

*A European way  
for the information society*





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European Commission

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At the threshold of the third millennium "Information and Communication Technologies" (ICT) are no more just a technology, but are part of our life. The tremendous achievements of the ICT sector in the last few years, and particularly of the Internet, have practically cancelled the concept of time and distance, and the Information Society is ready to open the doors to world-wide globalisation.

The emerging digital economy is radically changing the way we live, work and communicate, and there is no doubt about the benefits that will lead us to a better quality of life.

The Information Society is necessarily a global society. Nevertheless "globalisation" is not only a process of economic integration, but also a process affecting culture, technology and governance, and a process in which the traditional basis of European cultural pluralism should be guaranteed in order to avoid the risk of establishing a mono-cultural world.

"Globalisation with a human face" is the leitmotiv of our report. "A European way for the Information Society" proposes a distinctive way of responding to world-wide globalisation, in the search for a dynamic equilibrium between different and sometimes competing concerns and goals.

Economy is one side of the coin, and a very relevant one. Nevertheless ICT should not be seen as a pure industry product, and the "social" component of the Information Society, or the so-called "soft" dimension, should be adequately considered and stressed. Access to public services, consumer confidence, citizen participation, networked democracy, privacy protection, social cohesion and sustainability, are only a few of the main issues considered and debated in our report. And the Forum is convinced that on all these issues ICT as a whole could and should considerably influence and help.

Strengthening of European competitiveness is seen as a major goal, together with the need of global governance to look for an optimised balance between some of the most critical conflicts, such as wealth and economic

growth vs. social and ecological concerns, short term advantages vs. long term stability, global economy vs. world-wide ethic values.

Building a skilled workforce is essential to meet the demands and challenges of the new millennium. With the emerging knowledge-base society the "human" capital represents a key pillar in promoting sustained economic growth. Actions directed towards lifelong learning, continuous education, training on the job, and skills upgrading, should continuously stress the importance of such issues, and not just in advanced economies, but also in developing countries.

Change is a natural process of civilisation. The Information Society will imply radical changes and at tremendous speed: a speed we have never experienced before. It will widely contribute to the emerging globalisation of economic activities and ideas, driving us to a "knowledge based" society. And knowledge often increases in value being shared rather than being hoarded.

Our report reflects the "advisory" nature of the Forum and we are confident that the proposed recommendations will be considered within the definition of EU initiatives.

The central role of Europe is a pillar of our approach, within the framework of world-wide globalisation. With this target on mind, the Forum proposes a global society dialogue (GSD), with the purpose of achieving a consensus on a common framework for international governance and trade in the emerging Information Society.

***Claudio Carrelli***

***ISF Chairman***

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## Executive Summary

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The Information Society Forum (ISF) was founded in 1995 to advise the Commission of the European Communities on the development of the information society. This is its third report.

Information and Communication Technologies (ICT) are rapidly becoming central to economic, cultural and civic life in the industrialised countries. Access to ICT will increasingly be essential to full participation and citizenship. In brief and roughly: **Internet access will become a fundamental right.**

**The information society is necessarily a global society.** ICT abolishes distance and ignores borders. Many of the possibilities it opens for an improved life for all are connected with the positive features of globalisation. Most of the challenges it poses demand global solutions, and these require a *new international framework* that deals fully with the economic, social, cultural and environmental needs and concerns of the members of the global information society.

The ISF proposes that there is a **distinctive European Way** which has much to offer the world in meeting the challenges of the global information society. This is rooted in the search for dynamic equilibrium between different and sometimes competing concerns and goals. Its principles could be summarised as *liberty, equality, fraternity, solidarity & sustainability*.

Physical access is necessary but not sufficient for full participation. To avoid the risk of public mistrust in new services, a firm **civil rights approach** is necessary to guarantee both consumer confidence and fundamental matters such as privacy. This is central to the *European conception of the rights of the individual*.

Humanity has barely scratched the surface of the astounding potential of ICT to improve the quality of education. Universal access to education and training is vital for individuals to achieve the functional literacy which will enable them to explore this potential. Educational institutions will have to face up to the **challenge of facilitating lifelong learning**, transforming education from the

inculcation of information to *instilling the skill of learning*.

ICT offers the potential for economic growth and increased prosperity with reduced impact on the environment and lower consumption of non-renewable resources. It may thus make a **major contribution to sustainable development**. This potential will, however, be realised only if the information society develops within an appropriate international framework that *explicitly deals with the concerns of sustainable development*.

