

Opportunities and Challenges of Cloud Computing in Developing Countries

Mohammed Razi

Bachelor of Science (Hons) in Economics, Universiti Tun Abdul Razak

Ali Batan

Bachelor of Science (Hons) in Economics, Universiti Tun Abdul Razak

Abstract

Cloud computing presents developing nations with a multitude of options, including enhanced access to technologies and services, higher productivity and cost savings, as well as the possibility of increased economic development and the creation of new jobs. It is possible for companies to have access to enterprise-grade software and tools if they have improved access to technology and services. This may assist the organizations increase their productivity and efficiency. The delivery of essential public services like healthcare, education, and social welfare may be improved via increased efficiency and cost reductions, which can also assist bring down overall prices. The formation of new industries and enterprises, in addition to the expansion and improvement of existing ones, may help to boost economic growth and the production of new jobs. However, cloud computing presents developing nations with a number of obstacles, including inadequate internet infrastructure, a lack of available technological skills, and concerns over the privacy and security of stored data. Because of limited internet infrastructure, accessing cloud services, transferring data, and implementing security measures might be challenging, which can restrict the usage of cloud-based services. When it comes to setting up and maintaining cloud-based systems, as well as selecting the appropriate cloud service providers and solutions, it may be challenging for businesses that lack the technical experience. Concerns over data security and privacy may be a significant obstacle to the widespread adoption of cloud computing. This is because businesses may lack confidence in the safety of their data if it is housed on servers located in other countries.

Introduction

Cloud computing is the delivery of computing services, including servers, storage, databases, networking, software, analytics, and intelligence, over the internet ("the cloud") to offer faster innovation, flexible resources, and economies of scale. One of the most notable aspects of cloud computing is the ability for users to access and utilize resources on-demand. This means that instead of having to invest in and maintain expensive hardware and infrastructure, users can simply pay for the resources they need as they use them. This can be especially beneficial for small and medium-sized businesses, as it allows them to access enterprise-level technology without having to make a large upfront investment. Cloud computing also enables organizations to be more agile and responsive to changing business needs. Because resources can be added or removed as needed, companies can

quickly scale up or down to meet demand. This allows them to be more efficient and cost-effective in their operations.

Security is another important aspect of cloud computing. Many cloud providers offer robust security measures, such as encryption and multi-factor authentication, to protect data and applications [1], [2]. Additionally, with cloud computing, organizations can take advantage of the provider's expertise and resources to ensure that their data is secure. Despite the many advantages of cloud computing, there are also some challenges to consider. One of the main concerns is the potential for vendor lock-in, where a company becomes dependent on a single provider and is unable to easily switch to a different one [3]. Additionally, organizations need to ensure that they have a clear understanding of the provider's service level agreements and compliance requirements to ensure that they are able to meet their own regulatory requirements.

Information technology (IT) has become an essential tool for economic and social development in developing countries. The use of IT in these countries can help to bridge the digital divide and promote economic growth, as well as improve access to education, healthcare, and other essential services.

One of the most important ways in which IT can contribute to development in developing countries is by promoting access to information and communication. With the growing availability of mobile phones, internet access, and other digital technologies, people in developing countries are able to access information and communicate with others in ways that were previously unimaginable. This can help to promote greater social and economic participation and can help to improve the delivery of essential services such as healthcare and education [4], [5]. Another way in which IT can contribute to development in developing countries is by promoting entrepreneurship and small business growth. With access to the internet and digital tools, entrepreneurs and small businesses in these countries can reach new markets, connect with customers, and access information and resources that can help them to grow and thrive [6], [7].

IT can also play a critical role in addressing the specific challenges faced by developing countries, such as poverty, inequality, and environmental degradation. For example, through the use of geographic information systems (GIS) and remote sensing technology, it is possible to map and monitor natural resources, track changes in land use, and identify areas where interventions are needed to protect the environment. In summary, IT plays a vital role in the development of a country, it helps to bridge the digital divide, promote economic growth, improve access to education, healthcare, and other essential services, promote entrepreneurship and small business growth and also can address specific challenges faced by developing countries.

