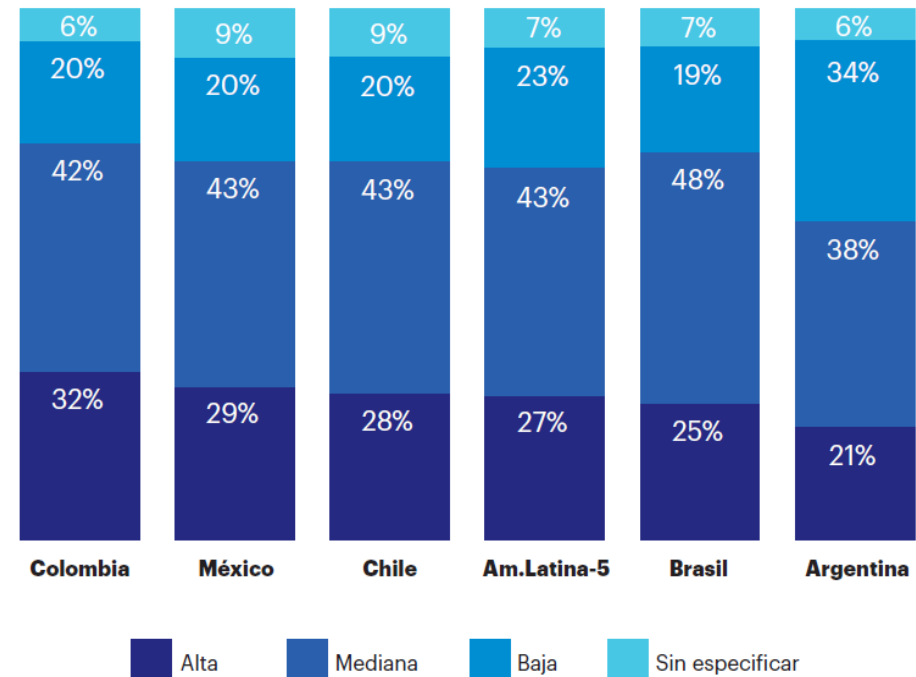
## RESPONDING TO SOCIETY AND ECONOMY

From **Jobs** to **Tasks**

From **Degrees** to **Skills**

Digital and Skills, a two-way road

Figura 1: Más de uno de cada cuatro empleos formales son altamente vulnerables a la automatización en América Latina  
Probabilidad de automatización hasta el 2020 por país



Fuente: Accenture Research  
Am. Latina-5 es el promedio no ponderado entre Argentina, Brasil, Chile, Colombia y México.

# DIGITALIZATION IS MUCH MORE THAN TECH

A COMPREHENSIVE 'GOING DIGITAL AGENDA' (OECD)

## FROM THE DIGITAL SECTOR TO A DIGITALIZED ECONOMY

Connected **citizens**

Transformed  
**businesses**

Smart **institutions**

Figure 6.1. Going Digital Integrated Policy Framework



Source: OECD (2019), Going Digital: Shaping Policies, Improving Lives, <https://doi.org/10.1787/9789264312012-en>.

# DIGITALIZATION NEEDS SMART REGULATION

## ASIET NEW REGULATORY FRAMEWORK

Infraestructures (+)

Spectrum (+, policies)

Rethink **competition** policies

Limit service **quality** regulations /+ info

Avoid **Price** regulations

Improve **licence** concession regimes

Rethink **legal, institutional and legal frameworks**



Source: ASIET (2019), Nuevo marco regulatorio para la convergencia. Cet.la and Analysis Mason