Sustainability is not just about the physical environment. The ISF introduces to the debate **the cultural dimension of sustainability**. ICT has the potential, in principle, to enable distinct cultures to co-evolve, enriched by truly global communication between their members. There is, however, a risk that economic forces left to themselves may lead to undesirable dominant positions in popular culture and access to information. The ultimate danger in this field is of a global monoculture. Again, this is a matter for international framework building, and *must be urgently addressed in the context of the present World Trade Organisation (WTO) talks*.

**Europe enjoys a particular culture of public service.** As citizens become accustomed to information society services which offer flexible, individualised interaction independent of place and time, they will place new demands on services offered by the public sector. ICT offers the means for the public sector to meet these challenges. But this will occur only if there is a *change in the culture of government and of public service towards a "network mentality"*.

We need a healthy economy in order to be able to finance programmes and policies supporting sustainability in all senses. The ISF stresses that **open markets are the best general instrument to ensure economic efficiency**. *A thriving European economy is a precondition for the EU to be able to influence the future world order system of governance towards its basic values.*

The development of the information society is at the root of sustainable growth. But market forces alone will not solve Europe's unemployment problems. European productivity, growth and employment will be profoundly influenced as the information society affects all citizens' work and daily life.

The definition of a framework of global governance appropriate for a sustainable global information society must be informed by the widest possible world-wide public debate. If such a framework is to be compatible with the democratic principles of the European Way, the European Way itself must be seen as a contribution to such debate. The ISF therefore **calls for a global society dialogue**. This should start the process of reaching *consensus on the necessary core values for such a framework*.

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## Summary of recommendations

The Information Society Forum, as principal advisory body to the Commission of the European Communities on the development of the information society, recommends that the Commission and the EU consider action in the following areas:

### Internet for all

Take all necessary steps to ensure that all relevant policy initiatives recognise Internet access - and access to future networks and bodies of information - as a fundamental right

Gradually extend Universal Service provisions starting now, to include Internet access - and eventual access to future networks - as a fundamental right.

Ensure and guarantee the right to receive and impart information freely using ICT, and promote access to information in the converging media

Promote and sustain the production and dissemination of high-quality, diverse content

Reform educational structures as an essential means to reach a high level of functional digital literacy

Take all necessary steps to guarantee affordable Internet connections for all schools in the EU by the end of 2001, and step up support for appropriate educational content and training

Urgently discuss with governments and non-governmental organisations in the developing countries what EU support may be appropriate for the extension of ICT to their people

### The economic framework for the information society

Define and establish the right economic framework for the information society by a combination of:

- applying flexible and responsive regulation;
- increasing the availability of risk capital for entrepreneurs; and
- extending liberalisation and competition policy to local access networks

Use existing budgetary resources for active employment measures to prepare people and organisations for the information society.

### Global governance in the information society

Promote the development of global economic, social and environmental frameworks which recognise the global impact of the information society, for example at the WTO

Interact with the Global Business Dialog in a constructive effort to reach consensus on e-commerce issues

Support the Global Society Dialogue which the ISF proposes as a forum to discuss issues of international governance in the context of the information society

### Consumers' & citizens' rights in the information society

The ISF is drafting a Charter of Citizens' and Consumer Rights in the information society and recommends that the Commission:

Introduce new legislation and promote self-regulation and technical solutions to overcome users' lack of trust and to safeguard consumer protection in new media services; and

Ensure that the Declaration of fundamental constitutional rights of European citizens pays attention to citizens' rights in the information society

### Cultural sustainability in the information society

Maintain and promote cultural sustainability in the information society as an official principle of EU policy

Acknowledge cultural goods, services and information as significantly different from other products

Refrain from applying GATS to services related to the communication of audio-visual content, since these are directly linked to the cultural, political and social interaction and sustainable development of societies

### **The role of the public sector**

Speed up the recasting of public administrations and improvement of government services through more intensive use of ICT tools

Guarantee access by all EU citizens to "vital information" held by governments

Establish secure channels of communication between citizens and public administrations

Promote public/private partnerships to supply public sector information and services

### **Environmental sustainability in the information society**

Make full use of the power of ICT to:

- increase resource efficiency and "dematerialised" economic growth;
- increase public and social awareness of the challenges of sustainability in the context of globalisation; and
- implement global environmental monitoring making appropriate use of ICT

The ISF recommends that the EU organise a world conference on the information society and development

### **CEE countries and the information society**

The ISF recommends that the EU take urgent action to:

- build up ICT-skilled human resources, ICT infrastructures and ICT access in the Central and Eastern European (CEE) countries;
- launch a Digital Europe initiative jointly between the EU and the CEE countries; and
- accelerate the integration of the CEE countries into the EU, co-financing ITC initiatives toward this end
- support the development and implementation of comprehensive national information society strategies as a political priority
- stimulate investment by business through encouraging appropriate environments, including further progress in telecom liberalisation

The ISF and its Working Groups continue to examine these matters, aware that these recommendations will require constant revision in the light of events.

