

Economies of E-commerce in Developing Countries
(A Case study of India and Sudan)

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Abstract: This research dealt with the description and analysis of e-commerce and its economic effects on developing countries (the case of India and Sudan). Showing the concept of e-commerce, pointing to the areas of e-commerce, analyze the economic impact of e-commerce on India and Sudan. The most important results of this research that the most important factor in the success of the Indian experience in the IT sector and e-commerce is the interest in the development and the development of its human resources enormous by providing universities and technical institutes, as well as the structure of strong connections in the centers of the information industry and e-commerce. Also the most important factors that responsible for the delay of Sudan and its underdevelopment in the optimal use of e-commerce is the lack of interest in the development and the development of its human resources by providing universities and technical institutes for coming out sufficient numbers of information technology specialists. Based on these results, Sudan should take advantage of the Indian experience in the IT sector, telecommunications and electronic commerce through its attention to the development in general and the human resources in particular by providing universities and technical institutes, as well as to provide strong connections in the centers of the information industry and electronic commerce.

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1- Introduction

The world has rapidly and dramatically evolved in the IT and communications have become a modern means of communication, especially the Internet means indispensable, after that the communications were dependent on the phone, and fax and telex back of the Internet and became the best way to communicate and transfer information and submission. Due to the advancement of Science huge digital communications, the networks continues to geographical boundaries, time and change the direction of the shortcut and close significantly, so that the world has become just a small village, or as called by some "Electronic Global Village."⁽¹⁾

As a result of technological developments and the accompanying evolution in computer and communication emerged e-commerce as one of the tributaries of the information revolution, reaching the Internet to every home and shop and company have even become the backbone in the developed countries of the economic transactions and financial relationships and transactions and the conclusion of electronic contracts, and in particular following the launch of the network after it had been limited to the

U.S. Department of Defense and the scientific research⁽²⁾.

In this digital age that has spread when the internet is increasingly and rapidly popularized the term e-commerce⁽³⁾. The term of the new terms that entered the daily life strongly, and have become traded in the normal use to express many of the various humanitarian activities associated with the revolution of information technology and communications. The term and its synonyms, such as the various networked economy and the digital economy is based on two facts, E-commerce and information technology, which is now undoubtedly affect the various economic activities⁽⁴⁾.

E-commerce is an episode of breakthrough technology which is a main feature of industrial capitalism that deep root in the west of the second half since the eighteenth century, and became a momentum of the development of quantitative and qualitative accelerated even managed to landslide victory economic regimes and totalitarian socialism and authoritarianism in the

world, and began sweeping the world today from west to east and from north to south. This phenomenon does not seem strange or new to the people of the West because it is a natural development of their civilization based on free trade and perfect competition, and invention, innovation and expand the market to take advantage of economies of scale to larger sizes that allow for more specialization and division of labor and lower costs and increase profits. Therefore, this path was the economic developments and the successes that stunned the world giant after another era.

2. Material and Methods

2-1 The problem

Some developing countries like India, e-commerce focused considerable attention on because they realized the importance of entering into the era of e-commerce aspiring to increase their competitiveness and access to global consumer wherever it through e-marketing and to achieve the necessities of real development and raise the living standards of individuals and increase the national income. However, e-commerce in Sudan did not find the necessary attention that required for the information industry and e-commerce by providing universities and technical institutes necessary to cover the large gap in the field of information technology, which resulted in high illiteracy of information in addition to the lack of strong infrastructure in the centers of information industry and electronic commerce.

2-2 Research hypotheses

1. Of the most important factors of success of the Indian experience in e-commerce sector is the interest in the development and the development of its human resources by providing universities and technical institutes that graduate huge number of information technology specialists, as well as the presence of a strong communications infrastructure in the centers of industry information and e-business.

2 - the most important factors responsible for the delay in Sudan and underdevelopment in the optimal use of e-commerce is the lack of interest in the development and the development of its human resources by providing universities and technical institutes for coming out sufficient numbers of information technology specialists, in addition to the lack of adequate infrastructure that allows connection to the Internet and take advantage of technology information in the field of e-commerce.

3 - There is great potential available to Sudan to take advantage of e-commerce as if they have the basic components required for use.

2-3 Research objectives

This research aims to clarify the concept of e-commerce and the economic impacts of electronic commerce on some developing countries such as India and Sudan to shed light on the advantages created by e-commerce and negatives produced by these countries.

2-4 Research Methodology

This research follows the descriptive analytical method to describe and analyze e-commerce and its economic effects on developing countries like India and Sudan, explaining the concept of e-commerce and showing the impact of e-commerce on these countries.