Opportunities

One of the main opportunities of cloud computing in developing countries is improved access to technology and services. In the past, many organizations in developing countries have struggled to afford the large upfront investments required to purchase and maintain expensive technology and software. With cloud computing, however, these organizations can now access the same technology and services as their counterparts in developed countries, without the need for large upfront investments. This means that they can now access the latest software, tools, and platforms that were once out of reach, which can help to level the playing field and provide them with a competitive edge. For example, small and medium-sized enterprises (SMEs) in developing countries can now access enterprise-grade software and tools through cloud computing, which can help to improve their productivity and efficiency [8]. Additionally, government organizations in developing countries can

now access cloud-based services to improve the delivery of public services, such as healthcare, education, and social welfare.

Furthermore, cloud computing can also help to bridge the digital divide between developed and developing countries by providing access to the latest technology and services to those who were previously excluded. This can help to promote social and economic development, as well as improving the quality of life for many individuals and communities. Another advantage of cloud computing for developing countries is that it allows for scalability and flexibility. These countries can scale their IT resources as needed to support their growth without having to invest in expensive infrastructure [9], [10]. This can help to reduce costs and promote economic development by allowing organizations to focus on their core activities rather than IT management.

Improved access to technology and services through cloud computing is one of the main opportunities in developing countries. With it, organizations of all sizes can access enterprise-grade software, tools and platforms that were once out of reach, which can help to level the playing field, improve productivity and efficiency, bridge the digital divide and promote social and economic development [11]. In the past, many organizations in developing countries have struggled to afford the large upfront investments required to purchase and maintain expensive technology and software. With cloud computing, however, these organizations can now access the same technology and services as their counterparts in developed countries, without the need for large upfront investments. This means that they can now access the latest software, tools, and platforms that were once out of reach, which can help to level the playing field and provide them with a competitive edge. For example, small and medium-sized enterprises (SMEs) in developing countries can now access enterprise-grade software and tools through cloud computing, which can help to improve their productivity and efficiency [12], [13]. Additionally, government organizations in developing countries can now access cloud-based services to improve the delivery of public services, such as healthcare, education, and social welfare. Furthermore, cloud computing can also help to bridge the digital divide between developed and developing countries by providing access to the latest technology and services to those who were previously excluded. This can help to promote social and economic development, as well as improving the quality of life for many individuals and communities. Another advantage of cloud computing for developing countries is that it allows for scalability and flexibility. These countries can scale their IT resources as needed to support their growth without having to invest in expensive infrastructure. This can help to reduce costs and promote economic development by allowing organizations to focus on their core activities rather than IT management.

Another opportunity of cloud computing in developing countries is increased efficiency and cost savings. By using shared resources and paying for only what they need, organizations can reduce costs and improve their efficiency. Cloud computing allows organizations to use resources on-demand, which can help to reduce the costs of IT infrastructure and operations. This can be particularly beneficial for small and medium-sized enterprises (SMEs) in developing countries, as they often have limited resources and capital. For example, instead of having to invest in expensive hardware and software, SMEs can now use cloud-based services to run their operations. This can help to reduce costs and improve efficiency, which can enable them to compete more effectively with larger organizations.

Cloud computing also allows organizations to be more agile and responsive to changing business needs. With the ability to scale resources up or down as needed, organizations can more easily adapt to changing circumstances and take advantage of new opportunities. Furthermore, cloud computing can also help to improve the delivery of public services in developing countries by enabling government organizations to use shared resources and reduce costs. For example, cloud-based

services can be used to store and manage data, which can help to improve the delivery of healthcare, education, and social welfare services [14].

In addition, cloud computing can also improve collaboration and communication within organizations. By allowing employees to access data and applications from any location, cloud computing can help to promote a more flexible and collaborative working environment. This can also help to improve the productivity and efficiency of organizations in developing countries.

Another opportunity of cloud computing in developing countries is the potential for economic growth and job creation. The development of cloud-based industries and businesses can stimulate economic growth and create jobs in these countries. With the ability to access the same technology and services as developed countries, organizations in developing countries can now develop new products and services that were once out of reach.