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## Introduction

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Information and Communications Technologies (ICT) now put people around the world in touch with each other to an extent which was difficult to imagine just a decade ago. School students from Kansas can and do correspond daily about evolution and intellectual liberty with librarians from Norway and even professors from South Africa. Large companies consider it quite routine to have a head office in one country, production plants in two or three others administered from a fifth and a sixth, while customer support is based in three more convenient time zones.

### The information society is necessarily a global society

The use of ICT powerfully promotes globalisation. There are many very positive things about globalisation. We are all enriched, and our cultures are enriched, by contact with other cultures. It is not as trivial as it first sounds to say that the British Isles are a much better place to live now the national dish is Chicken Madras. It is very serious indeed to say that peoples living in the Amazon basin are extremely keen on the potential of Japanese and Dutch video recording technology to help them put their case for meeting other cultures as equals, no longer as victims.

These positive features of globalisation depend on there being a diversity of cultures. ICT can also support "localisation" - the strengthening and deepening of distinct linguistic and cultural traditions. The Internet is already a natural source of strength for scattered "diaspora" cultures in particular. The nature of the international political and economic context within which ICT is applied will determine whether this potential is realised.

Equally, in the economic sphere ICT has the potential to support co-operating networks of small and medium enterprises. It permits the members of such networks almost instant communication and co-ordination wherever they are located; and it allows them to negotiate orders and even to receive electronically delivered products and services in an almost frictionless manner. An information society in which this potential was realised could, perhaps, be one in which

wealth was distributed around the world with greater equity - since such enterprises may tend to buy physical goods and services locally. It would certainly exhibit a great deal of genuine economic competition as numerous such enterprises and networks joined in a vigorous open market.

However, ICT may also support the growth of global monopolies. Which potential comes to pass depends, again, on the framework of rules within which we construct the information society.

### The need for a global framework

Not only does ICT destroy distance; it ignores borders and makes the application of national law problematic. Journalists playing to readers' fears with tales of international subversion and pornography on the Internet have made this feature notorious. These concerns form a small part of a large and complex issue.

Already, a German citizen living in Singapore may buy a book by a French author published in Canada from a website in Seattle more easily than from a shop in the next street - until, that is, something goes wrong. Which consumer protection laws apply? Which rules of intellectual property? Already, "offshore banking" to avoid tax and social security responsibilities is being offered to anyone with an internet connection, where a few years ago it was convenient only for the few with Telex terminals - and at least one such bank has gone bust. Already, manufacturers have the option of locating their polluting activities in the territories with the laxest environmental regulation, while management keeps in minute-by-minute email contact with the factory supervisors.

These are but a few examples of the ways in which ICT increases the need for global frameworks within which open markets can flourish - for the alternative is that there be, in effect, no framework dealing with social, cultural, civic or environmental matters.

By far the most powerful of the global frameworks which currently exist is that administered by the World Trade Organisation (WTO). Recent differences of opinion within

and around the WTO have focused precisely on the degree to which its present form addresses these social, cultural, civic and environmental concerns - or may, some say, encourage strictly economic criteria to override them. The ISF describes the European Way as seeking dynamic equilibrium between these concerns. It advises as a matter of urgency that any new WTO Treaty should attempt the same, and at the minimum should not pre-empt a framework which does so.

### **"Hard" versus "soft" attributes of the information society**

The "hard" features of ICT - its hardware and software technology - are very thoroughly discussed elsewhere. The ISF therefore concentrates throughout this report on the "soft" aspects of the information society (which technicians sometimes jokingly refer to as "liveware").

What kind of society is the information society, what do people want it to be, and how may we get from here to there?

We think it worth restating some of the possibilities opened up for individuals and societies by ICT. These are by now commonly accepted by all who reflect on the application of ICT and the development of the information society.

**The members of the information society will have unprecedented access to information and to new modes of communication with each other.**

Electronic commerce is at present probably the most widely-discussed outcome of these new modes of communication. In **Chapter 1**, we suggest that the implications of electronic commerce for citizens be considered from a Civil Rights perspective. As well as reflecting the intrinsic importance of civil rights in the European Way, we believe this approach offers the best hope for widespread acceptance of information society services, and for realising the economic and other benefits that they offer. It leads us to a number of recommendations concerning citizens' rights as consumers.

This Civil Rights perspective reaches beyond electronic commerce to such fundamental matters as citizens' access to the information that is vital for informed democratic choices and for active citizenship and participation in the economy.

