

The Diffusion of the Internet in Chile

Marta Caceres and Fay Sudweeks
School of Information Technology, Murdoch University
Murdoch WA 6150
Ph: 61-8-9360-2364 Fax: 61-8-9360-2941
Email: marta_caceres@hotmail.com; sudweeks@murdoch.edu.au

Abstract

Latin America is the hottest market in the world. It has surpassed Asia to become the world's fastest growing region. In 1997, total regional economic growth topped 5% while the leading economies of Brazil, Argentina, Mexico and Chile averaged a sizzling 7%. The Latin American economic boom and falling trade barriers have brought an explosion of demand for all types of products and services. To communicate this demand, the Web is being adopted as an interface between the communities of Latin America and the English-speaking communities on the Internet.

This paper begins with a brief political history of Chile during the last two decades as a background to the country's changing attitudes towards technology. Section 2 discusses the demographics of Internet users in Latin America generally and Chile specifically. Section 3 reports the experiences and attitudes of a typical Internet user in Chile. The final section draws some tentative conclusions.

1. Chile: Past and Present

1.1. THE COUNTRY

Chile is a long, narrow country on the west coast of South America. Its name comes from *chilli*, an Indian word meaning "where the land ends". It is a land of great variety. The Atacama Desert in the north is one of the driest places on the earth, while parts of the south are among the rainiest. The towering Andes Mountains form Chile's eastern boundary, and low mountains rise along the country's Pacific coast. A series of fertile river basins called the Central Valley lies between the mountain ranges in central Chile.

Most Chileans are of mixed Spanish and Indian ancestry. Many others are of unmixed European descent. Indians - Chile's original inhabitants - form a tiny minority. Nearly all Chileans speak Spanish, the nation's official language, and most are Roman Catholics.

The great majority of Chile's people live in the Central Valley, which has the country's largest cities, major factories, and best farmland. More than four-fifths of all Chileans live in urban areas. Santiago, the capital, has about a third of Chile's total population. Since the mid-1990s, poor rural Chileans have poured into the cities in search of a better life. But there are not enough jobs in the cities. In addition, most rural Chileans lack the skills needed for available city jobs. As a result, the large cities have such problems as poverty, unemployment, and overcrowded slum housing.

Chile is the world's leading copper-producing nation. Its economy depends on copper exports. Farms in the Central Valley produce plentiful crops, but most fruit grown there is export. Chile imports much of its food, manufactured goods, and oil. In most years, the cost of Chile's imports far exceeds the value of its exports.

1.2. THE PAST

To understand the present Chilean situation we need to turn back to the events of 11 September 1973 when the Chilean Armed Force and the Police overthrew Salvador Allende's government (Chappell, 1997). Until then, the country had enjoyed an outstanding democratic regime for nearly forty years. It was an almost perfect democracy, but the Chilean situation in the days leading up to that date was awful enough to demonstrate that democracy alone does not bring people happiness.

Salvador Allende and his supporters had clearly one goal in mind: to transform the country into a new Marxist country narrowly bound to the Soviet Union. They considered democracy as a simple and respectable means towards attaining such a goal. When, some years before in 1966 and in 1967 they had given up hope of ever reaching political power by democratic means they proclaimed violence as a competent and legitimate way to do it. They went so far as to conclude that democracy could never be an option and that the only way was violent revolution as had been seen in Cuba. In fact, this conclusion was at the very basis of a continental strategy. Thus, in those years guerillas were set up everywhere on the Latin American continent.

During the dictatorship years, which had its violent beginning in 1973 and ended in 1990 when power was handed over to Patricio Alwin, Chileans were subjected to systematic and massive violation of their most basic human rights. Official figures indicate that nearly 3,000 people were executed, disappeared or lost their lives as a result of torture and political violence. There is no official tally, however, of the thousands of people who survived politically motivated imprisonment, torture, and other forms of human rights violations during those years.

In 1989, the Chilean people participated in free, democratic elections for the first time since the installation, 17 years earlier, of a military regime. The man who led that authoritarian government, General Augusto Pinochet, is the same man who, since his retirement from the Army in March 1998, occupies the nation's first ever lifetime seat in the Senate (Bureau of Democracy, Human Rights, and Labor, 1998). In 1994, President Eduardo Frei Ruiz-Zangely, a Christian Democrat, began his six-year term.

