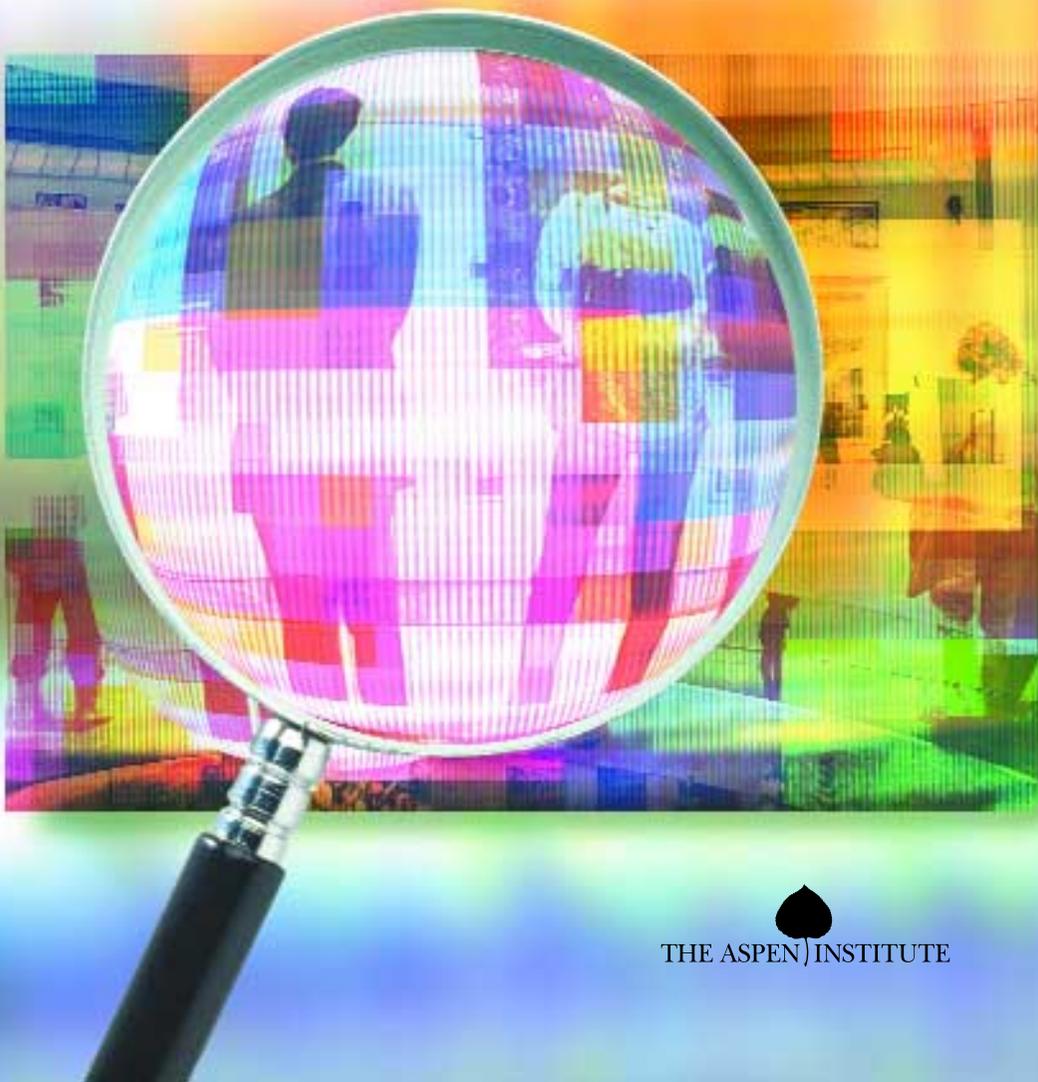


In Search of the Public Interest in the New Media Environment

A Report of the Aspen Institute Forum
on Communications and Society

David Bollier, Rapporteur



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THE ASPEN INSTITUTE

Communications and Society Program

Charles M. Firestone

Executive Director

Washington, DC

2002

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The Aspen Institute
Fulfillment Office
P.O. Box 222
109 Houghton Lab Lane
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Phone: (410) 820-5338
Fax: (410) 827-9174
E-mail: publications@aspeninstitute.org

For all other inquiries, please contact:

The Aspen Institute
Communications and Society Program
One Dupont Circle, N.W.
Suite 700
Washington, DC 20036
Phone: (202) 736-5818
Fax: (202) 467-0790

Charles M. Firestone
Executive Director

Patricia K. Kelly
Assistant Director

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The Aspen Institute
One Dupont Circle, NW
Suite 700
Washington, DC 20036

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Foreword

An Aspen Institute dialogue on policy brings together leaders from a variety of disciplines and interests to discuss a particularly significant topic for the purpose of advancing the public interest—or, as our mission states it, “improving the human condition.” At the Communications and Society Program, we hope that the dialogues will lead to informed, multidisciplinary, and values-based policies or initiatives.

One of the primary vehicles the Program has established for this approach is the Forum on Communications and Society, or FOCAS. This gathering of CEO-level leaders from business, government, and the nonprofit sector addresses issues of societal impact that arise from changes in the communications and information sectors. A large part of the activity of this Forum over the past six years has been in the areas of education, lifelong learning, and information literacy. The publications from those prior forums are described and available at www.aspeninstitute.org/c&s/focas.html. The progression has moved from structured education to broader concepts of learning and literacy. It led to the current topic: the encouragement and funding of educational and cultural content in the new media environment.

The 2001 FOCAS session in Aspen, Colorado, took as a starting point the extensive and thought-out proposal of two distinguished pillars of the communications policy world, Lawrence Grossman and Newton Minow. In their book, *A Digital Gift to the Nation*, published by the Century Foundation Press in 2001, they proposed to use the proceeds from electromagnetic spectrum (airwave) auctions to fund cultural and educational content and distribution over the new digital media. We felt that this proposal was a starting point for thinking through the means for encouraging better use of the new media for educational and cultural purposes.

As anyone could imagine, the topic is fraught with definitional, philosophical, and economic problems. Rapporteur David Bollier details these issues in the following report in fine manner, I believe. Basic tensions arose—such as who (or what process) best defines what content is worthy of public support? What are the respective

roles of the private, nonprofit, and governmental sectors? And how might they best be combined? The final section of the report describes a tension between “a notion of authenticated knowledge vetted by a sufficiency of education and culture versus the voice of the people.” What began, then, as a forum to examine and critique an innovative approach to funding new content for digital media expanded into a broader inquiry into uses of the new media for public benefit. Thus, the title of this report is actually broader than the topic that participants originally came to discuss.

Nevertheless, what resulted from those two days of dialogue is a significant step in the effort to “improve the human condition” through new digital media. What do we mean, now, by “the public interest”—a phrase that is the cornerstone of the American communications regulatory regime? What is the role of the marketplace in redefining this concept with respect to educational and cultural content? What mechanisms might we set in place to bring about the greatest opportunity for innovative and “quality” programming in these new media?

The discussion, which was initiated by and originally premised on the *Digital Gift* proposal, necessarily also centered on the policies and practices of the United States. Yet the media we are discussing are global, as are the issues. Accordingly, I asked our lone international participant, British historian Asa Briggs, to supplement this volume with some afterthoughts from an international perspective. Lord Briggs reminds us that these issues indeed go beyond American shores, that other countries have much to offer as exemplars for American policies, and that American policies will affect many more than just its own citizens.

Acknowledgments

The FOCAS is a special activity of the Communications and Society Program. Its members contribute the funds to support this forum, and I would like to thank the following organizations for their 2001 contributions: Afro-American Newspapers, AOL Time Warner, the College Board, the Markle Foundation, Novell, Roll International Corporation, and Sesame Workshop.

I would also like to thank David Bollier for writing a most coherent report of our rather disparate dialogue. This is a very

difficult task to do well, and Bollier is among the very best at his craft. One of the by-products of that skill, however, is that many brilliant insights and observations articulated at the meeting have been left out. To make the publication more accessible and meaningful to the reader, the rapporteur takes a relatively few points and expands on them, citing only the cross-dialogue from the meeting that makes or counters the major point. Accordingly, this document is written with the purpose of sparking new ideas and interest in the reader and inspiring additional dialogue on the ideas contained herein. Furthermore, the points in the report do not necessarily reflect the views of all of the participants, nor of their employers. I also thank Lord Briggs, for agreeing to put his afterthoughts to paper to broaden our perspective, and Monroe Price, for lending his editorial advice.

Finally, I want to thank Tricia Kelly, assistant director of the Communications and Society Program, for her handling and oversight of the administration of the Forum, and Sunny Sumter-Sana, project manager, for bringing this volume to print.

Charles M. Firestone
Executive Director
Communications and Society Program
The Aspen Institute
Washington, DC
February 2002

**IN SEARCH
OF THE PUBLIC INTEREST
IN THE NEW MEDIA
ENVIRONMENT**



In Search of the Public Interest in the New Media Environment

by David Bollier

For the past decade or more, it has been an article of faith—and a presumption of regulatory policy—that the free market offers the best way to meet the public’s needs in telecommunications media. Yet even as markets dramatically expanded and diversified in the 1990s—fueled by plentiful venture capital, technological innovation, and general prosperity—it is clear that the nation’s communications system has not addressed many civic, educational, and cultural concerns. Indeed, the gap between market reach and social need has only intensified with the current “dot-com” retrenchment.