ICT both offers enormous opportunities for new techniques in education and training, for example - and changes radically the demands made on them by society and the economy. We consider aspects of these changes in **Chapter 2**. We recommend that the Commission and other interested bodies consider carefully a re-structuring of education and training to facilitate life-long learning.

New modes of communication will also obviously have a major effect on cultures and languages as they are brought into closer contact with each other, inducing economic pressures on smaller cultures. We discuss these effects and possible responses to them in **Chapter 4**.

Citizens' relationships with government and public authorities in general will also, we confidently predict, undergo fundamental changes. ICT both drives these changes by generating new expectations of responsiveness and individual attention among citizens, and provides powerful means to adapt public service to meet them. In **Chapter 5** we outline some of the steps which we believe the public sector needs to take to ensure that these changes are well-managed and that they implement the Civil Rights perspective.

**Information and communications technologies have the potential to facilitate significant improvements in the quality of life of members of the information society.**

Whether and how this potential is realised depends, of course, on choices about the application of ICT. The Information Society Forum asks the Commission and other interested bodies to consider these questions from the perspective of the sustainability of the information society. We take it as read that a proper goal in shaping the information society is that it should leave the next generation, and the next and the one after, a habitable world and a liveable society.

The ISF suggests that these improvements are most likely to be secure if the information society is governed within the Civil Rights perspective outlined in **Chapter 1**. The opportunities for lifelong learning described in **Chapter 2** of themselves form an important part of the quality of life as well as being a prerequisite for full economic and social participation in the information society.

ICT offers the possibility of sustainable economic growth with a reduced impact on the environment. The exchange of information provides opportunities for increased activity without increased transfer of material resources, a phenomenon sometimes called the "dematerialization" of goods and services. The realisation of this potential is by no means an automatic result of the existence of ICT. In **Chapter 3** we offer for debate some pointers to its achievement.

We suggest also that consideration of "sustainability" should usefully be extended beyond the traditional concerns for the physical environment and the continuing availability of food, water and shelter. In particular, in **Chapter 4** we offer for consideration the concept of "cultural sustainability". Just as a sustainable physical environment consists of a rich diversity of mutually-dependent species, a sustainable culture is, we propose, composed of a diversity of cultures, sub-cultures and languages coexisting in mutual respect.

This potential for an improved quality of life cannot be realised unless the information society has a healthy and competitive economy. In **Chapter 6** we draw together suggestions which we propose will assist the growth of such an economy, built on the vibrancy of open markets in goods and services. In particular, we suggest that the Commission give careful consideration to redesigning its employment policies to reflect the new realities.

**Membership of the information society depends upon access to ICT.**

Perhaps the most important question before us, however, is: who will be full members of the information society?

The ISF urges the Commission to question very seriously whether its policies and actions are presently doing as much as is necessary to ensure that no citizen of the EU is excluded from the benefits of the information society. This theme is necessarily raised throughout this Report.

We note that, though there are significant financial and training barriers to full participation within the EU, out of all the questions we raise in this Report this is much the most urgent for many social sectors of Central and Eastern Europe. This is a very direct concern for the EU in the case of the

candidate countries: but, in the long run, the ISF believes that a globally sustainable information society implies global equity of access.



As government and public information functions in particular migrate to ICT in the interests of better service at lower cost, access to ICT will increasingly clearly come to be seen and demanded as a civil right. Without it, individuals' citizenship and participation in society will be diminished. Those who cannot access it will also be disadvantaged in commerce, employment, cultural expression and educational opportunities. Exclusion will, the ISF suggests, become as much a social hindrance as illiteracy combined with immobility - and literacy and mobility are regarded as fundamental rights. Many fundamental rights need to be strengthened and many human needs remain unmet. But it is citizenship and participation in society through culture and languages which most clearly mark us as human. Again, these will depend increasingly on access to ICT. At present the most significant new form of ICT to which Universal Service provisions should be extended is the internet, and the internet is increasingly perceived as a set of information as much as a technology for conveying it. There will be further technological developments. The

internet has been described as a "string-and-chewing-gum model of the network of the future", but it stands as the current best-known model.

**We therefore conclude, bearing in mind the approximation, that "internet access will become a fundamental right".**

## A civil rights orientation: People first

Since its formation in 1995 the Information Society Forum (ISF) has stressed the importance of the aspirations and needs of citizens and consumers in the development of the information society.

Information and communication technology (ICT) was in the 1980s and the beginning of the 1990s widely perceived as a primarily technical and economic affair, concerning almost entirely businesses and producers. If this had remained the case, the information society would not have become a reality for the mass of the population, not even in the developed countries. The one-sided technical and supply-side orientation of the past has led some to a fear of seizing the opportunities the technology offers for strengthening freedom and democracy.