# A FOCUS ON *INTERNET OF THINGS*

TIME FOR LATIN AMERICA TO EMBARK IN THE 4IR

## 5 KEYS ACCORDING TO ASIET

**Spectrum**

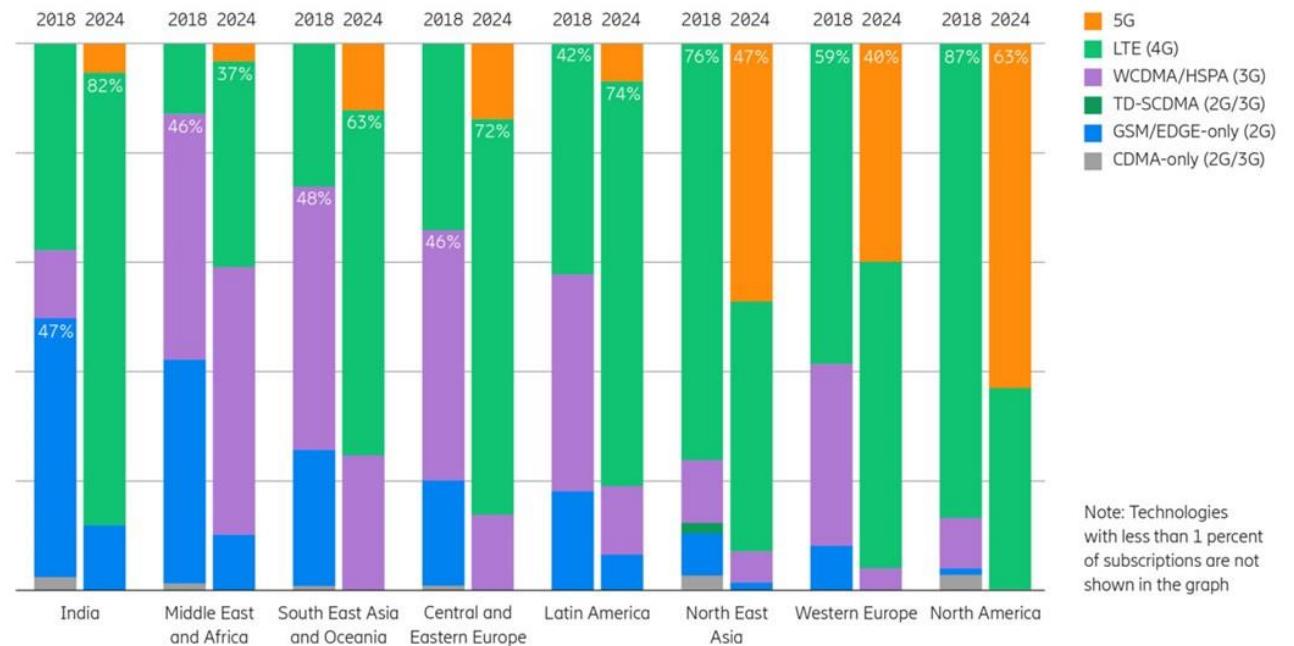
**Networks**

**Taxation**

**Security, Privacy and Skills**

**Financing** (inc. productive development policies)

Mobile subscriptions by region and technology (percent)



Source: Ericsson (2019), Regional Subscription Outlook, June.

# REVISITING LEGAL & INSTITUTIONAL FRAMEWORKS

DIGITALIZATION IS CHANGING EVERYTHING (J.TIROLE)

## PRINCIPLES

**Foster competition** and  
**level the playing field**  
across the eco-system

**Innovate** (evaluation  
and action tools;  
uncertainty)

Give **global responses**  
(international, inclusive)

## POLICY FOCUS

**Competition**

**Intellectual property  
and Piracy** (Orange  
economy)

**Privacy and Security**

**Taxes**

# CONNECTIVITY AND SKILLS TOWARD LATIN AMERICA 4.0

FROM AN INFORMATION TO A KNOWLEDGE ECONOMY/SOCIETY

**Structural strengths.** Demographics (young & urban) and fast IT adoption

**Skills and Connectivity** are key to face the new 'development traps'

**Digitalization beyond the tech sector.** Economy, society, institutions

**Smart regulation** and *IT for good*: principles and policies. 4IR



[www.attglobalpolicy.com](http://www.attglobalpolicy.com)