Yet if media markets are not adequately addressing certain social needs, it is also true that few people seek a return to old styles of federal regulation. Indeed, the predominant policy trend since 1981 has been to dismantle the regulatory apparatus that once defined and enforced “the public interest” in broadcasting.

What, then, of the public interest in the new media environment? If unfettered markets are not adequately meeting certain social objectives and federal regulation is considered inappropriate, how shall we understand “the public interest” in the new media environment and seek to achieve it?

Answering this question is particularly difficult now that broadcasting is not the only significant medium of mass reach. Broadcasting must now be regarded in the context of the Internet, along with an expanding array of digital appliances and competing content-distribution systems (cable, satellite, wireless, video, digital video disk). Any notions of the public interest forged in the era of centralized, one-to-many mass media—television and radio—now seem quaint in the context of today’s interactive Internet universe and electronic alternatives.

The fate of the public interest in the new communications environment was the subject of a conference hosted by the Aspen Institute’s Forum on Communications and Society, or FOCAS, on

July 29–31, 2001. Twenty leading media chief executive officers (CEOs), government leaders, foundation presidents, and policy experts convened in Aspen, Colorado, for discussions about how we should define the public interest in contemporary media and what policy mechanisms might be worth pursuing.

Charles M. Firestone, executive director of the Aspen Institute Communications and Society Program, moderated the conference, and David Bollier, director of the Information Commons Project at the New America Foundation, served as rapporteur. This report is an interpretive distillation of the conference proceedings.

What Is “the Public Interest” in the New Media Environment?

There is a broad consensus in many quarters—and certainly among FOCAS conference participants—that existing communications technologies and markets are not adequately serving many important public needs. The precise scope of the problem is a debatable proposition, of course, that is inescapably colored by personal experience.

Although the new digital technologies are full of great promise, so far they have been largely about “trivialization, entertainment, and distraction,” said Larry Grossman, former president of the Public Broadcasting Service and NBC Television. “They have generally ignored what is important, critical or difficult, and opted for the easy and the obvious. So in a funny way, we’re fighting against ourselves to use the new technologies for the things that we think are important.”

This fact is reflected in the struggle to determine which citizens will be well served by the electronic media. “In some ways, the new technologies are the same issue all over again: Those that have the power to define content, to have websites, to have all the bells and whistles, can get their message across,” said Raul Yzaguirre, president of the National Council of La Raza. “People without power and other excluded segments of American society may not.” Yzaguirre urged that we find “new ways of empowering folks that have been shut out to use the Internet in constructive ways.”

At the broadest level, said Idit Harel, chairman and CEO of MaMaMedia, Inc., a leading website for children, “we need to think

about how the Internet and new technologies in general can help our society become more effective.” She cited the need of young Hispanic and African-American girls, for example, to become more self-confident learners and the needs of developing countries to become more educated and capable.

One of the premises of the FOCAS series is that the communications media should help America become more of a “learning society.” People should have plentiful opportunities to educate themselves in a variety of contexts, for both personal and professional purposes.

If this goal is a priority, said Ann Kirschner, president and CEO of Fathom, a new online learning consortium, then the market as constituted is failing to meet some important needs in education: “The marketplace tends inevitably to drift toward vocational learning and learning for a specific purpose rather than learning ‘how to learn,’” said Kirschner. “Unless there is some way to promote online learning through a broad, multidisciplinary approach, you’re going to end up with lots of M.B.A. and IT [information technology] programs and not a lot of classics and other things that a well-rounded and educated populace needs.”

It is almost a truism that the Internet has empowered people by giving them easy and (usually) free access to information. According to a Markle Foundation survey released in June 2001, 61 percent consider the ability to retrieve information, research, and knowledge as “the best thing about the Internet.” The most-cited image that people have of the Internet is as a library.¹ Yet, paradoxically, the Internet explosion of information has also created an unprecedented clutter and scarcity of “authenticated knowledge.” It is hard to know whether to trust a given body of information acquired over the Internet. Many FOCAS participants therefore see an urgent need to develop new, financially sustainable models for generating trusted, authenticated knowledge.

One solution may be more aggressive “branding” of websites so that the name and image of sites can serve as totems of reliability. Another approach, recently developed by the Ad Council, has been to select and bring together a range of prescreened social service nonprofits and philanthropies onto one website, www.helping.org. The purpose is to instill public confidence in the information

provided by those organizations. This approach has many functional benefits. For example, if a person suspects that a neighborhood child may be a victim of child abuse, she or he can turn to the helping.org website as a one-stop referral to trustworthy social service agencies and advice.

How Should the Public Interest Be Defined?

If there is a clear sense that certain public-interest needs are going unmet, it is less clear how to delineate those needs in specific ways. What sorts of social or civic endeavors are underserved, and by what criteria? When is a social need of sufficient urgency that public action or government subsidy is warranted? There is no clear consensus about such issues.

Nonetheless, most conference participants agreed with Gary Knell—president and CEO of Sesame Workshop and producer of Sesame Street and other children’s programming—that “there are certain areas of the public interest that are not being supported by the marketplace.” Some needs are widely recognized and accepted, such as subsidies for Lincoln Center and efforts to reduce the “digital divide.” Other needs—education, museums, civic information, community resources, political dialogue—tend to be widely acknowledged but irregularly supported by subsidies and special public policies (nonprofit postal rates, candidate access to the airwaves, etc.).

Historically, noted Tracy Westen, vice chair and CEO of the Center for Governmental Studies in Los Angeles, “We have tended to subsidize markets which do not by themselves generate a full range of diversity and quality, and we subsidize individual access to specific markets we believe are important to healthy lives. We don’t subsidize access to Rolls-Royces, but we do subsidize access to food, with food stamps. So the identification of markets and which require subsidization requires judgment.”

In terms of the mass media and the Internet, Westen continued, the question we need to ask is, “Are there deficiencies in the private marketplace serious enough that we need to supplement the cornucopia that the marketplace produces? Do we need to intervene at all? I think the answer is probably yes, in both areas, but the specific areas requiring support are often elusive.”

For Westen, the highest priorities for government intervention include public access to the technology, training and education, storage and preservation, indexing of content, and authentication of reliable sources of information. Whatever criteria one applies, the central issue is how to identify those areas where the marketplace has gaps and omissions.

Reed Hundt, former chairman of the Federal Communications Commission (FCC) and now senior advisor with McKinsey and Company, took issue, however, with the presumption that the marketplace itself is unsubsidized. “We have a long history of subsidizing content in the United States,” said Hundt. “For the most part, we’ve subsidized the content for people who are in the business of creating content for profit—as opposed to subsidizing content for people who are not in the business of making profits. What else is the giveaway of licenses of broadcasters, which are worth around \$70 to \$100 billion, except the very clear subsidy of commercial content?”

“In terms of broad generic categories,” said Hundt, “we have decided that we are going to subsidize mass-market content that is going to attract an audience for the purpose of advertising. This is going to generate a very different sort of content than nonprofit, educational content. The only thing you haven’t done is empaneled anybody to read the scripts of *Buffy the Vampire Slayer* to decide whether it’s a little bit too prurient or something.”

Hundt argued that the same subsidization of commercialized content applies to daily newspapers: “The Newspaper Preservation Act represents a subsidy to the newspapers of the country by exempting them from the laws of competition. The result is that roughly 95 percent of all communities have just one newspaper. But you don’t have any subsidy mechanisms for alternative newspapers and magazines—and especially what you don’t get is any subsidy for nonprofit newspapers and magazines.”

It is too limiting to regard social needs simply as “market failures” that may be remediable by government intervention, said David Bollier, director of the Information Commons Project at the New America Foundation. Once that terminology is used, it locks in a narrow range of acceptable policy choices and excludes others. Under a “market failure” conceptualization of the problem, said Bollier, the remedies—government intervention and subsidies—are

freighted with political and social meanings that should not necessarily apply. The real challenge may not be how to create a more perfect market (by remedying “market failures”) but how to create a robust commons. This strategy typically involves generating value through nonmarket alternatives that pool and manage resources collectively—something that the Internet and digital technologies can do with great efficiency and efficacy.

Bollier pointed out that unmet social and economic needs can sometimes be addressed through people using collective funding, cooperative structures, or social norms to solve a problem. Talking about “the commons” allows us to recognize that there are value-creating social systems that “can be far more efficient and sustainable in many circumstances than the market, particularly on the Internet,” said Bollier. For example, free sharing of research among scientists is a highly efficient, nonmarket way to create value—something the market cannot readily achieve and that it may in fact undermine. Websites that allow people to share genealogical research, like other collaborative websites, tend to be far cheaper, more efficient and flexible than anything markets have yet provided.

New Funding Models for Public-Interest Content

Because there is no clear consensus about the capabilities of the market to address social needs—or the social needs that most deserve attention—it is difficult to carry on a conversation about solving “what’s wrong.” Any search for solutions is hindered by a lack of common premises.

There *is* general agreement that the marketplace is not adequately serving a variety of important social needs. Chief among these needs are education and training, civic dialogue, arts and culture, health care, and community life. But the search for suitable remedies immediately runs athwart some fundamental questions: Should the market be regarded as the presumptive vehicle for addressing social problems, and should government’s role therefore focus on improving the functioning and reach of markets? Or should we instead conclude that markets have inherent limitations in their ability to solve social problems and therefore concentrate on creating more effective public policies or government programs?