For example, cloud-based businesses and startups can now develop and launch new products and services more easily and at a lower cost. This can help to promote entrepreneurship and innovation in developing countries, which can lead to the creation of new jobs and the growth of the economy. Furthermore, cloud computing can also help to promote the development of new industries in developing countries. For example, the use of cloud-based services can enable the development of the IT, software development, and digital marketing industries in these countries. Additionally, cloud computing can also help to improve the productivity of existing industries in developing countries, such as manufacturing and agriculture, by providing access to new technology and services. This can help to improve the competitiveness of these industries for individuals with technical skills in developing countries. With the increasing demand for cloud-based services, there will be a need for more IT professionals and software developers to support the development and maintenance of cloud-based systems. This can help to improve the employability of individuals with these skills and promote economic growth.

Challenges

One of the main challenges of cloud computing in developing countries is limited internet infrastructure. Many developing countries have limited internet infrastructure, which can make it difficult to access cloud services and can slow down data transfer speeds. This can be a major barrier to the adoption of cloud computing, as organizations in these countries may not be able to take full advantage of the benefits of cloud computing without reliable internet connectivity. For example, organizations in developing countries may not be able to access cloud-based services and applications, such as software as a service (SaaS), platform as a service (PaaS), and infrastructure as a service (IaaS) due to limited internet connectivity. Additionally, organizations in these countries may not be able to transfer large amounts of data to and from the cloud, which can limit the use of cloud-based services for data storage and management. Another challenge is that the limited internet infrastructure can also make it difficult for organizations to implement security measures to protect their data in the cloud [15], [16]. Without reliable internet connectivity, it may be difficult for organizations to encrypt data and ensure that it is transferred securely.

Additionally, limited internet infrastructure can also make it difficult for organizations in developing countries to access cloud-based services that rely on real-time data transfer, such as streaming services and online gaming. This can limit the use of cloud-based services for entertainment and leisure activities in these countries. In summary, limited internet infrastructure is one of the main challenges

of cloud computing in developing countries. Without reliable internet connectivity, organizations in these countries may not be able to take full advantage of the benefits of cloud computing and may face difficulties in accessing cloud-based services, transferring data and implementing security measures, which can limit the use of cloud-based services for data storage, management, real-time data transfer and entertainment [17].

Another challenge of cloud computing in developing countries is limited technical expertise. Many organizations in these countries may not have the technical expertise required to set up and maintain cloud-based systems. This can make it difficult for them to adopt and effectively use cloud computing, and may also limit the development of cloud-based industries and businesses in these countries [18], [19]. For example, without the necessary technical expertise, organizations in developing countries may not be able to migrate their existing systems and applications to the cloud. They may also have difficulty in configuring and managing cloud-based systems, which can lead to issues such as data loss, security breaches, and poor performance.

Additionally, limited technical expertise can also make it difficult for organizations in developing countries to properly assess and choose the right cloud service providers and solutions for their needs. This can lead to organizations choosing providers or solutions that are not suitable for their requirements, which can result in additional costs, poor performance, and security risks.

Moreover, this challenge can also limit the development of cloud-based industries and businesses in developing countries. Without the necessary technical expertise, local companies may not be able to compete effectively in the global market, which can limit the growth of the economy. Furthermore, limited technical expertise can also limit the ability of organizations in developing countries to take advantage of new and emerging cloud-based services, such as artificial intelligence, machine learning and big data analytics, which can have a negative impact on their competitiveness [20]–[23].

Another significant challenge of cloud computing in developing countries is data security and privacy concerns. As data is often stored on servers located in other countries, organizations in developing countries may be concerned about the security and privacy of their data. This can be a major barrier to the adoption of cloud computing, as organizations may not be willing to use cloud-based services if they are not confident that their data is secure. For example, organizations in developing countries may be concerned about the risk of data breaches and cyber attacks, which can compromise the security of their data. Additionally, they may be concerned about the risk of data loss or corruption, which can result in financial losses and reputational damage. Moreover, organizations in developing countries may also be concerned about the risk of data breaches and cyber attacks from other countries, as well as the possibility of their data being accessed or used without their consent.

Furthermore, organizations in developing countries may also be concerned about the risk of data breaches and cyber attacks from other countries, as well as the possibility of their data being accessed or used without their consent. This can be a significant barrier to the adoption of cloud computing, as organizations may not be willing to use cloud-based services if they are not confident that their data is secure [24], [25]. Additionally, organizations in developing countries may also be concerned about the risk of data breaches and cyber attacks from other countries, as well as the possibility of their data being accessed or used without their consent. This can be a significant barrier to the adoption of cloud computing, as organizations may not be willing to use cloud-based services if they are not confident that their data being accessed or used without their consent. This can be a significant barrier to the adoption of cloud computing, as organizations may not be willing to use cloud-based services if they are not confident that their data is secure.

