

Published by the San Jose Mercury News on 1/31/01

## **Bush's Tech Czar Should Examine Profound Shift to Information Society**

*by Greg Shaw*

What a difference several years can make for technology policy in Washington, D.C. As recently as 1994, the Internet and tech policy barely merited notice in our nation's capital. This week, the idea was floated that the Bush Administration (version 2.0), create a technology policy czar.

If the idea is simply another post to fill for a supporter, why bother? But if it is to go beyond the headlines of the Microsoft case, the nose-diving tech stocks, the offensive invasions of online privacy and other issues then the idea clearly has merit.

As the Bush Administration works its way through the first 100 days, it could lay the groundwork for a fundamental new way of managing government that is more attentive to a new marketplace. Make no mistake about it, the implications of the New Economy are profound regardless of the current slump in technology stocks. Last month the *Atlantic Monthly* published a cover story it entitled, "The New Old Economy." In it, the author argues that the benefits of the New Economy are just now appearing in older industries such as oil and gas. Those same efficiencies are evident in public programs such as health care, defense, education and others.

Few subjects in recent years have been more hyped than the Internet. Books, journals, magazines, newspapers, radio and television programs and even films are bursting with the latest take on the Internet. However, even the most voracious consumers of media coverage about the New Media are struck by the lack of research and analysis examining the broader societal implications of Internet computing and communications. The literature is rich on how the latest technologies will create business opportunities, or how the latest technologies raise regulatory questions. But as the world transitions from the Industrial Age to the Information Age, a range of more profound societal questions needs to be asked and investigated. If the Internet changes everything, then how are the

Congressional Budget Office, the Government Accounting Office, the Office of Management and Budget and the Federal Reserve changing the way they plan?

What research is underway today that will build new socio-economic models that can better inform and guide public and private appropriations officials and policymakers? Are there important lessons to be learned from our previous transition from an Agricultural Age to an Industrial Age? Can we apply that knowledge as we transition from an Industrial Age to an Information Age? What is the impact of mass communications on policies and appropriations spanning health care, agriculture, education and transportation?

Given these powerful new computing and communications technologies, should we question Government and NGO spending priorities? For example, hundreds of millions of dollars are now focused on bridging the Digital Divide. The Clinton Administration has made it a priority to make these technologies more accessible to the poor. Newt Gingrich offhandedly floated the “nutty idea” that the poor should be given tax credits for purchasing laptop computers.

A similarly nutty question might have been, why not give tax breaks to farmers who could use laptop computers as vital information tools for weather and data, financial management and crop rotation information, thus perhaps reducing farm subsidies and increasing affordable food output.

Also, hundreds of millions of dollars are spent on rural and inner city health clinics and staffing. Could the Internet lead to efficiencies and more effective treatment by using Internet technologies to provide “distance health care?”

Or, what is the impact of future Internet technologies on voter registration and participation? When will the Internet affect an election in the way television affected the 1960 election? Might the Internet begin to reverse the dwindling involvement of Americans in our democracy? These questions – stemming from fields as diverse as agriculture, health care and politics – merely underscore the point that there is a need in

this country for interdisciplinary research to understand the impact of these breakthrough communications technologies on policy and appropriations.

Government funding, private philanthropic dollars and public policy generally today are built on models firmly rooted in the bricks-and-mortar Industrial Age. Yet the Information Age, accelerated profoundly by the Internet, is breaking those models and threatening the Industrial Age assumptions about the efficiencies and effectiveness of public and private spending and policy. To be sure, policymakers are rushing to understand better how they should regulate Information Age issues such as privacy, security, taxation, universal service and others. Philanthropists are rushing to try and fill real or perceived equity gaps. But in their rush to regulate and fund Information Age issues, Governments and NGOs are failing to research and understand better how these profound societal shifts are impacting their effectiveness.

The technology industry has made broad claims about the benefits that their products deliver in a variety of areas: faster and lower-cost communications and publishing; more accessible data and information; improved productivity; better access to expertise (medical, agricultural, educational) without geographic boundaries. Each of these benefits would have significant policy implications. However, very little scholarly research has been conducted to investigate these claims and to inform Governments and NGOs on how to factor the impact of Internet communications into their policy, programmatic and appropriations decisions. A case in point: The Congressional Budget Office's mission is to provide the Congress with the objective, timely, nonpartisan analyses needed for the Congressional budget process. The Office of Management and Budget has a similar mission for the Executive Branch. A preliminary inquiry, however, reveals that neither Office has investigated the impact of the Internet on their socio-economic analyses and models, which help to guide trillion-dollar decisions.

Less than 100 years ago, America was in the midst of a transformation from the Agricultural to the Industrial Society. Social Scientists have observed that early sociological theorists developed the key analytic concepts of class, status and power and demonstrated historical and quantitative methods for studying their interaction. They have called for a field of communications research

that will find equivalent success and a convergent and accumulative research paradigm as we transition from an industrial to an information society.

The new Bush Administration will spend billions of dollars each year without sufficient research examining these socio-economic dynamics and implications of the most powerful new communications medium in generations, perhaps a lot longer. The opportunity is to better understand the profound social and economic dynamics that are underway in society today and to apply those lessons to government policy and appropriations in the years ahead

---

Greg Shaw is a Senior Research Fellow at the Center for Communication and Civic Engagement, University of Washington, and a partner with Shepardson, Stern and Kaminsky..