Economic impacts of electronic commerce on India and Sudan:

First: the case of India:

India is one of the poor developing countries that does not have the potential of the material. Unlike Arab world, its image in general linked with underdevelopment, especially in the Arab Gulf, where there is a large Indian labor with low wages. But now new image began to emerge in India since the nineties. India has increasingly developed IT industry and has become centralized in the city of Bangalore. Thus India has become the focal point of a global industry, settled in the major companies operating in this field at ground level, and local companies excelled as well.

The growing industry of information technology and e-commerce in India and the spread of Indian experts around the world has become a threat to the labor market for information technology specialists and communications in a country like the United States of America, which prompted the representative of the state of New Jersey in the Senate, to propose legislation to prohibit the non-citizens of the United States, or who do not have licenses to work in some projects of Information Technology⁽¹¹⁾.

Today Arabs, including Sudan and the Gulf region that are looking to keep up with the information revolution and benefit from it. However, India experienced the competition previously. it is worth reading experience, as long as it is located in the vicinity of the middle east, and also being a developing nation.

Of the most important factors of success of the Indian experience in the IT sector and e-commerce is the interest in the development and the development

of its enormous human resources. India is regarded the second largest country in the world in terms of population of more than one billion people, and helps the spread of universities and technical institutes to produce large numbers of information technology specialists and e-commerce.

The progress of India is due to its competent specialists who acquired advanced technology in the IT industry and e-commerce. It is obvious that most Arab countries suffer from a lack of skilled manpower in the field of information and communication technology will not be able to achieve the desired progress.

Lower wages and the modest cost of living in India and the spread of the English language, especially in the southern states of the Indian sub-continent has helped to increase the labor force in the country. However, the quality of the Indian has a particular role. Most Indian companies operating in IT services and communications award of certificates of quality "ISO" to the extent that three-quarters of the companies made winning a certificate of quality for companies of information technology and communications found in India.

As well as the presence of a strong communications infrastructure, especially in the centers of the information industry and electronic commerce.

Infrastructure in India includes Internet, PC and programs relating to the Internet, and networks that transmitted the package of messages⁽¹²⁾. The Indian economy is another encouraging and influential factor to achieve continuous growth, and the service sector contributes about 51 per cent of national income, while the sector is export of e-commerce software and annual growth of between 40 to 50 per cent (13).

The Indian success is inseparable from the existence of a stable political system and democratic governments encourage and sponsor the development of industry and e-commerce and information technologies and communications, and tracking of economic policies and special tax for them.

The system supports the Indian tax e-commerce industry, software, development of external services, there is a tax exemption for five years for companies Provider of the Internet, and an exemption for a period of ten years of technical complexes such as the compound built by a company, "Sun Microsystems" in Bangalore, which includes five thousand programmers and technicians, while India granted tax exemption for ten years for companies operating in scientific research.

It was the result of these actions to reduce costs and provide the service at a competitive price and quality determine the needs and tastes of customers in local and global environment, helping to increase the competitiveness of India and access to the consumer wherever he is, which gives e-commerce option for the consumer to shop around and end the transactions incessantly; all year along and anywhere around the globe⁽¹⁴⁾.

And also contributed to these procedures and policies to achieve the necessities of the real development of the Indian citizen and raise the standard of living of individuals and increase the national income.

The foreign trade in India has more sectors of the economic impact the information technology and communications (ICT) and e-commerce, in which e-commerce applications in the export sector to increase trade and strengthen the competitiveness of the country in the international markets, due to the ease of access to sources of demand anywhere in the world, and the speed of completion of transactions across geographical boundaries and customs. The e-commerce impacted substantially on the export sector, especially services (invisible exports) that can be converted to digital products and the completion of the sale and delivery over the Internet.

Second, the case of Sudan:

It is noted that some Arab countries like Saudi Arabia and the UAE, Kuwait, Bahrain, Qatar, Egypt, Jordan, Syria, Morocco, Tunisia, Lebanon besides the low level in Sudan, have been able to apply modern technologies in order to activate the level of productivity in the services sectors can turn to online services, such as banking, financial, health, engineering, education and others. Although the phenomenon of widening the digital gap between industrialized countries and the Arab countries as a result of strategic policy for turning up today, taking advantage of the State of the Arab region in the technology industry in the manner required, in addition to the gap interior in our countries, between cities and rural areas, which makes it imperative to expedite the dissemination of knowledge of information and culture technical preparation to deal and interact with the data of the new economy.

As long as the rapid technological developments that could threaten expanded the traditional gap between Arab countries and developed countries, real Arab countries, speed up the action and take appropriate measures in the rest of reducing this gap and make utmost efforts to activate

the human capital, through its interest in education by providing schools, universities and technical institutes⁽¹⁵⁾.