The most significant concerns of potential and starting internet users are still a lack of trust in the safety and privacy of network communication and the barriers to access to ICT, which is widely felt to be difficult and expensive.

### Improving the quality of life

Using ICT in a socially responsible way has the potential to improve our quality of life significantly. Where it helps to create more jobs and more educational opportunities than it destroys, it can help to improve our welfare (see Chapter 6).

ICT can enable working hours to be reduced and leisure and cultural practices to be extended. Communication between people can become easier and better, provided that online communication adds to face-to-face communication, producing a fruitful interplay between them. Democracy can be improved by better communication and by more equal exchange of information and ideas between citizens and their representatives. Peoples' safety can be improved by, for example, alarm and health systems. People with disabilities can get new opportunities to participate - if ICT is (re)designed to facilitate their access to jobs and to social communication. Higher productivity and efficiency can be used to save energy and reduce society's load on the environment, enabling a better life more in harmony with nature (see Chapter 3).

### Non-exclusion

These opportunities to improve the quality of life will be realised only if no significant part of the population is excluded from ICT. But according to the UN Human Development Reports, in our high-tech societies around one-tenth of the populations are functionally illiterate. The number of "digital illiterates" must be considerably higher.

Large majorities of people with low incomes and restricted education, and of those living in less-developed countries and regions, are in fact excluded from the nascent information society. The only exception to a trend of increasing gaps is the closing of the "gender gap" for ICT. There is a huge and widening gap between the Northern European and the Southern and Eastern European countries.

A European Way for the information society must set out to alter this situation. An information society with such large and structural inequalities is socially unsustainable. It risks destroying the social cohesion of society and of our still-young European Community.

In the information society access to the following should be regarded as civil rights for all residents whatever their citizenship:

- basic connections for public and private communication - universal and public access;
- a plurality of affordable public information and communication content readily and affordably accessible - to enable participation in democracy and society in general;
- communication and information for health and security services - accessible basic health information and alarm facilities;
- tools both for compulsory education and for lifelong learning.

On these matters, see the ISF's **Bristol Declaration**.

### The extension of universal & public service

Putting these modern civil rights into practice requires the provision and extension both of universal service requirements and of public service information.

In the short term, public service is emphasised in the promotion of the information society: providing schools, libraries, hospitals and civic centres with computers, networks and training. In the medium term universal service requirements have to be updated and extended.



The ISF prefers a broad, forward-looking definition of universal service. Now is the time to start the debate about the extension of universal service to include internet access and electronic mail, and to go beyond the limited, traditional definition based on speech telephony as the minimum service.

Some argue that universal service requirements lead to all consumers paying, indirectly, for new services they do not use. We believe this case has not been proven. At least some of the new network infrastructure involved is required by the convergence of internet, traditional telephony and cable.

The US has some important universal service requirements we lack in Europe: "life and link-up services"; reductions of phone and connection charges for qualified low-income consumers; and service support for eligible schools, libraries and rural health care. Life and link-up services extend basic universal service, including provisions for people with disabilities.

### Local access

The liberalisation of telecommunication appears to be very successful in the EU. Prices for international calls, and sometimes for long-distance calls as well, have dropped considerably. The total number of telecom operators has increased and European operators are able to compete on the world market.

However, in many member states local tariffs and the price of subscriptions have risen. Some studies show that telecom expenses have increased for the average consumer. It is business and high-income users who benefit to the greatest extent from lower international tariffs. A primary reason for the proportion of people who are internet users in the US being double that in Europe is that US residents enjoy flat-rate unmetered local access. Cheaper internet access would encourage Europe to catch up with the US.

### Access to digital television

The advent of digital broadcasting platforms - terrestrial, cable and satellite - raises several issues.

The first is choice. It is vital to ensure that viewers can find their way around electronic programme guides easily and make objective choices. We must guard against anti-competitive behaviour in how content is listed and accessed.

The second issue is access in the narrow sense: the need for affordable access to digital TV services. Many are concerned over the future of free-to-air broadcasting and of public service broadcasting in general.

We recommend that all concerned should be wary of confusing digital TV with pay-per-view TV in policy debates. Clearly there is a migration of content to pay-TV and premium channels, independent of the delivery technology.

EU Member states have the opportunity to "list" major events - mainly sporting and cultural - which must remain accessible to all. These national lists should not diverge too far: the European soccer championships, for example, should be listed Community-wide to help ensure a single market. Thirdly, there is a need to ensure that all three digital platforms - terrestrial, cable and satellite - achieve full geographical coverage and maximise viewer choice. It is essential to achieve regional coverage and to offer programming that reflects cultural diversity, in ways suitable to each broadcasting technology. We see a need to clarify policy on the delivery of public service broadcasting through all digital platforms, to ensure that all viewers and listeners continue to have access to these important services.