Or is there a third path? Perhaps institutional philanthropy, private charity, and voluntarism should be the primary vehicles for improving education, communities, and civic participation.

Even assuming that these philosophical differences can be surmounted, two other sets of issues immediately complicate discussion: Which *particular* social needs should be considered most serious and urgent? This is the threshold problem of defining the “public interest” in our times.

A second confounding variable is the Internet. In the new networked environment of the Internet, how can government funding or public policy advance the public interest (however it is defined)? It was easier to define and serve the public interest when “the media” was a more centralized and oligopolistic institution. A few major television networks could agree to cooperate with the federal government to serve “the public interest,” and a rough semblance of social equity was served. But the decentralization and fragmentation that are the hallmark of the Internet (and other electronic media markets) make it much harder to ascertain the public interest, let alone consciously ameliorate it.

With these provisos in mind—that there are some core philosophical disagreements and uncertainties in this inquiry—it is worth contemplating several different strategies that have been proposed for advancing the public interest in the new media environment.

Westen believes that any proposal must answer at least four basic questions:

1. *How do you get the money to support public-interest endeavors?* Will the money come from general tax revenues or from the sale or lease of a public asset such as the electromagnetic spectrum? Will it come from a user tax on the affected industry, such as broadcasting or wireless services?
2. *How do you segregate the money from influence-peddling and politics?* Special steps must be taken to build “firewalls” around public-interest funds to ensure that they are used only for designated public-interest purposes. Funds raised from the anti-tobacco litigation, for example, have not necessarily been used to promote public health, as intended.

Nor have municipalities dedicated their five percent fees on cable television operators to community programming.

3. *What kinds of structure will be used to distribute the money?* One can imagine large, conventional bureaucracies or flexible and innovative administrative bodies. An agency could be structured to have political appointees accountable to Congress or the president, or it could have its officials elected by the public. An agency could operate under the auspices of government and its open procedural standards or as a quasi-private body that sets its own rules.
4. *What kinds of content will be supported?* Decisions about what sorts of content to fund will affect not only subject matter but also the style, politics, and voice of the resulting content. Funding content for television also will differ greatly from funding content for the Internet. The former medium is largely a passive viewing experience, whereas the latter medium entails a more user-sovereign, interactive process that enables people to be creators themselves.

In the course of discussions, it became clear that there are at least five noteworthy approaches to fostering public-interest content in the new media environment:

- The Digital Promise Project, a quasi-governmental body that emulates foundations and scientific grant-makers;
- Public/private partnerships in the marketplace;
- A “request for proposals” (RFP) model to promote and guide market solutions;
- New government policies and program hybrids; and
- A venture capital fund for content on the Internet.

Consideration of these five models may itself be contentious because it implies that one approach should be emphasized over the others. Larry Grossman pointed out that because we have an integrated economy, it makes sense to pursue a variety of approaches rather than any single strategy. In any case, Grossman said, even government- or foundation-based models can incorporate features of the market or cater to local needs.

With that caveat, we now examine the strengths and limitations of each of the five approaches.

The Foundation Model: The Digital Opportunity Investment Trust

One of the most well-developed proposals on the table for financing public-interest content in the new media environment is the Digital Opportunity Investment Trust. The proposal was formulated by Grossman and Newton Minow, former FCC chairman, and is now being promoted by the Digital Promise Project.

The core idea is to create a new, congressionally chartered trust fund to finance new kinds of noncommercial, public interest content.² Funding would come from revenues that the federal government earns from its auctions of the publicly owned electromagnetic spectrum. The Trust, administered by notable private citizens from diverse fields, would serve as a “venture capital fund” for the nation’s nonprofit educational, arts, cultural, civic, and other public-service institutions.

Grossman and Minow model their Trust on three other bold, historic public investments that sought to educate citizens. The Northwest Ordinance in 1787 set aside public land to support public schools in every new state. The Morrill Act in 1862 led to the establishment of 105 land-grant colleges, many of which became preeminent educational institutions. Finally, the GI Bill in 1944 helped make the United States one of the best-educated nations in the world.

In this tradition, Grossman and Minow envision the Digital Opportunity Investment Trust as an important new tool for helping Americans learn, engage in their communities and civic life, participate in arts and culture, and serve many other noncommercial social goals. The Trust would have an initial endowment of \$18 billion, which is the sum that the Congressional Budget Office estimates that the FCC’s spectrum auctions will yield over the next few years. The Trust would operate along the lines of the National Science Foundation (NSF) and the National Institutes of Health (NIH); a board of distinguished and diverse citizens from many fields and disciplines would set priorities, oversee grants, and determine the direction of research.

The Trust's proceeds would be used to finance "innovation, experimentation and research in utilizing new telecommunications technologies across the widest possible range of public purposes." Practically speaking, this would mean new sorts of jobs training and education; new sorts of online learning and civic information; and quality arts and cultural programs, among other innovations. Grossman and Minow argue that the Trust would have the potential "to strengthen our economy, educate and inform our children, train teachers, improve the skills of workers, serve people with disabilities, and enrich the lives of the growing population of older adults."

The Trust is likened to a "foundation model" because it represents a concentration of expertise, money, and decision-making authority in an attempt to catalyze change in informed, strategic ways. As one participant put it, "You take a lot of money, give it to an organization, print a charter for it, and ask it to fund the really important, valuable things." Some of our nation's great accomplishments have come from this model.

FOCAS participants generally lauded the vision behind the project. They agreed that there is an urgent need for such a source of serious funding for public-interest content and innovation. "It is a brilliant and brave proposal," said Zoë Baird, president of the Markle Foundation. It is an idea that would set a great precedent and help fund a variety of expensive content projects, such as putting library materials online and creating more vibrant distance-learning models, she said. Such sentiments were echoed by former FCC chairmen Reed Hundt and William Kennard as well as by other business people, government officials and policy experts at the conference.

The Trust idea also elicited some concerns, however, about how it would be structured and how projects would be selected and funded. Several enthusiastic supporters of the Trust had misgivings about modeling it on the NSF or NIH. The fear is that such a model would result in safe, homogeneous grantmaking that reflects elite interests, as opposed to venturesome grantmaking that reflects a greater diversity of perspectives.

"The unstated issue in this conversation," said James F. Moore, chairman of GeoPartners and author of *The Death of Competition*, "is the problem of diversity of voices. People look at NSF, NIH, and

NEA [the National Endowment for the Arts] and see them actually suppressing diverse perspectives and not being effective vehicles for promoting diversity.” Similarly, John Oliver, publisher and CEO of Afro-American Newspapers, worried that giving a small national body so much authority to “decide what is educational...makes me nervous, particularly because I come from an ethnic community where education has been defined historically by others for us, and is not necessarily sensitive to our culture.”

In response, Larry Grossman stressed that one of the “overriding principles” of the Trust would be its “openness and accessibility.” It would not be a government agency, but it would be obliged to report back to Congress. Its membership would be private citizens, not political professionals. “There is always a threat of politics in an enterprise like this. There’s always somebody who wants special favors,” Grossman conceded. “But if you stand up to it in this very public arena, you can always win that battle. It’s just a question of leadership and the caliber of people who would have the responsibility.”

There were other concerns. Lynda Resnick, co-owner and vice chairman of Roll International Corporation, worried that the agenda of the Trust would be too broad. Grossman replied that specific priorities could be sharpened by Congress or the first governing board of the Trust. Resnick also urged that sufficient attention and money be given to marketing the Trust’s work: “You can have the greatest product in the world, but if people don’t know where to find it, it’s useless.”

David Bollier of the New America Foundation worried that content funded by the Trust could be “taken private” and made proprietary, rather than staying in the public domain. Grossman said he believes that public access ought to be the general principle, but he did not want to foreclose opportunities for public/private partnerships that might require ceding some ownership rights.

Former FCC chairman Kennard, now managing director of the Carlyle Group, expressed concern that any Trust-funded projects might wither on the vine for lack of distribution. This is a special concern in today’s marketplace, he said, where markets are so highly concentrated and getting carriage on a cable television system or broadcast network can be exceedingly difficult. Grossman replied

that the Public Broadcasting System (PBS) has extensive reach to audiences and could serve as a key distribution mechanism.

When objections were raised that public television might have its own parochial agenda in serving as a distribution arm and that public television stations do not have sufficient funding to implement such plans, Grossman replied that PBS need not be the only option. The Trust could turn to the Internet, spectrum used by local radio stations, and other digital transmission systems and appliances.

Grossman pointed out that, as a tactical necessity, some important aspects of the Trust proposal have deliberately been left open-ended. This decision leaves room for negotiation that can lead to a political consensus and congressional enactment, he said.

Perhaps the most fundamental problem is whether funds from spectrum auctions will actually materialize. This question remains a political imponderable, especially because the military covets the spectrum it currently owns but could relinquish—provided the loss would be offset by new budget appropriations. However the politics of spectrum auctions evolve in coming months, there was consensus that it will probably take many years before there is sufficient political support to establish the Digital Opportunity Investment Trust.

Public/Private Partnerships in the Marketplace

Several FOCAS participants believe that the most fruitful model is public/private partnerships that try to harness the profit motive for socially beneficial ends. The primary strategy, said Zoë Baird, should be “collaboration between different sectors and then funding the outcomes.” Baird noted that the profit motive is generally critical to eliciting the best outputs, and participation by nonprofit organizations is often vital for reaching a sufficient scale of usage.