Conclusion

One policy recommendation to exploit the opportunities and combat the challenges of cloud computing in developing countries is to invest in internet infrastructure. Developing countries should invest in the development and expansion of their internet infrastructure to improve the reliability and speed of internet connectivity. This can help to ensure that organizations in these countries have access to cloud-based services and can transfer data to and from the cloud quickly and securely. Additionally, investing in internet infrastructure can also help to improve the delivery of public services, such as healthcare, education and social welfare, and promote economic growth and job creation through the development of new industries and businesses.

Another policy recommendation is to develop technical expertise and skills. Developing countries should invest in the training and education of IT professionals and software developers to ensure that they have the necessary skills and expertise to set up and maintain cloud-based systems, and to develop new cloud-based industries and businesses. This can help to ensure that organizations in these countries have the necessary technical expertise to take advantage of the opportunities offered by cloud computing, and to effectively combat the challenges. Additionally, this can also help to create new job opportunities for individuals with technical skills in developing countries and promote economic growth. Another policy recommendation is to establish data protection and security regulations. Developing countries should establish regulations to ensure that data stored in the cloud is protected and secure. This can help to promote the adoption of cloud computing. Additionally, regulations should be established to ensure that data is not accessed or used without the consent of the organizations, and that data breaches and cyber attacks are dealt with effectively.

Additionally, policy recommendation is to support the development of cloud-based industries and businesses. Developing countries should provide support and incentives to encourage the development of new cloud-based industries and businesses. This can help to promote entrepreneurship and innovation in these countries and create new job opportunities. Furthermore, another policy recommendation is to establish a legal framework for cloud computing. Developing countries should establish a legal framework to ensure that cloud-based services are regulated and that organizations have the necessary legal protections when using these services. This can help to ensure that organizations are aware of their rights and responsibilities when using cloud-based services, and can help to promote the adoption of cloud computing.

Another policy recommendation is to encourage the use of cloud-based services for public services. Developing countries should encourage the use of cloud-based services for the delivery of public services, such as healthcare, education and social welfare. This can help to improve the delivery of these services and promote economic growth and job creation. Moreover, policy recommendation is to promote international cooperation. Developing countries should work with developed countries and international organizations to promote the adoption of cloud computing. This can help to ensure that organizations in these countries have access to the latest technology and services, and can help to promote the development of new industries and businesses. Another policy recommendation is to improve data center infrastructure. Developing countries should invest in the development of data center infrastructure to ensure that organizations in these countries have access to reliable and secure data storage and management services. This can help to ensure that organizations in these countries are able to take full advantage of the opportunities offered by cloud computing. Additionally, policy recommendation is to promote the use of cloud-based services for small and medium-sized enterprises (SMEs). Developing countries should provide support and incentives to encourage the use of cloud-based services for SMEs. This can help to promote the competitiveness of these organizations and promote economic growth and job creation. To exploit the opportunities and combat the

challenges of cloud computing in developing countries, it is important to invest in internet infrastructure, develop technical expertise and skills, establish.