Finally, the possibilities for interactivity in digital TV raise questions over the reliability of information and users' confidence.

The EU will, the ISF predicts, need actively to promote these concerns in the World Trade Organisation, ensuring that it and the member states retain the ability to act on them.

### Trust and confidence of users

Research indicates that the prime concerns of present internet users are: privacy; the lack of safety of payments or other transactions; and infringements of information and communication freedom both by legal actors (governments and corporations) and illegal ones (criminals, racists, pornographers etc.)

These concerns can be addressed by legal protection, by industry self-regulation and by technological solutions. We believe these add to each other, and that none will work on its own.

Without effective self-regulatory practices, the legal protection of privacy, information and communication freedom, the safety of minors, commercial transactions, intellectual and material property rights and many other issues will not be effective. Effective self-regulation requires the involvement of organisations of producers, service providers, consumers, trade unionists, and citizens; and it requires simple and well-publicised accountability mechanisms.

Unless self-regulation takes place within a clear legal framework, however, it will either be ineffective or will benefit only the strongest

parties. Technological solutions like encryption, rating and filtering systems, rights management systems and techniques of anonymity are powerful. They can be used for both good and ill, so they must be embedded in transparent regulatory practices, both legal and self-regulatory.

### Privacy

Privacy and anonymity are human and citizens' rights. They are vital to citizens' and consumers' trust in the working of the information society.

People must have control over the use of their personal data. They must feel free to communicate without being subject to permanent surveillance. They must not be forced to communicate: the capability of being reachable at any place and time must be exercised at the individual's choice. The integrity of the body must be protected when new techniques of biometrics and DNA registration are used.

Anonymity in sending messages, browsing websites and purchasing goods or services should be possible on the internet as it is in the offline world of sending letters, looking at shop windows and buying with cash. The large-scale electronic surveillance practised by American state security agencies - in which at least one European state is deeply involved - should be subject to the same strict regulations for official criminal investigations as are applied offline.

The EU's Privacy Directive is a good example of the European Way, demonstrating that human and citizens' rights have primary importance in the Union. But some regard it as an uneasy compromise between basic rights and freedoms and economic necessities. On the other hand businesses complain, about it being unworkable and too expensive to administer. After a year, more than half the member states lack national privacy laws; some others have passed over-complicated laws.

The US is objecting to restrictions on the transfer of personal data to that country, which has no such comprehensive general privacy law. The ISF holds that the EU should stick to the principles of the Directive. It is a good elaboration of the 1980 privacy principles of the OECD and the Council of Europe. The EU needs to explain it better, particularly its implications for privacy intrusions on the internet.

## Security

All technical and organisational means have to be mobilised to safeguard electronic communications and transactions. In adopting regulations for encryption, digital signatures and other privacy-and security-enhancing technologies, the EU has been straightforward in applying the insight that misuse has to be confronted by new safety and investigation measures, rather than by plain prohibition or restriction of encryption.

Police and security forces, however, say that they are running behind fast-evolving technical and criminal capabilities. They may need to consider innovative methods of investigation, perhaps switching their emphasis from cracking codes to traffic analysis under proper authorisation (for example scanning log files to identify criminal networks). ICT may increase their ability to launch investigations at the points where criminal actions emerge from the digital underworld and return to the analogue surface and thus reduce crime in the information society.

## Information & communication freedom

In the spring of 1999 the European Council adopted a proposal to prepare a Declaration on fundamental constitutional rights of citizens of the EU for the year 2000. This is an excellent opportunity to formulate basic rights of information and communication freedom in relationship to the information society. The ISF will propose a Charter of Citizens and Consumer Rights in the Information Society, as a contribution to the wider debate on the 2000 declaration.



Both self-regulatory and technical solutions are two-edged swords, which can be used to defend information freedom - or to curb it. The government of Singapore, for instance, uses filtering systems to police and censor the

internet. Few would argue with parents' right to protect children from illegal and harmful content at home and at school. But what of those prohibitive parents, who regard information about worldviews which challenge their own - evolution or atheism, for example - as harmful? ICT thus raises very complex and interesting questions about the application of fundamental freedoms, which require much further debate. The ISF recommends that the EC urgently examines options for managing access to content within the appropriate legal and constitutional frameworks. These should include guidelines for the implementation of ethical standards and user complaints procedures.

## Balanced intellectual property rights

The mainstream European Way in intellectual property clearly focuses on the rights and responsibilities of the individual authors and artists who produce both cultural works and the reportage on which democracy depends. Where Anglo-Saxon laws deal with "copyright" as a commodity, the European mainstream deals with (for example) *droit d'auteur* and *Urheberrecht*, which are akin to human rights. The ISF believes that this focus on human creators is central to the European Way for the information society and for culture in general, and must guide future regulation in this field.