For example, the best game designs and learning software are likely to come from people who are already working in a market context, said Baird. “You can’t take the profit motive out of [new educational software] if those people are going to apply themselves to producing new educational gains.” Yet the business world cannot do it all, she warned. The only reason that Kosovo has an Internet service provider is because foundations and nongovernmental

organizations helped an entrepreneur start a for-profit business in a risky, undeveloped market.

Baird outlined her pluralistic vision: “I don’t want to define the content. I think the problem with this conversation might be that people already have in their minds notions of what’s educational or cultural content. If we try to define that too much, we’ll miss out on the vibrancy of what’s happening. One way to stimulate the experimentation and vibrancy,” she said, “is to make a conscious effort to have different sectors work together. That way, risks can be covered by those who are prepared to take greater risks; profit can be obtained by those who need that. And let others contribute when they don’t need to make a profit.” Baird sees the need for a multiplicity of funding mechanisms and a multiplicity of types of content.

A good example of experimentation with multi-sector models is the “Web, White and Blue” project, said Baird. The project, which was launched during the 2000 presidential election, was a nonpartisan consortium of 17 of the largest Internet sites and news organizations. The site featured daily exchanges among the presidential campaigns and responses to questions submitted by Internet users. Together, the participating sites reached more than 85 percent of U.S. Internet users—nearly 70 million Americans.

“The idea came from AOL,” said Baird, “but they said they couldn’t do it because their competitors wouldn’t participate if it did.” So the Markle Foundation, working in concert with several media companies, developed and launched the webwhiteblue.org site. Participation by major media companies allowed the project to have a sufficient level of financial support, said Baird, which she regards as vital to achieving a sufficient level of quality to attract a larger audience. “There’s only so much content you can build without the financial capital,” she said. “You have to be able to make that investment in quality.”

For Gary Knell, president and CEO of the nonprofit Sesame Workshop, partnering with major media companies is critical for reaching audiences. Even though *Sesame Street* is a powerful brand franchise, said Knell, “I have reached the conclusion that distribution is king. You’ve got to have great content, but if you don’t have distribution—if you’re not partnered up with a Viacom or an

AOL/Time Warner, as we are now on the magazine side—it is very tough to get your content out there. Partnering with these companies is one way we've been able to develop a sustainable economic model.”

This strategy is how Sesame Workshop launched a new noncommercial children's show, *Noggin*, that airs 24 hours of educational programming a day, along with online content: It partnered with Time Warner, whose cable subscribers indirectly finance the programming. The *Noggin* franchise is already in the black after two years, and Knell expects it to reach about 30 million cable subscribers by the end of 2002.

Knell concedes that Sesame Workshop received a lot of resistance from his not-for-profit distribution partners. But, he added, “The fact of the matter is that an organization today has to compete with people and partner with them also.” Knell regards the for-profit/nonprofit dichotomy as a false one.

Knell considers nonprofit partnerships with major media companies a necessary tactic for spreading costs. “Nonprofits can't cross-collateralize their costs” among a variety of programs and merchandising opportunities, Knell pointed out. Moreover, “Today, you've got to be everywhere a kid is. You've got to [have your brand] in toys, books, videos, audio and pillowcases, because each part reinforces the other parts. At the end of the day, branding wins the game. The big multimedia corporations have figured that out, and that's why they are creating these ‘walled gardens’”—proprietary online spaces for branded content, merchandise, and affiliates.

One of the more interesting public/private partnerships being developed right now is Fathom, a website that bills itself as the “premier destination for authenticated knowledge and online learning.” Fathom is a rich source of online lectures, interviews, articles, performances, and exhibits by faculty, researchers, and curators of more than a dozen member institutions, each of whom is a global leader in the arts, education, and culture. These institutions include Columbia University—the primary funder of the project—as well as the British Museum, the London School of Economics, the New York Public Library, the University of Chicago, and RAND, among others.

After about six months of operation, Fathom now (August 2001) offers more than 1,000 free lectures, seminars, structured courses, webcasts, and other educational fare. It also offers more than 700 courses, which cost \$500 to \$2,000 apiece. Some courses grant full academic credit.

A central part of Fathom's business model is to take all sorts of academic and cultural materials generated by the host institution and use the Internet and a business/nonprofit partnership to give that content an "after-market." Fathom's collaboration with the BBC is a good example. Fathom worked with the BBC to develop a video mini-series and course, *Mystery of Britain*, by historian Simon Schama. Fathom makes the materials available through its website and affiliated institutions, and BBC Worldwide licenses and distributes the material through its magazines and website.

Partnership arrangements for any given project may vary according to the strategic resources of the partner and the nature of the content. Some content may be sold directly through the Fathom website; others may be distributed and sold through a partner organization's marketing and distribution apparatus. For example, Fathom is working with the American Association of Retired Persons (AARP) in developing educational materials for its 30 million members. Fathom also offers consulting to educational and cultural institutions, advising them on how to produce and market their intellectual content for digital media. University professors may have some valuable lectures and monographs, for example, but the material often needs to be "translated" into a more accessible form before it can be used by the public. Fathom works with faculty members to "make Fathom a comfortable place for which they can project their works to a larger audience," said Fathom's CEO, Ann Kirschner.

Fathom's ultimate goal, Kirchner said, is to develop a business model that resembles HBO, "where the products come to us in totally finished form, where we are the aggregator, the selector, the distributor, and the marketer—but not the creator of the individual pieces."

The basic idea behind Fathom, Sesame Workshop's productions, and many of the Markle Foundation's partnership projects is to take content that has traditionally been regarded as "public sector" in

nature and privatize it through the marketplace to serve a larger public benefit. C-Span, the cable television public affairs channel, is an example of this model: A consortium of cable companies have contributed a portion of cable subscription funds to pay for a valuable network for generating and distributing public-interest content. Another example might be Working Assets, the long-distance telephone service that dedicates a percentage of its revenues to various public causes.

Using “Requests for Proposals” to Guide Market Activity

If public/private partnerships are one vehicle for harnessing the profit motive to serve the public good, another vehicle could be called the RFP model. An RFP is a government-issued “request for proposals,” which specifies the performance goals and activity needed to meet a given public purpose. The goal could be related to education, government procurement, civil engineering, or any number of public needs. Through a competitive grant review process, the government agency selects a winning bid, and that company then tries to bring efficiency, innovation, and results-based performance to the goals specified in the RFP.

Utah governor Michael Leavitt believes that there is great value in defining a clear objective for creating value and then letting the free market apply its energies and talents to the objective. That is what Bill Gates did with his invention of the DOS operating system, said Leavitt, and it is what Alan Aston did with his invention of WordPerfect: “There was a defined objective. Let’s define some basic standards of what we want our citizens to be able to do, and say to the public sector, let’s find a way to finance that definable goal. Then there would be a whole class of entrepreneurs who would start to figure out better ways to teach to those goals, and whose performance success could be measured.”

Leavitt strongly believes that public education could benefit from private entrepreneurs striving to meet new accountability measures. Quantitative measurement could assure that performance goals are being met, while also assuring that “competency” and “value-added performance, not reputation” are being served. The business schools at Harvard and Stanford universities have recently agreed to develop an online business education program. “That’s a great brand,

Harvard and Stanford,” said Leavitt, “but there’s no guarantee that the value-added that comes out of that project is going to be any better than a community college in New Mexico with some brilliant teacher.”

Ann Kirschner said that a project in the United Kingdom, “E University,” resembles the approach that Leavitt described. “It is an attempt to come up with a national curriculum and then focus digital education efforts against that national curriculum.” Kirschner thinks it would be interesting to take a defined need, such as teacher training, and then intensively develop a good digital product to serve that area, perhaps focused on K–12 teachers.

One possible limitation with this approach, worried Charles Firestone, executive director of the Aspen Institute Communications and Society Program, is that it might define the problem so well that the solutions that emerge might be too narrow and limiting. “There’s a need for diversity,” said Firestone, “and people might ask, ‘Is this going to be culturally prejudicial? Is it going to be limiting in some way?’” Some balance may need to be struck between clear definitions of the problems and the range of experimentation and innovation that is subsequently allowed.

Government Policies and Hybrids

The Digital Opportunity Investment Trust represents one form of government-sponsored funding for public-interest content, but other possibilities can be imagined. Tracy Westen of the Center for Governmental Studies outlined eight different options that could reasonably be considered:

1. **Government-funded research and development.** There is a long tradition of the federal government underwriting the large startup costs of new technologies, infrastructure, and research fields. Then, to make the benefits of these investments more broadly available, the government often invites private investors to build on these initial investments through licensing deals, value-added innovations, and, in some instances, outright giveaways of the investments.
2. **Government acquisition of private property for public use.** Through public acquisition of private property, through

purchases and the power of eminent domain, government has sometimes made new resources available for public purposes. Examples that come to mind are public parks, forests, and economic development zones. Could the same tactics be applied to acquiring intellectual property rights to transform information resources into a public good? For example, are there types of university course materials or bodies of reference material that should be acquired for public use?