1.3. THE PRESENT

At present, Chile is going through a period considered by many to be one of economic boom and sophisticated "modernization". Yet the democracy that has existed in Chile since 1990, known as 'the transition,' is built upon concealment of the truth and upon the impunity which protects those who committed human rights abuse that have scarred the lives of thousands of Chileans.

2. The Internet in Latin America

During the past five years, computer networking has grown dramatically in Latin America. In 1991, the Organization of American States (OAS) embarked on an initiative to link its member states to the Internet. Through the initiative of "Hemisphere-Wide Inter-University Scientific and Technological Information Network" (commonly known as REDHUCyT, an acronym in Spanish), the OAS provided seed money for Internet development projects. Aided by funds from the United States and other governments, the projects accelerated dramatically after 1993 (Humphries, 1996).

Today, most of the countries of Latin America and the Caribbean are linked to the Internet. A quick tour on the Web, the most sophisticated and fastest growing part of the Internet, evidences the success of the OAS initiative. Latin American governments, universities, and newspapers are increasingly using the Web to make information accessible to the international public. With the increased accessibility of information, the number of Web sites based in the US and Europe that focuses on Latin America has grown as well. Scholars of Latin America culture, politics, and economics now have a plethora of resources available over the Internet, and there is the potential for increased international awareness of Latin American issues.

Argentina and the United States collaborate to create international multilingual Web sites and convert existing mono-language Web sites into international sites. Translating a Web site increases the potential audience by adding the fastest growing segment of the Internet - non-English speakers.

Argentina is also the first Latin American country to push legislation through Congress to give full legal status to deals and contracts "signed" on the Internet (Reuters, 1999). On 19 August 1999, the Argentinean President Menem signed a deal with his Chilean counterpart, Eduardo Frei, to provide help in developing a similar system in Chile. Presently in Chile, hundreds of administration officials are being trained to handle digital signatures and electronic document handling. The country operates 250 Web sites with data that will be augmented after a new law provides safer access.

The Diffusion of the Internet in Chile

2.1. INTERNET AWARENESS AND USAGE IN LATIN AMERICA

The explosive growth of the Internet that took place in English-speaking countries in the mid-90s is now taking place in non-English-speaking countries. Consequently, over 85% of the Fortune 500 companies now maintain multilingual Web sites.

Latin America has surpassed Asia to become the world's fastest growing region. In 1997, total regional economic growth topped 5% while the economics of Brazil, Argentina, Mexico and Chile averaged 7%. The Latin American economic boom and falling trade barriers have brought an explosion of demand for all types products and services.

A look at the figures for Internet users at work or school and at home in Latin America (Zona Latina¹, 1997), however, reveals that Internet usage is very much a privilege of a small percentage of the population. The highest diffusion overall within Latin America is in Puerto Rico, although there is a slightly higher percentage of home users within Mexico.

Internet work/school users in Latin America

- The largest number of users in the workplace or classroom in Latin America is in Brazil (856,000 people), followed by Mexico (459,000 people). In terms of percentage of population penetration, the highest is Puerto Rico (2.3%), followed by Chile (1.7%).
- 57% of work/school users are male.
- 68% of work/school users are between the ages of 18 and 34.
- 28% of work/school users are students, and 14% are professionals, managers or administrators. Both these levels are higher than the general population, but would be expected given that the Internet access is either through work or school.
- 65% of work/school users have had 12 or more years of education.
- 27% of work/school users can read English, which is about 8.5 times higher than the general population.
- 45% of work/school users are in the socioeconomic level A, which accounts for only 10% of the general population.

Internet home users in Latin America

- The largest number of Internet home users is in Mexico (2,156,000 people), followed by Brazil (484,000 people). In terms of percentage of population penetration, Mexico is highest at 3.5%, followed by Puerto Rico at 1.9%, whereas Brazil is only at 0.5%.
- 55% of home users are male.
- 27% of home users are between 12 and 17, and 24% between 35 and 49, both these levels being higher than the general population.
- 41% of home users have 12 or more years of education
- 48% of home users are from socioeconomic level A, which constitutes only 10% of the general population. This means that the home users are much more affluent.
- 15% of home users can read English, which is about five times higher than the general population. As English is the dominant language on the Web at this time, the ability to read English is a distinct advantage.

¹ Zona Latina qualifies this information by noting that sampling errors associated with these estimates may be substantial due to the low penetration level at this time. The figures are for one year only.