References

- [1] J. Ruiter and M. Warnier, "Privacy Regulations for Cloud Computing: Compliance and Implementation in Theory and Practice," in *Computers, Privacy and Data Protection: an Element of Choice*, S. Gutwirth, Y. Poullet, P. De Hert, and R. Leenes, Eds. Dordrecht: Springer Netherlands, 2011, pp. 361–376.
- [2] N. K. Sehgal and P. C. P. Bhatt, *Cloud computing*, 1st ed. Basel, Switzerland: Springer International Publishing, 2018.
- [3] S. Achar, "Investigating the Impacts of Cloud Computing on Firm Profitability," *Reviews of Contemporary Business Analytics*, vol. 2, no. 1, pp. 20–32, 2019.
- [4] S. Achar, "Asthma Patients' Cloud-Based Health Tracking and Monitoring System in Designed Flashpoint," *Malaysian Journal of Medical and Biological Research*, 2017.
- [5] S. Achar, "Leveraging Cloud Technologies to Enhance Student Academic Performance," *Sage Science Review of Educational Technology*, vol. 4, no. 2, pp. 39–52, 2021.
- [6] F. Wilde, Cloudbound. New York, NY: St Martin's Press, 2017.
- [7] V. C. M. Leung, R. X. Lai, M. Chen, and J. Wan, Eds., *Cloud computing*, 2015th ed. Basel, Switzerland: Springer International Publishing, 2015.
- [8] S. Achar, "An Empirical Investigation of Drivers and Barriers of IoT-based Cloud Computing Deployment," *Journal of Artificial Intelligence and Machine Learning in Management*, vol. 4, no. 1, pp. 1–13, 2020.
- [9] I. Blazwick, D. Howse, and Francesca Forty, *In cloud country*. Leeds, England: Harewood House Trust, 2013.
- [10] Q. Wikipedia, *Cloud computing*. University-Press. Org, 2013.
- [11] S. Achar, "The Intersection of Cloud Computing and Smart Cities: An Exploratory Review of Applications and Challenges in Deployment," *Applied Research in Artificial Intelligence and Cloud Computing*, vol. 5, no. 1, pp. 38–54, 2022.
- [12] U. R. Jayathilaka and G.-C. Park, "Smart Cities and FDI," ARAIC, vol. 5, no. 1, pp. 19–28, Nov. 2022.
- [13] T. N. Pham, M.-F. Tsai, D. B. Nguyen, C.-R. Dow, and D.-J. Deng, "A Cloud-Based Smart-Parking System Based on Internet-of-Things Technologies," *IEEE Access*, vol. 3, pp. 1581–1591, 2015.
- [14] S. Achar, "Requirement of Cloud Analytics and Distributed Cloud Computing: An Initial Overview," International Journal of Reciprocal Symmetry and Physical Sciences, vol. 2, no. 1, pp. 12–18, 2015.
- [15] S. Achar, "Security of Accounting Data in Cloud Computing: A Conceptual Review. Asian Accounting and Auditing Advancement," 2018.
- [16] S. Achar, "Security of Accounting Data in Cloud Computing: A Conceptual Review," Asian Accounting and Auditing Advancement, 2018.
- [17] S. Achar, "An Overview of Environmental Scalability and Security in Hybrid Cloud Infrastructure Designs," *Asia Pacific Journal of Energy and Environment*, vol. 8, no. 2, pp. 39–46, Aug. 2021.
- [18] G. K. Aguirre, R. Datta, M. Chen, K. Cloud, and J. I. W. Morgan, "The relation of individual variation in total retinal ganglion cell layer thickness to post-retinal anatomy," J. Vis., vol. 19, no. 10, p. 41, Sep. 2019.
- [19] E. O. Géoffroy, H. L. Cloud, A. Youssouf, and G. A. Bienvenu, "Synthèse Bibliographique sur des Paramètres Biologiques et Zootechniques du Poisson-chat Africain Clarias gariepinus Burchell, 1822," *Eur. Sci. J.*, vol. 15, no. 27, Sep. 2019.
- [20] S. Achar, "Cloud-based System Design," International Journal of All Research Education and Scientific Methods (IJARESM), vol. 7, no. 8, pp. 23–30, 2019.
- [21] D. Singh, M. Singh, I. Singh, and H.-J. Lee, "Secure and reliable cloud networks for smart transportation services," in 2015 17th International Conference on Advanced Communication Technology (ICACT), 2015, pp. 358–362.

- [22] M. Yousif and L. Schubert, Eds., *Cloud computing*, 2013th ed. Cham, Switzerland: Springer International Publishing, 2013.
- [23] S. Achar, "Maximizing the Potential of Artificial Intelligence to Perform Evaluations in Ungauged Washbowls. Engineering International, 8 (2), 159-164." 2020.
- [24] G. Andreadis, G. Fourtounis, and K.-D. Bouzakis, "Collaborative design in the era of cloud computing," *Adv. Eng. Softw.*, vol. 81, pp. 66–72, Mar. 2015.
- [25] A. Mohamed Mona and S. Pillutla, "Cloud computing: a collaborative green platform for the knowledge society," *VINE*, vol. 44, no. 3, pp. 357–374, Jan. 2014.