3. **Government incentives for private investment in public-interest content.** Another familiar role played by government is to create tax incentives or consumer rebates that encourage investors to develop new technologies and innovations. One could imagine the government creating incentives for investments in digital education, for example.
4. **Compulsory licenses in copyright.** If the real challenge is not the creation of new content but its distribution, perhaps the government should consider enactment of new compulsory licenses in copyright. Just as compulsory licenses helped develop the radio industry (by giving it easy, quick access to music) and the cable television industry (by allowing it to rebroadcast television signals for a low, fixed rate), compulsory licenses could be used to break down the transactional barriers in certain markets and encourage the wider distribution of existing content.
5. **New “user fees” for businesses using public property.** Even though the idea of new fees and taxes is politically unattractive, a strong case can be made that users of the electromagnetic spectrum should pay a “user fee” for the right to use the public’s property, much as oil and mining companies must pay fees for the use of public lands. Alternatively, a “digital tax” might be levied on all sorts of hardware, software, or Internet transactions, and the tax revenue could be used to finance new content in these media. Although this tax would raise the price of various products, it would arguably increase usage of these media and sales.

6. **Government-backed venture capital and loans.** To help stimulate desired types of technological investment, government could offer venture capital investments and loans to entrepreneurs, much as foundations make program-related investments. If these new ventures ever make profits over a stipulated threshold, the government could recoup some or all of its investment or loan money.
7. **Public/private hybrids.** As described above, innovative partnerships are possible between public-sector enterprises (government, nonprofits, philanthropies) and private entrepreneurs and media companies. Although there is a risk that public purposes may be unduly subordinated or compromised, there is also a potential gain in a project's achieving greater scope, influence, and sustainability through market activity.
8. **Creating structures that reward and empower individual initiative and voluntarism.** One of the beauties of the Internet is that it radically empowers individual users. The very structure of the Internet unleashes a qualitatively different sort of individual creativity and initiative than top-down, centrally organized institutions. Government projects that aspire to promote the public interest may wish to consider how their structures and incentives promote or fail to promote voluntarism and individual initiative.

Serving the Public Interest in a Distributed Networking Environment

Even though FOCAS participants proposed many policy vehicles for funding or distributing public-interest content, Reed Hundt, the former FCC chairman, found it odd that the group “has continued to shy away from the ‘what’”—the specific genres of noncommercial content that ought to be fostered. Hundt agreed with Zoë Baird that struggling to define the proper “public interest content” may be the wrong approach. It may be more fruitful to look at how content is decisively shaped by “private-sector ideas of creating value” on both commercial television and the Internet.

The public interest in these media is something else, he said. It may be best described as a “public good” that the market cannot or

will not serve. A public good is an economic term that describes an asset or activity that generates a public benefit whose use cannot be restricted and which additional users can enjoy for free. There is no incremental cost that must be paid for more people to benefit from a lighthouse, for example. There is no additional cost if more viewers choose to watch quality public television programming. Economists call such goods “nonrivalrous” and “nonexclusive”; property boundaries cannot be placed around the goods to exclude others.

Information is often a public good—especially on the Internet, where it can be replicated and distributed for next to nothing. Additional users can access and use digitized information at no extra cost. Historically, in traditional markets creation of public goods has required government intervention because private market actors generally do not have the motivation or capital to pay for public goods; it is easier for everyone to be a “free rider.” That is why the federal government has been critical to creating the public television system, the Internet, and public libraries. A centralized authority is needed to pay the tremendous upfront costs of the public good and then to assure that everyone can have access to it.

The revelation of the Internet, said Hundt, may be that the market may more readily finance and develop public goods than was previously possible. The “network effects” of the Internet make it extremely cost-efficient to bring together large numbers of people electronically. As a result, some of the historic obstacles to creating public goods are mitigated. AOL needed considerable finance capital to develop its network of online subscribers, but once it was in place, the incremental costs for each additional user were very small. Furthermore, as the network grew in size, it also grew in value. So, too, with the Windows operating system—a software program that amounts to a public good (its shared public standards create extra value for all users without imposing additional costs). The critical difference is that Microsoft has succeeded in making Windows a proprietary asset, not a public good that is owned and controlled by all.

There may be two compelling reasons, therefore, to explore a new way to actualize the public interest in the new media world, Hundt suggested. First, the history of the public-interest standard in broadcasting “wasn’t a particularly satisfying story. It wasn’t so

terribly bad, but neither did it work out so terribly well,” he said. In the meantime, he said, the new dynamics of public goods in the networked environment of the Internet suggest that perhaps we should entertain new ideas to fulfill the public interest. Perhaps the tension between two visions of “creating value”—the commercial media’s and the nonprofit world’s—should be addressed in new ways.

Hundt proposed a new trust fund that would expressly seek to represent and advocate the public interest on the Internet. The fund would have a \$20 billion commitment and serve as a venture capital source for innovative public interest projects, much as the Digital Opportunity Investment Trust seeks to do. The Hundt proposal, however, would not seek to allocate funds to specific content areas or types of projects. It would be a nondiscriminatory source of capital for “anything that has the purpose and reasonably likely effect of promoting the values of citizenship—the values of being a citizen, and not being a consumer. Period. End of definition.”

An important lesson of the Internet, Hundt declared, is that we cannot really predict what sorts of content will emerge or prove interesting or useful. Therefore, this funding apparatus ought to try to seed new projects without being prescriptive or overly judgmental. If a project meets certain minimal standards of eligibility, the project could receive grant money.

Because there would surely be more grant applications than money, the funds would be dispersed in a neutral fashion through a lottery or in a first-come, first-served manner. “There would be no distinguished group of peer reviewers, advisory committees, or board of directors deciding which proposal is more meritorious than another. There would be no vetting whatsoever as to the wisdom of an idea or the nature of the content, beyond the meeting of certain basic eligibility standards,” said Hundt.

To assure that the proposed trust fund would not be abused for commercial purposes, Hundt proposed several basic rules:

1. All projects must raise matching funds from outside sources to validate broader support for the idea.
2. Anyone that receives money cannot license what they have created for profit.

3. Recipients cannot do any merchandising or create anything that attracts advertiser support of any kind.
4. Recipients cannot charge a subscription for anything that they create.
5. All projects funded by the trust would have to be made freely available on the Internet. If any grant recipient decides to “go commercial,” all they have to do is pay the trust back.

Conceding that his vision is a stark departure, Hundt explained that he has two key motivations: “First, that this effort be about the next generation of media and not the previous generation. And second, that this project take account of the distinctive attributes of the Internet because the Internet is a medium that is different from all previous mediums. I think the Internet is the new organizing medium of society; the public interest ought to be represented with respect to the dominant medium of our time.”

Hundt’s proposal drew praise for its boldness and forward-looking vision, but it also elicited criticism about its operational design.

John Clippinger, chairman of Parity Communications, believes that the Hundt trust fund is astute and innovative precisely because it builds on the user-driven, self-organizing principles of the Internet itself. People create and interact in new ways via the Internet, said Clippinger, so we need to support the new types of expression and modes of distribution that occur on the Internet. Any program to promote public-interest content in the Internet will fail unless it recognizes these new realities.

Other participants, however, questioned why grants under Hundt’s trust fund would be restricted to Internet projects and not apply to all digital media. Why shouldn’t grants be made for educational software, video games, digital toys, and electronic appliances, provided they served some public-interest goals? Hundt replied that if an innovation can be released for free on the Internet, it should be eligible for support—and if other spinoff applications are pursued, so much the better. But consumer appliances and gaming systems are likely to be closed, proprietary, for-profit systems, he said, and the point of this trust is to support open, publicly accessible, free systems, which is the essential principle of the Internet.

Larry Grossman of the Digital Promise Project criticized the proposal for not providing sufficient accountability and priority-setting in the use of public funds. “This society has many needs,” Grossman said. “It raises a question in my mind to give public funds to just anybody who comes in with an idea.” Others echoed this criticism that the fund does not make any attempts to choose the best projects on the basis of qualitative standards or the judgment of experts.

A related objection was raised by Gary Knell of Sesame Workshop, who fears that the proposal would not assure quality content. “People have gotten used to, or should expect, a level of quality in terms of audio, video, and other production values.” Others criticized the Hundt proposal for not having any marketing component, either to alert would-be grant applicants about the fund or to publicize projects that result.

Former FCC chairman William Kennard worried that any content funded through the Hundt trust fund might not be able to find a channel of distribution. “What’s happening in the Internet space today is that conglomerates are trying to put all of us in ‘walled gardens,’ so that all we will see is their content,” said Kennard. “Whether you’re AOL or Microsoft, it’s all about branding content so that users don’t venture outside that ‘garden’ to see other people’s content.” Kennard conceded, however, that peer-to-peer networking software may neutralize the “walled gardens” strategy for proprietizing distribution and content, enabling noncommercial content to be more readily distributed.

A Tale of Two Media: What Constitutes “Quality” and “Authority”?

As a dramatically different sort of proposal, Hundt’s proposed trust fund for Internet-related content provoked a great deal of spirited discussion. Much of it centered on the “quality” of content it would yield and the reliability and authority of its projects.

“What we’re trying to do here is imagine a great house of content,” said Ann Kirschner of Fathom, the online learning website. “As you would in building any house, you worry about the foundation and the structure. The tensions that were revealed to me

in this discussion are, first, the tension between the notion of authenticated knowledge vetted by a sufficiency of education and culture versus the voice of the people. Second, there is a tension that I see between the for-profit and the not-for-profit. This tension is not strong enough that we need to draw a bright line between the two, but it is there.”