The ease of digital copying, manipulation and transmission of works is enormous, and has been perceived as a threat to authors' rights and to businesses which deal in intellectual property. In responding to this challenge, we need to balance three interests:

- citizens' rights to unhindered access to a full range of cultural works and reporting, including free use where this does not prejudice the legitimate interests of rightsholders;
- authors' rights which provide the user with a personal guarantee of the integrity of the works, and give creators and producers the widest possible protection for the results of their entrepreneurial efforts;
- the interests of the disseminators and distributors of protected works in optimising their entrepreneurial activity, which implies strong measures against counterfeiting and piracy.

These three interests are in constant tension. If schools, for example, make free copies of works using ICT, neither educational authors nor the publishers make a living; if educational publishers are too powerful, both authors and education suffer; and if authors do not adapt the licensing of their works to the world of ICT, publishers and education are deprived of these.

Rights Management Systems will be the tolling agencies on the future Information Highway. The ISF proposes that regulation of these strives to maintain a fair balance between citizens', authors' and business needs. It must conform to European privacy law.

### **Democratic involvement**

An enormous stock of politically relevant information is available to citizens who have access to the new media. Those who have the skills can freely select from this body of knowledge themselves, instead of being dependent solely on traditional pre-programmed mass media supply. Of course, journalists and other kinds of information brokers have benefited most from these opportunities.

Some claim that the interactivity of the internet will transform democracy. While there is an impressive range of electronic debate on the internet, we should be cautious about the extent to which these might be considered representative given deficiencies in the current level and quality of participation. For example, one major consideration in evaluating the quality of such participation is the integrity of the information upon which decision-making is based.

The ISF supports experiments and applications which extend the potential of electronic media to further citizens' democratic involvement in our political systems and the information society in general. However, it recognises that unless and until there is more widespread access and the demography of that access is better understood, these cannot be considered to be properly representative. In facing up to the challenge the electronic media pose to traditional political communication, the ISF would like to encourage initiatives designed to ensure the integrity, authenticity and accuracy of data on the internet, as well as to monitor opinion-testing techniques, and to expand access.

### **Consumer rights**

As noted, trust and confidence are vital to the uptake of information society services. These depend upon consumers knowing the framework conditions of these offers and having confidence in the security and reliability of transactions. In order to break down uncertainty and enable people to make fully informed choices with confidence, any programme to promote acceptance must also comprise the creation of an ordering framework with known points of reference from the world of traditional shopping and ordering at a distance.

So consumer protection in the information society does not automatically mean new statutory measures. It means safeguarding and transferring existing consumer protection standards to the new technologies as a matter of high priority. The retention of regulations that have proved themselves should not be seen as a brake on growth, but rather as an expression of a corporate culture which takes the uncertainty of electronic consumption seriously and strives to ease it. Elements of a framework for this will be proposed by the ISF in a forthcoming Charter of Rights for Citizens and Consumers in the Information Society, as a contribution to the wider debate on these matters.

## Education and work for all: The social dimension of sustainability

A dominant theme in the emerging information society will be the connections between issues relating to education and to work. The ISF's **Barcelona** and **Newark Declarations** established a number of key principles that help define the "European Way".

### Health and solidarity

If it is to enjoy a healthy and productive future, Europe must ensure the progressive development of equity in the distribution of wealth across the member states of the European Union and, in the long run, world-wide. This is an essential part of the platform upon which to build social cohesion and the international solidarity upon which today's global economy in the information society increasingly depends. Clearly, in an economy increasingly influenced by access to affordable and reliable ICT environments, this in turn becomes a significant factor in the pursuit of social cohesion.

### Work and Jobs

Citizens in our member states expect access to educational opportunity as an entitlement within the democratic process. Education and qualifications are seen as passports to individual success and socio-economic mobility.

Access to a "good education" has given individuals a competitive advantage within societies in which work has been available to the majority of people. In such a world the particular job opportunities that individuals have are largely dependent upon the level of their educational attainment. This is, in itself, measured against a fundamentally fixed body of knowledge that defines the traditional school curriculum.

The central criterion has been what we know, rather than how we use what we know. This emphasis is visibly changing.

Dramatic advances in ICT are combining to change both individuals' skill needs and those of national competitiveness. Assumptions about work, careers and relationships are being transformed as information technologies take over routine work, call into question the traditional role of managers, and put increasingly powerful capabilities at the

disposal of people once confined within narrow, low ranking and thankless routines.