The decline in the contribution of e-commerce in Sudan at the global level due to several reasons including that the websites that use the Arabic language

does not represent more than 5% of the area of use on the Internet, and this is a major obstacle to the success of e-marketing in Sudan. the problem of language is an important factor restricting e-commerce activity in Sudan In addition to lack of awareness by means of e-commerce, specifically the means to meet the price through the techniques of cash and credit cards and lack of confidence to protect the security aspects of information. There is the possibility of robbery on the credit card information the customer and the seizure of his assets⁽¹⁶⁾. All of that factors lead to the decline in using new approach to business activities. This is in addition to other problems that hinder e-commerce in Sudan and is one of the fundamental problems such as lack of sufficient attention to electronic commerce by providing universities and technical institutes necessary to cover the large gap in the field of information and communication technology, which resulted in the high illiteracy of Informatics, which negatively impacted on the performance of market work and on the national income.

The lack of a strong telecommunications infrastructure, especially in the centers of the information industry and e-commerce had a major impact on the performance of other economic sectors and contributed to its failure.

The high cost of living in Sudan besides its economic policies and tax incentive is to refrain and escape from investments. There are no attractive economic policies and moving like that of India. Therefore, it can be argued that, despite the approach of some Arab countries towards information technology and the establishment of cities of the Internet and the use of credit cards in e-marketing, but that it's not just a presence on the network because their presence without the competitive and constantly evolving equivalent to non-existence may even be the last option is less expensive and provides loss of passive presence on the web.

The political instability in Sudan has a significant impact on the hindering e-commerce sector which reflected negatively on the growth of economies of Sudan.

But there is a great opportunity for Sudan could be seized to take advantage of the IT industry and e-commerce, and that by working to increase the institutes and colleges that teach e-commerce, information technology and the development of telecommunications infrastructure and to encourage scientific research.

Results

1. Of the most important factors of success of the Indian experience in the IT sector and e-commerce is the interest in the development and the enormous development of its human resources by providing universities and technical institutes, as well as the presence of a strong communications infrastructure in the centers of the information industry and electronic commerce.
2. Contributed to economic policies and tax incentive by the Indian government to achieve the necessities of the real development of the Indian citizen and raise the standard of living of individuals and increase the national income.
3. There is a vast digital gap between Sudan and developed countries in addition to the internal gap between the urban and rural areas in the country.
4. Because the low contribution of e-commerce in Sudan at the global level to several reasons including that the sites that use the Arabic language does not represent more than 5% of the area of use on the Internet. The lack of awareness by means of e-commerce, specifically the means to meet the price through the techniques of cash and credit cards and poor trust security aspects to protect the information, all this represents an obstacle to the success of e-marketing in Sudan on the global level.
5. Of the most important factors responsible for the delay in Sudan and underdevelopment in the optimal use of e-commerce is the lack of interest in the development and the development of its human resources by providing universities and technical institutes that graduate sufficient numbers of information technology specialists. In addition to the lack of adequate infrastructure that allows internet access and use of information technology in the field of e-commerce.
6. The high cost of living in Sudan, in addition to its economic policies and tax non-stimulating to the reluctance of investment by the addition to the escape of some of them, and the political instability in Sudan, the impact of a significant impact on the faltering sector e-commerce and

information technology which reflected negatively on Sudan economies.

7. There is great potential available in Sudan to take advantage of e-commerce as if they have the basic components required for use.

Conclusion:

E-commerce is one of the most important aspects of modern knowledge economy and the is considers the main engine that drives the economy forward. It also represent the fastest growing sector in the global economy, has become a reality in the current environment, it is expected that its role is growing in the near future due to the effective impact on the business environment. The use of e-commerce different models in their work, such as communication and exchange between companies (b2b) and pattern of communication and exchange between the company and customers (b2c), adjective global e-commerce abolished borders to enter the commercial market, and some change the world to open market to the consumer, regardless of geographical location of the seller or the buyer.

As a result of the attention of some developing countries like India, e-commerce, the increase in the rate of Internet users and to the rapid spread among many producers, consumers and bring about development in the volume of e-commerce at the global level, reflected in the increase in national income.

As for the reality of e-commerce in Sudan, although the absolute increase in the number of Internet users in the country accompanied by development and maintenance, the content of sites operating on the network (web www), still occupies a modest level on a global scale. The decline in the size and potential of electronic commerce in Sudan due to the obstacles and challenges preventing the prosperity of which impact negatively on the performance of the labor market and the national income of Sudan.

The application of e-commerce in Sudan and its use and enhance its role and work to increase its growth and development requires the necessary attention to the information industry, communications through the provision of universities and technical institutes that cover the large gap in the field of information technology with the need to find a sophisticated infrastructure for communication and

good systems of management with the establishment of legal and legislative environment appropriate to provide protection and confidence to the customers.

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