The first tension—between authenticated knowledge and pooled vernacular knowledge—may be the most complex and deeply rooted. It is exemplified by the difference between having a National Science Foundation peer-review panel decide what is worthy of funding and the bottom-up, self-organizing style of knowledge-creation exemplified by open-source software development and peer-to-peer networking on the Internet. The two models represent radically different notions of “quality” and “authority.”

Much of the confusion in discussion about “quality” and “authority” seems to stem from implicitly different notions of how these attributes are warranted—by elite bodies of experts who have studied the issues at length or by the folk wisdom and innovative ideas that are said to subsist in “the people.” Which is more trustworthy?

“When I was doing my doctoral work,” said John Clippinger, “there was a sense of hierarchy and expertise that resided with the senior faculty. But what I later found, once I got on the Internet and started sharing results with the people out there, is that the people know a lot more than the ‘authorities’ do. I think the NSF review process is a very awkward, innovation-limiting process. The most innovative things I’ve seen have come out of the networking experience.”

Clippinger believes that it is possible to obtain “quality” through networking, but such versions of “quality” are warranted in a different manner than traditional, centralized authentication. Much of the disagreement about quality seems to turn on this philosophical issue of whether “quality” exists as an independent ideal certified by elites or as a function of social relationships on a large scale. Clippinger believes the latter is more compelling: “This whole sense of focusing on quality content, independent of your audience—which is actually established through your network—is false.” As Clippinger explained, “The question of trust and credibility

in information—what you believe and what you don't believe—is partly dependent upon who you receive the information from: your social networks and the people at different levels within them.” Any discussions about quality therefore must start with the social communities from which information originates, he said.

Zoë Baird of the Markle Foundation agreed that peer-to-peer networking has a great potential to help generate useful information, but she believes that a key issue that must be addressed is how to finance “quality” content on the Internet. Napster “succeeded,” she said, because its quality was based on other people’s investments in recorded music. That situation is unique, however, because the wholesale use of other people’s copyrighted works is not likely to be allowed.

For Baird, the challenge of paying “quality costs” requires dealing with two issues that are tightly interrelated: the availability of distribution channels and economic sustainability. “Either you have to say, ‘We’re going to require distributors to provide some print space or air time to the content financed from this fund,’ or you have to say, ‘We’re going to bring them into this content and let them purchase it for their distribution channels.’ Because *that’s* where the quality will come from, in attracting investors, which in turn will create sustainability. You shouldn’t get any money out of this fund unless somebody has a plan for how they’re going to sustain themselves.”

Others took issue with Baird’s investor-based model of financing high-quality Internet content. James F. Moore, chairman of GeoPartners, cites the power and speed of bottom-up networking via the Internet, all of it achieved with minimal investments. “Lots of websites scale to millions of visitors very quickly, as fads of sorts. Frankly, I’ve found that the most interesting place to look at this phenomenon is the hip-hop world. Russell Simmons is the person to study in terms of this society. What’s really interesting is that the hip-hop entrepreneurs have taken viable, street-level social movements and built for-profit businesses on them. It’s a notion of playing with and against the ‘tie guys’—the media businesses—with what amounts to counter-programming. You’re not trying to start the next fad, you’re trying to go *against* the trends. That sort of freshness has a value here. It’s a different dimension of quality, though.”

What Moore finds exciting about Hundt's proposal is that it tries to harness that same energy of the hip-hop world, in which content is "self-created," and move it in a more systematic way into the viral, distributive, peer-to-peer world of the Internet. Significantly, Hundt's proposal also shifts the emphasis away from for-profit goals and seeks to enhance not-for-profit modes of citizenship and social interactions, which are in many ways incompatible with a for-profit orientation. Many people may find Hundt's proposal threatening, Moore added, not just because it is different but because they sense that it is very powerful.

Conclusion

Although the 2001 FOCAS conference did not reach a clear consensus on which idea is the most compelling vehicle for advancing the public interest, it did offer some serious and sophisticated critiques. This fact alone is an important advance in this period of transition in which we find ourselves. The old paradigms of government action are less attractive and practical, yet the new ones do not yet have clarity of definition, legitimacy within public policy circles, or popular awareness and support.

Many of the issues that must be dealt with involve refinements of law and public policy. How can we assure that any new trust fund for public-interest content is accountable to Congress and spends public monies wisely? What is the best way to structure the governance of such a trust fund? Are there useful hybrids that should be considered, in terms of either government policy or public/private partnerships? These sorts of questions deserve further scrutiny and political negotiation.

Many other issues transcend legal draftsmanship, policy design, and even politics, however. They involve coming to terms with the apparently new epistemology and social ecologies of the networked environment. Our categories of thought and historical experience do not fully prepare us for grappling with the novel dynamics of collaborative websites and peer-to-peer networking. It remains unclear how commercial enterprises may have to alter their operational norms to make money in the Internet space. Many people speculate that the noncommercial, gift economy ethic may

prove to be more potent than commercial forces initially imagined. At the very least, the Internet provokes us to entertain some radically different notions of quality and authority than those of the pre-Internet world.

If the precise definition of “the public interest” in the new media environment remains somewhat murky, there is much less uncertainty about the need to pioneer new forms of public-interest content. At least among the FOCAS participants, there is consensus that that challenge must be joined, and joined soon. It will take time to forge a new notion of the public interest, but in the meantime these conversations might serve as the scaffolding for an edifice waiting to be built.

Notes

1. Markle Foundation, *Toward a Framework for Internet Accountability* (New York: Markle Foundation, June 2001), 20–24.
2. A monograph describing the proposed Trust, along with 17 papers on the challenges and opportunities for public-interest content in the new media environment, constitute *A Digital Gift to the Nation: Fulfilling the Promise of the Digital and Internet Age* (New York: Century Foundation Press, 2001).

AFTERWORD



The Public Interest: An International Perspective

by Asa Briggs

A. The term “public interest” is an old one. So too are the terms “public domain” and “public good.” None of them is specifically American. Each of them has a history. Exploring their meanings, past and present, is relevant in any topical discussion, American or non-American, national or international, about the “public stake”—a more recent term—in the mass media.

The FOCAS report, which concentrates on domestic issues of the United States, is correct in beginning with the proposition that “there is a broad consensus in many quarters...that existing communications technologies and markets [and both are still in the process of change] are not adequately serving many important public needs.” It goes on to reveal, however, that there is far less consensus about what those needs are. The term “public needs,” which immediately invites a discussion of priorities, is just as difficult to unravel as the terms “public interest,” “public domain,” and “public good,” all of which have intricate legal and economic as well as philosophical aspects.

How “we” assess “the precise scope of the problem” is undoubtedly debatable, particularly but not exclusively in the United States, but the debate is “colored inescapably” not only by personal experience but by public experience. That experience has been different in different countries and cultures. We start, as we must end, with diversity. We will need “diversity” as well as “creativity” in the twenty-first century. There is no single set of answers to a single set of questions.

B. Diversity encompasses attitudes, ideas, structures, and institutions, beginning with attitudes towards technology, the market and the public. There is strong resistance to technological determinism in many parts of the world; technology is conceived of as instrumental. The market is associated with imperfections as well as with benefits. The public is conceived of not entirely in terms of consumers.

C. There has been a change of attitudes, however, during the past 20 years as communications technology has been transformed, as structures have been deregulated and as so-called traditional institutions have been under attack. In light of this change it seems wisest to think of technologies, markets, and publics in the plural. Technologies have converged, but old and new technologies co-exist. Markets have become more global, but their “globalization” has affected local and regional employment in ways that have provoked protectionist responses and generated exceptional volatility. Geography cannot be separated from economics, and finance is a crucial element in determining outcomes. Movements in prices of American stock, according to one estimate, account for 80 percent of the movement of European stock prices. In an article in the *Paris International Herald Tribune* (9 April 2001) headlined “In Ever Smaller World Global Diversification is Proving Less of a Hedge,” James K. Glassman referred to the difficulty in remaining a “parochial investor” even “if you wanted to be” and pointed to the paradox that “a smaller world for businesses is a more volatile world for stocks.” Meanwhile, the fragmentation of “publics” has affected all broadcasting agencies. The idea of “the great audience” disintegrated. Yet despite these changes, all significant, there is still a belief in the need for national and regional policymaking, not least in new political entities such as the European Community. The present director of the European Broadcasting Union, Arne Wessberg, summarized current attitudes in Europe this way:

Public service mediation offers a rare, beneficial resource that should be investigated rather than ignored; a resource to be invested rather than resented. It provides

a useful and needed counterweight that actually stimulates competition—not only between channels and in programming, but more importantly between approaches to how and why mediation is done. If we are to serve the public interest competently, as represented in our commitment to media pluralism, then convergence must also be about divergence. Our focus must be on better understanding those differences that make a difference.

Wessberg was writing in *Intermedia* (April 2001) in an article titled “Challenges and Opportunities in the Internet Age.” How he interpreted the word “challenges” was not based on his personal experience but on his public experience, and although what he wrote would itself be challenged in some European circles his challengers would have to take it for granted that he was summarizing an approach to communications that was shared by most “authorities,” not just governments, in the countries belonging to the European Broadcasting Union. The presence of “authorities,” challenged though it has been, remains powerful.

