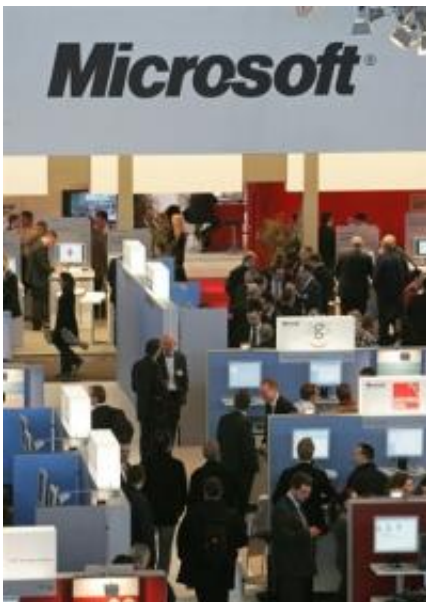


IT to generate 5.8 million new jobs by 2013: IDC

October 5 2009, by Glenn Chapman



Fair goers visit the booth of software company Microsoft at a trade fair in Hanover. Information technology will be an employment machine, generating 5.8 million new jobs in the coming four years, according to International Data Corporation (IDC) research released.

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IDC predicts that the IT industry will be an engine powering economies out of economic doldrums, creating more than 75,000 new businesses in

the next four years and adding jobs at a rate of 3 percent annually.

"Countries that foster innovation and invest in infrastructure, education and skills development for their citizens will have a major competitive advantage in the global marketplace," said [Microsoft](#) chief executive [Steve Ballmer](#).

"In this fundamental economic reset, innovative technologies will play a vital role in driving productivity gains and enabling the creation of new local businesses and highly skilled jobs that fuel [economic recovery](#) and support sustainable economic growth."

US software colossus Microsoft sponsored the IDC research into the impact of IT in 52 countries that represent 98 percent of the global IT spending.

"IT spending growth is a good sign as we come out of the recession," Microsoft Corporate Affairs communications manager Scott Selby told AFP.

Employment growth in IT related jobs will be three times that of overall job growth in what Selby said is a "good driver of economic growth."

While the world has been in the gripes of a recession, it has also been in the midst of a "technology renaissance" flush with advances in software, devices, and Internet-based services, according to IDC.

IDC expects IT spending in the countries studied to grow at slightly more than three percent annually, three times as fast as the gross domestic products between now and the year 2013.

In what is good news for software powerhouse Microsoft, spending on software is predicted to grow faster than overall IT spending, rising 4.8

percent annually.

"Software is a driving force behind this IT growth," Selby said. "IT allows us to do more with less."

New technologies are also ushering in a new "cloud computing" paradigm in which applications are provided online as services instead of as software bought and installed on home or office machines, according to IDC.

Money saved by using software as needed "in the cloud" instead of buying, maintaining, and updating applications will likely be devoted to bringing new products or services to market faster and cheaper, according to Selby.

IDC estimates that cloud services could add 800 billion dollars in net new business revenues between the end of 2009 and the end of 2013.

"Over the past 20 years, we've seen transformative power in how investments in IT innovations foster economic growth," said Robert D. Atkinson, founder of the Information Technology and Innovation Foundation in Washington, D.C.

"Continued innovation and investment in information technology will help jump-start recovery from the current recession and will significantly contribute to the growth of employment and new businesses."

Emerging markets will reap the greatest economic gains from IT, according to Selby.

"Emerging markets are really going to take advantage of IT for years to come," Selby said.

"One reason is they will be able to leapfrog and enjoy benefits of innovations like cloud computing much more quickly."

Microsoft played up the prime role its [software](#) is playing in IT systems worldwide.

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