2.2. DEMOGRAPHICS OF THE CHILEAN INTERNET POPULATION

The awareness and usage of the Internet in Latin America, reported by Zona Latina (1999), is supported by a recent survey of Internet users in Santiago, Chile (Mandoza and Alvarez, 1997) in which a random sample of 1145 households representing three strata of population (upper middle class, middle class, and lower middle class) was surveyed. Of the total sample of 1145 households, 42.1% of the people interviewed did not know what the Internet was, 27.5% mentioned that it was something related to computers, and 30.4% knew that the Internet was a global network of computers. Of the households with access to computers, only 81 had a connection to the Internet, equivalent to approximately 6% of the total sample. The results of the survey (Table 1) indicate that the typical Internet user in Chile is young, male, highly educated with a high income, connects to the Internet from the place of work or study, and spends most of the time on-line browsing through the Web.

Table 1: Summary of survey results (Mandoza and Alvarez, 1997).

Characteristic	Upper Middle Class (% of sample)	Middle Class (% of sample)	Lower Middle Class (% of sample)	Total (% of sample)
University level education	61.3	75.0	77.8	68.8
Professional occupation	35.5	50.0	16.7	32.8
Student	41.9	33.3	56.6	44.3
Male	83.9	66.7	44.4	68.9
18-23 years old	25.8	50.0	55.7	39.3
Access via ISP	83.9	66.7	83.3	80.3
Web browsers	64.5	33.3	22.2	45.9
Email users	25.8	58.3	38.9	36.1

3. A Typical Internet User in Chile

To understand more clearly the impact of communication technologies in Chile, a typical Internet user was interviewed by email.

Mauricio Trivinio works for Airport Services in Pudahule (SAPSA) in the capital city of Santiago. Mauricio has worked for SAPSA for four years in the administrative area, handling exports of seafood supplies and fruit seeds. For the past year, he has been using the Internet, primarily for sending information by email. For Mauricio, personally, the Internet is

... a productive exercise to broaden my knowledge of information technology, taking into consideration that it is an essential tool in gathering data throughout the world.

Prior to the current democracy, censorship had been severe in Chile. Chileans were not free to express their opinions in many aspects of their daily lives. However, in response to questions about censorship and freedom of information, Mauricio said "the democratic government does not provide any strict regulations with the Internet information such as religion, politics and entertainment; however copyright regulations have been imposed ... [and] no restrictions have been imposed on the Chilean community to fully express their opinions through the Internet".

Mauricio believes that the low penetration of Internet usage in Chilean homes, as compared with home usage in other Latin American countries, is due to the very high cost of PCs. The majority of Chileans using the Internet do so from their place of work or study. The actual cost to get connected from home is relatively inexpensive. Although local calls are timed, Internet service providers are able to negotiate special rates from the telephone company for telecommunication services.

4. Conclusions

It appears from the literature, and supported by Mauricio, that the diffusion of information and communication technologies in Chile is growing steadily but at this stage is still very much associated

with work and study. The profile of Internet users in Chile is, on average, of an affluent, well-educated, young male. The Internet is used primarily for gathering and exchanging information either through email or the Web. The Internet appears to be more useful as a communication and community building medium than as a commercial product.

5. References

- Bureau of Democracy, Human Rights, and Labor (1998) *Chile Country Report on Human Rights Practices for 1997*, US Department of State [WWW Document]. URL http://www.state.gov/www/global/human_rights/1997_hrp_report/chile.html.
- Chappell, D. (1997). *Spotlight on Chile* [WWW Document]. URL <http://www.localaccess.com/chappell/chile>.
- Humphries, B. (1996) Latin America on the WWW. *Journal of the Latin and American Student Association*, Tulane University, LA [WWW Document]. URL <http://www.sph.tulane.edu/~lasa/newsletter/LatinWWW.html>.
- Mendoza, M. and Alvarez, J. (1997) Demographics and Behavior of the Chilean Internet Population, *Journal of Computer-Mediated Communication* 3(1) [WWW Document]. URL <http://www.ascusc.org/jcmc/vol3/issue1/mendoza.html>.
- Reuters (1999, August 19) Argentina may legalize digital signatures, Special to CNET News.com [WWW Document]. URL <http://www.news.com:80/News/Item/0,4,40720,00.html?owv>.
- Zona Latina (1997) Internet in Latin America [WWW Document]. URL <http://www.zonalatina.com/Internet.htm>