D. Looked at from above, below, and the side, American experience in this field is distinctive—a point that cannot be made too often inside and outside the United States, where the distinctiveness is taken for granted, and taken as the necessary reference point. This point makes for misunderstanding that is accentuated when the context shifts from Europe to “Third World” countries, which have their own perspectives when they concern themselves—as they must—with media issues, including the role of the Internet.

The distinctiveness of the United States experience begins with scale and the resources made available through scale. Scale affects media operations and media research (far too little of the latter concerned with comparative research), which should always bring in Japan as well as Europe and smaller countries within Europe—such as Finland, a particularly interesting country to study—as well as Britain, France, Germany, and Italy. In Finland 6 out of 10 people use

the Internet daily, and 2 more people use it at least once a week, and it was the right rendezvous for an interesting workshop on Emerging Global Electronic Distance Learning held at Tampere in August 1999. An international coalition of interests was represented there, supported by private and public funds from Alprint, the British Council, Finnaire, the Finnish Broadcasting Company, the Finnish Ministry of Education, the Soros Foundation, The U.S. Information Agency, the National Science Foundation, and the Information and Development Program (*infoDev*), administered by the World Bank. The agenda of the symposium was “implementation of affordable e-learning across national boundaries.”

When the symposium met, more than 180 countries had Internet access and more than 370 million people were using e-mail—the major Internet use around the world. Some “public needs” in health as well as education were considered “common,” but in comparing countries and regions, Latin America and Africa raise different comparisons and contrasts from those in Europe or Asia, where religious, economic, social, and cultural patterns are different. Moreover, Canada, China, and Australia demand special study in their own right, like Japan, as well as for purposes of comparison.

E. This Afterword relates directly, however, to the FOCAS report and concentrates as the report rightly did on the United States, where thinking in the Aspen tradition can genuinely lead to action. There was general consensus that the highest priorities for government intervention (the necessary term to use rather than policy) include public access to technology, training and education (continuing learning would be a better alternative description), storage and preservation, indexing of content (invaluable to the world as well as to the United States), and the authentication of reliable sources of information (a worldwide quest).

There was also a shared desire in the symposium to be able to set out “a defined objective”—easier to do for specific projects than for program ranges. As Wessberg put it, “Multimedia is about process more than product, about accumulation rather than closure.” It is not accidental that most of the discourse on an “information

society,” like that on “multimedia,” is based on metaphors from the past. Only relatively recently the most familiar of these metaphors related to information superhighways—a metaphor derived from transportation. The metaphor that most concerned some members of the symposium, however, was that of “digital libraries”—not surprisingly because this metaphor concerns “the public good.” Fortunately, perhaps, the symposium as a whole was less concerned with metaphors than with projects and models, and the various implications of the library metaphor were not explored. Could the library serve as a model for a public domain of information in cyberspace? In asking this question, Peter Lyman of the School of Information Management and Systems at the University of California, Berkeley, suggests that the metaphor might offer a possible answer to Newton Minow’s demand for an Internet equivalent of the public interest spectrum in broadcasting.

F. The idea of financing “public interest involvement in the new media environment” from revenue derived from auctioning of the spectrum, formulated by Minow and by Lawrence Grossman, rightly figured prominently in the symposium as in the FOCAS report. Indeed, the book *A Digital Gift to the Nation: Fulfilling the Promise of the Digital and Internet Age* was distributed to members of the symposium as required reading before the symposium met. Its cogent and imaginative opening pages, as relevant to British as to American readers, draw directly on “public experience” in stating the case for a new, congressionally chartered trust fund to finance out of Federal Communications Commission (FCC) spectrum auctions “the nation’s nonprofit, educational, arts, cultural, civic, and other public service institutions.”

It is inappropriate for a non-American to become involved as a participant in an American debate on the best way of raising the necessary resources to cover this wide-ranging objective. Yet it is appropriate for a non-American to salute the initiative that lies behind the Digital Gift proposal and to reinforce from outside the basic premise that public resources are always needed to achieve “public needs.”

Non-Americans honor the three historical precedents that Minow and Grossman have chosen as examples from American public experience: the Northwest Ordinance in 1787, which set aside public land to support public schools in every new state long before the idea of public school education began to be implemented in most other countries; the Merrill Act in 1862, which led to the establishment of more than 100 land-grant colleges—beyond the ambition and reach of any other country in the world at that time; and the GI Bill of Rights of 1944, landmark in retrospect, which at the time was a source of inspiration to non-Americans in every continent.

G. These three measures incorporate a notion of “access” that is understandable in every society and culture. Yet each country has its own landmark dates that provide signposts to the future and its own angle from which to consider U.S. achievements. In Britain—to take the example that I know best—there was a Public Libraries Act in 1850, but no national education act setting up public schools (not known as such) until 1870. Higher education was the concern of only a few institutions in the nineteenth century, and when the GI Bill of Rights became law there was more public interest in health and in social security than in education. Yet the creation of the British Broadcasting Corporation (BBC) in 1927 by royal charter was a genuine landmark, coming after six years of highly distinctive company management—a landmark date in international as well as national history. A “public corporation,” not controlled by government, was a new institutional device. The Open University, planned meticulously but imaginatively during the 1960s, was in its own language “open to students [no qualifications were necessary for entry], open to ideas, and open to methods.” Television was then the dominant technology, but this was not a television university. When it took in its first students in 1971, it used a battery of methods to enable students to learn in their own time, at their own rate, in their own place. There are now open universities in many countries—the Indira Gandhi National Open University in India, for example, founded in 1985. They follow their own strategies, influenced by the shape of their country’s educational system, but

their purposes are shared. These open universities have been set out in relation to English-speaking countries by the Commonwealth of Learning, which was set up in Vancouver in 1989.

H. Communications technologies are universal. How they are applied and within what institutional shells varies significantly. In each society and culture, the influence of the past affects the approach to the future. The point is clear in relation to the plans of the Open University referred to in the symposium, which is more important in discussing British futures (again a plural is necessary) than the E-university to which reference is made. The point is equally clear also in relation to the BBC. The latest long-awaited official British White Paper on Communications Policy (2001)—which proposes a single regulator, as in Italy, to oversee five hitherto separated sectors of communications—leaves the BBC, with its own Board of Governors, out of the system of “control” on the grounds that “public service broadcasting remains the best way we have yet found of creating a wide range of UK-made, original programmes of the kind people want.” The word “need” does not figure, but the White paper states authoritatively that “the democratic importance of public service broadcasting is as great as the economic justification.”

Public service broadcasting ensures that the interests of all viewers [the White Paper should have added listeners] are taken into account. Broadcasting is now a key part of living in a modern society, and we should not tolerate a market which excludes viewers and listeners from the programmes they have grown used to, as one which no longer makes programmes for everyone. With the growth of the new technology, there is a real risk of a digital divide, which public broadcasting can bridge, by offering new and interactive services and information and education, and ensuring [that] the development of the Internet is not purely commercial.

Competition from commercial broadcasters—which became increasingly active after the end of the BBC’s television monopoly in 1956 and the subsequent end of its radio monopoly—along with the installation of an independent Channel 4 and the emergence, encouraged by the government, of independent program producers, had been, the White Paper concludes, “a spur to innovation and serving customers.” There was a distinctive British ring to the words, “It would be a foolhardy move to frame our policy for a potential, contentious future, rather than on the current, successful reality.” In this evaluation, recognition of the importance of “quality” was implicit, and in other places the distinctive world role of the BBC in program making (often through international consortia) and in the distribution of world news was supported. Yet British critics of the BBC and the government’s White Paper complained of what they called the perpetuation of the BBC’s “privileged” position and its self-regulatory management “separate from the rest of broadcasting.” Nonetheless, even Rupert Murdoch’s BSkyB—one of the critics—acknowledged the need for a “regulatory structure” and the “principles of regulation” outlined in the White Paper.

I. There is a more positive and adventurous approach to the Internet in the FOCAS report than there is in the White Paper, which has been criticized in Britain itself for the “black holes” within it. There was broad, if not complete, consensus in the FOCAS symposium—as there was in the Tampere symposium—that the Internet “radically empowers individual users,” developing, as it does, “a qualitatively different sort of individual creativity and initiative than top-down, centrally organized institutions.” As a member of the symposium I strongly supported the view that any satisfying American version of “public interest” communications must build on “the user-driven, self-organizing principles of the Internet itself.” On the Internet people “create and interact,” as John Clippinger put it, “in new ways.” Yet the Internet has changed significantly in its short history and will continue to change. “Proprietizing distribution and content” can never be left out of the whole picture.

As a non-American, anxious to promote Internet use in all countries—including my own—I welcomed Reed Hundt’s

concentration on the Internet in his own proposals and his reluctance to concede to critics who asked that grants from his hypothetical Trust Fund should be made not only for Internet projects but for educational software of all kinds, as well as video games, digital toys, and electronic appliances, “provided that they served some public interest goals.”

The Internet is the “new organizing medium of society, . . . different from all previous mediums,” and “the public interest ought to be represented with respect to the dominant medium of the time.” Irit Harel eloquently supported Hundt’s proposals largely on these grounds, pointing at the same time to the digital gap and the unique opportunity of drawing people without power into the use of the Internet. This point is even more important in a world context than in an American context. There is adventure in the recognition that, as Hundt emphasized, “we cannot really predict what sorts of content will emerge or prove interesting or useful.”