# AT&T A MODERN MEDIA COMPANY

**MISSION:** To inspire human progress through the power of communication and entertainment

**Largest communication company in the world** by revenues (approx. US\$190B of consolidated revenue in 2018)

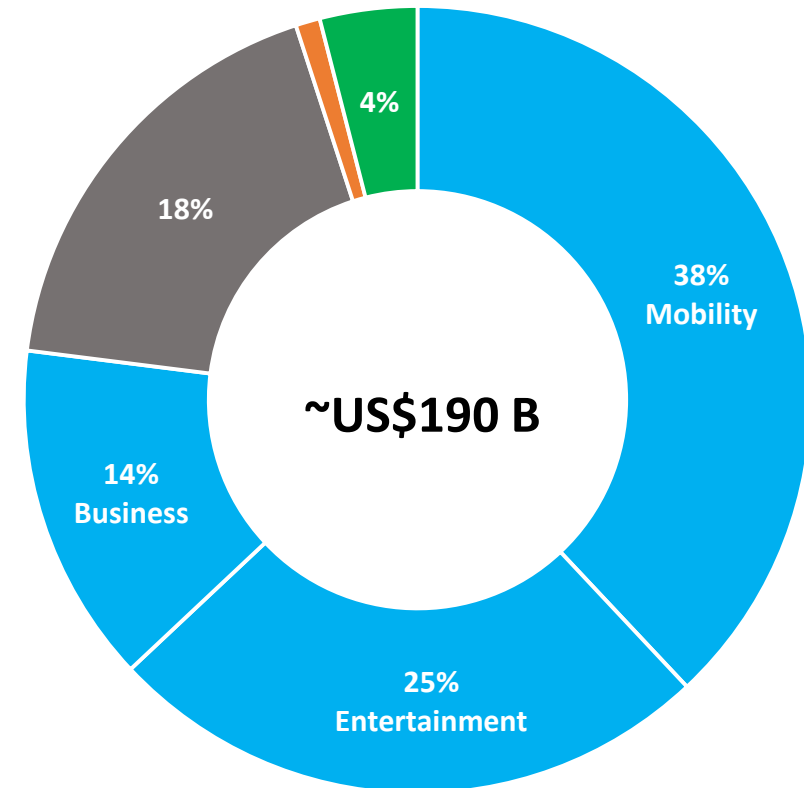
AT&T consists of **four operating segments:**

- **AT&T Communications:** Mobility, business fixed, and entertainment broadband & video services in the U.S.
- **WarnerMedia:** Turner, HBO, Warner Bros. with world-class library content
- **AT&T Latin America:** Mobile services in Mexico and pay-tv across 11 countries in South America and Caribbean
- **Xandr:** Advanced advertising solutions using valuable customer insights from AT&T's services

**UN Global Compact** Signatory (from June 2019)

**OAS 2030 ICT Alliance** for the Americas (to be signed)

## AT&T 2018 Revenue<sup>1</sup>



■ AT&T Communications ■ Warner Media ■ Xandr ■ Latin America

1. Includes full year WarnerMedia revenues

# CSR LATAM PORFOLIO IN SUPPORT OF SDG'S





# Principales invenciones tecnológicas

**1876**  
Teléfono



**1926**  
Películas animadas con sonido

**1929**  
Cable coaxial de banda ancha



**1947**  
Transistor

Hizo posible la interacción de los equipos, los dispositivos y la comunicación

**1988**  
TAT-8

Primer cable de fibra óptica que se extendía a través del océano



**1972**  
Comutación automática para comunicaciones móviles

**1969**  
Unix

Primer sistema operativo diseñado para trabajar en un amplio rango de ordenadores

**1954**  
Celda solar



**1995**  
Investigación computarizada



**2001**  
Voces naturales  
Herramienta de texto que brinda pronunciations similares a la voz humana



**2012**  
NetBond

Herramienta de seguridad para la nube



**2013**  
ECOMP

El motor que impulsa nuestra red en software



**AT&T** tiene como enfoque la innovación continua a nivel global para ofrecer nuevas soluciones y acelerar la velocidad de los negocios



**AT&T**