J. It would be important, following on and supplementing the FOCAS report, that far more attention be given to the World Wide Web. And a sense of the international uses of the World Wide Web should be emphasized in any future study. Attention is always needed to ensure that American references are complemented by international practices. The example of Fathom—a website that at a high level has succeeded in bringing together institutions in different countries—demonstrates the point, showing how disparate groups can enthusiastically seek common interests. We can see that the market encourages some necessary interactions, but because it generates resentments and shortcomings, its effects demand constant international as well as national scrutiny. And in this process, attention must always be paid to the impact of technology on language and values.

K. All of our traditional perceptions of the local, national, and international have been forced out at the margins of a symposium into the heart of our thinking—and feeling—in the aftermath of the events of September 11, 2001 which destroyed any illusions that “inside” can be separated from “outside.” There are no firewalls, no

walled gardens. Other Aspen communications symposia in 2001—and, indeed, in earlier years—had sought to dispel such illusions before terrorism in the United States became a fact and not an image: drawing attention, as they did, to economic and social interdependencies and to the security dangers in an interconnected world. It was not a surprise to participants in these symposia that high technology, including the Internet, can be used for evil as well as for good. The report on the FOCAS symposium, written largely before September 11, concentrates almost exclusively on the United States and on a “media world” that is too differentiated from the “real world,” mediated though the latter must always be—and it was in particular, on and after the day of tragedy. In the avalanche of “meaning” that arises out of September 11, the role of the media will itself become a topic of intense discussion, and writers on it will doubtless trace the reemergence of “propaganda,” more prominent than at any time since the end of the Cold War and the beginning of a real war in Afghanistan. The consequences of uncoordinated information flows from the formation of opinion and attitudes will be compared with the consequences of intense, ancient hatreds, which preceded the rise of the modern world.

September 11th was a horrifying demonstration of the vulnerability of the United States, in particular—though it is far from being alone in this respect—to attacks by the organized enemies of civilization employing in the cause, as they see it, modern techniques, including the Internet and the automated banking system. Since that day there has been increased awareness in the United States, in particular, of the implications of what over the past 10 years has been called “globalization.” The technologies that interconnect are truly global, although they are used for different, even clashing, purposes in different parts of the world and even in the United States itself.

In these circumstances, self-awareness is not enough. There has to be awareness of others and of how things do or do not interconnect. There has to be awareness, too—however difficult it may be to achieve—of the strength of the demand for “authenticity,” recognizing that there are no easy or complete answers to deep and

haunting questions, some of them new, concerning the future of civilization. It will be necessary to reexamine differences between the terms “civilization” and “culture” because in every culture there are enemies of civilization. The analysis will be as diverse as the answers we offer, and they will change over time. “We” are only in the first stages of a process as long and diverse as the “communications revolution” itself.

APPENDIX



Forum on Communications and Society (FOCAS)
Annual CEO Meeting

*In Quest of the Learning Society:
New Approaches to Funding Content*

List of Conference Participants

July 29-31, 2001
Aspen, Colorado

Zoë Baird

President
The John and Mary R.
Markle Foundation

David Bollier

Director
Information Commons Project
New America Foundation
and
Senior Fellow
The Norman Lear Center
USC Annenberg School for
Communication

Asa Briggs

Former Chancellor
Britain's Open University
and
Member
House of Lords

Gaston Caperton

President and Chief Executive
Officer
The College Board

John Clippinger

Chairman
Parity Communications

Peggy Conlon

President
The Advertising Council

Charles M. Firestone

Executive Director
Communications and Society
Program
The Aspen Institute

Lawrence Grossman

Co-Director
Digital Promise Project

Idit Harel

Chairman and Chief Executive
Officer
MaMaMedia, Inc.

Reed E. Hundt

Senior Advisor
McKinsey & Company

William E. Kennard

Managing Director
Telecommunications and Media
The Carlyle Group

Note: Titles and affiliations are as of the date of the conference.

Ann Kirschner

President and Chief Executive
Officer
FATHOM

Gary Knell

President and Chief Executive
Officer
Sesame Workshop

Michael O. Leavitt

Governor
State of Utah

Gerald M. Levin

Chief Executive Officer
AOL Time Warner

James F. Moore

Chairman
GeoPartners

John J. Oliver, Jr.

Publisher and Chief Executive
Officer
Afro-American Newspapers

Lynda Resnick

Co-Owner and Vice-Chairman
Roll International Corporation

Tracy Westen

Vice-Chair and Chief Executive
Officer
Center for Governmental Studies

Raul Yzaguirre

President
National Council of La Raza

*Staff:***Patricia Kelly**

Program Manager
Communications and Society
Program
The Aspen Institute

About the Authors

David Bollier is an independent strategist, journalist, activist and consultant with a varied public-interest portfolio. His work focuses on progressive public policy, the impact of digital media on democratic culture, consumer rights, and citizen action.

Much of Bollier's recent work has been focused on developing a new analysis and language for reclaiming "the American commons," the publicly owned assets and communities that create wealth and social benefits through non-market means. In a number of essays and reports, Bollier has developed the notion of the "information commons" as a new paradigm for understanding the public interest in the digital, networked environment. His critique of the commons is also set forth in his new book *Silent Theft: The Private Plunder of Our Common Wealth* (Routledge).

Bollier has been an advisor to television writer/producer Norman Lear since 1984. He is also director of the Information Commons Project at the New America Foundation, and a senior fellow at the Norman Lear Center at the USC Annenberg Center for Communication. In 2001, working with Gigi Sohn and the Center for the Public Domain, Bollier co-founded a new public-interest policy advocacy organization, Public Knowledge, which represents the public's stake in intellectual property law and Internet issues. He lives in Amherst, Massachusetts.

Lord Briggs [Asa] was provost of Worcester College, Oxford, from 1976 to 1991 and chancellor of the Open University from 1978 to 1994. By profession he is a historian and has written five authoritative volumes on the history of broadcasting in Britain. At present he is writing a single volume history of the BBC bringing the story down to the end of the Birt era. He is also writing a *Short History of the Media* with Professor Peter Burke at Cambridge University. He is an honorary trustee of the International Institute of Communications. Since 1997 he has been chairman of the British Consultative Committee of Encarta.

The Aspen Institute Communications and Society Program

www.aspeninstitute.org/c&s

The Communications and Society Program is a global forum for leveraging the power of leaders and experts from business, government and the nonprofit sector in the communications and information fields for the benefit of society. Its roundtable forums and other projects aim to improve democratic societies and diverse organizations through innovative, multidisciplinary, values-based policymaking. They promote constructive inquiry and dialogue and the development and dissemination of new models and options for informed and wise policy decisions.

In particular, the Program provides an active venue for global leaders and experts from a variety of disciplines and backgrounds to exchange and gain new knowledge and insights on the societal impact of advances in digital technology and network communications. The Program also creates a multidisciplinary space in the communications policymaking world where veteran and emerging decision makers can explore new concepts, find personal growth and insight, and develop new networks for the betterment of the policymaking process and society.

The Program's projects fall into one or more of three categories: communications and media policy, communications technology and the democratic process, and information technology and social change. Ongoing activities of the Communications and Society Program include annual roundtables on journalism and society, international journalism, telecommunications policy, Internet policy, information technology, and diversity and the media. The Program also convenes the Aspen Institute Forum on Communications and Society, in which CEOs of business, government, and the nonprofit sector examine issues relating to the new technologies and lifelong learning.

Conference reports and other materials are distributed to key policymakers and opinion leaders within the United States and around the world. They are also available to the public at large through the World Wide Web.

Previous Publications from the Aspen Institute Forum on Communications and Society

Information Literacy: Advancing Opportunities for Learning in the Digital Age (1999)

Richard P. Adler, rapporteur. The report explores the barriers that impede acquisition of the knowledge and skills needed to effectively manage information in its myriad forms, especially digital. It explores six concrete initiatives that individuals and institutions might develop to remedy this problem. The report includes a background paper on information literacy by Patricia Senn Breivik, dean of Libraries at Wayne State University and chair of the National Forum on Information Literacy. 45 pages, ISBN Paper: 0-89843-262-6, \$12.00. Available online at www.aspeninstitute.org/publications1/pdfs/infolit.pdf.

Jobs, Technology, and Employability: Redefining the Social Contract (1998)

Richard P. Adler, rapporteur. This report examines the changing nature of the employee-employer relationship and whether the economic, technological, demographic, and social trends driving the global economy will lead to the development of a new “social contract” between employer and employee. 62 pages, ISBN Paper: 0-89843-241-3, \$12.00. Available online at www.aspeninstitute.org/publications1/bookstore_communications_employability_book.html.

Creating a Learning Society: Initiatives for Education and Technology (1996)

Amy Korzick Garmer and Charles M. Firestone, rapporteurs. The first report of the Aspen Institute Forum on Communications and Society, a group of 25 CEOs from business, government, and the nonprofit sector, addresses specific issues in the K-12 classroom, as well as broader issues of lifelong learning outside the classroom. The report offers a range of initiatives for overcoming barriers to funding technology in schools and training teachers how to integrate technology into the classroom. 81 pages, ISBN Paper: 0-89843-197-2 \$10.00.



THE ASPEN INSTITUTE

Publications Office

P.O. Box 222

109 Houghton Lab Lane

Queenstown, MD 21658

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