Work, communications and meetings can be carried out from anywhere, with anyone, now that personal computers and low-cost, easy-to-use communications are becoming widely available. The organisation, its resources, activities and outputs - once largely physical and tightly confined in time and space - can increasingly occur in virtual time and space.



In the old, static pattern schooling took place before work. A "good education" was a one-time event. Parents could see their children qualified and breathe a sigh of relief. This is not a sustainable approach for the future. Most public education policy and expenditure, however, is still based on continuation of this approach.

It is in this context that we should view the ISF's **Barcelona Declaration** recommendation that public authorities have a key role to play in the transition to an information society. Budgetary resources should exist at all levels for active employment measures related to preparing people and organisations for the information society.

### From "education and training" to lifelong learning

We need to extend the knowledge and skills of our people to meet their requirements in new global economies and societies. It seems evident that the integration of education and training, which are often organised quite separately from each other, has a part to play in this.

Across Europe, public policy distinguishes "education", which takes place in schools, from "training", which may take place either in training institutions or on the job, and from "professional development" which, being more diverse in its nature, is often less institutionalised and more informal. The rapidly increasing rate of change in society and in the organisation of work has now led to a growing recognition that such static education/training/professional-development structures cannot cope in the long term with people's needs. Lifelong Learning is the concept that acknowledges this changed need.

The development of lifelong learning is a shared responsibility between government, individuals, employers, providers and communities. Each needs to accept the challenges of promoting and participating in learning and working towards common goals which address individual and national needs.

If, alongside responding to the competitive pressure of the global economy, we are to raise standards, widen access, tackle exclusion and create a learning environment inclusive of those with disabilities, then we have to find new strategies to do all these things. There will simply never be enough resources to achieve them all otherwise. Thus the same pressures that are acting on individuals, firms and nations are beginning to have a widespread impact on institutions providing education and training.

### Technologies in learning

The concept of Lifelong Learning implies nothing about how learners gain access to learning. It is simply that members of society are given the opportunity to acquire skills to cope with their lives and their jobs at any point. It acknowledges that learning cannot, any longer, end as a transition is made to work during the late teenage years. It is possible to imagine policies at governmental or at European level that set out to respond to the need through existing educational institutions and structures. It is not likely that such approaches would be successful.

Lifelong Learning is more likely to be achieved through individualised access to personalised learning programmes. These will need to be supported by more diverse teaching and learning strategies than are common now. Exams and qualifications may be much less significant than in the past: the main purpose

of the learning is to meet particular skill needs, either defined by the individual or demanded by employers or clients.

Conventional education and training structures find it difficult and costly to respond to such diverse sets of needs. People will increasingly need access to learning opportunities at any time, at home, and often in quite remote communities. They may demand learning opportunities at short notice, responding to a job opportunity, a changed need in their workplace, or a non-employment interest.

There is now an assumption that our response to these needs will inevitably involve the application of new technologies. Dedicated national organisations may be set up to create wholly new ways of providing for adults' lifelong learning - like for example the UK's new "University for Industry". Many existing institutions are seeking ways to provide a new dimension to their existing provisions, to satisfy the need.

There is wide recognition of the technologies needed: local area networks, cheap and reliable access to the internet, and appropriate managed learning environment software for example. There is, however, only a very partial understanding of how these tools will support the learning process itself. Though we have seen much interest in (and expenditure on) the creation of multi-media objects aimed at educational applications, much of this activity has yet failed to connect with mainstream education. It is invariably seen as a support for existing teacher-centred pedagogy, rather than moving the main action towards empowering learners.

Learners now need to know how to educate themselves. ICT already makes huge quantities of information available to those who know how to find, evaluate and organise it. Broadly speaking, the transmission of a body of information, which dominated conventional education in the past, can be subordinated to tutorial activities that focus on the process of learning itself.

In such a learner-centred world, technology provides a pathway to content. The tutor's main responsibility is to work with the learner to draw out meaning from the content, guiding and filtering. Implementing this concept requires wholesale reform of educational structures and curricula. The teaching profession must thus face radical changes, as have been felt in other parts of the world of work.

## New ways of working

More than ever before information, and the capacity to use it effectively, will be the thing that discriminates the successful business from the less successful. The speed of change in the world around us, and the attitude we have towards that change, are central elements in our competitiveness.

People invariably work, whether self-employed or not, within organisations that themselves operate in an increasingly competitive world, substantially influenced by ICT. New technologies; new geopolitical frameworks in which capital, skill and knowledge flow easily across national boundaries; and business downsizing; together these put a premium on organisations' capacity to use technology to support their business processes.



A growing proportion of employed people deal with the knowledge components of their company's business, rather than the physical aspects of manufacturing products. The emerging concept of "knowledge management" starts from the recognition that a decreasing proportion of the workforce is directly engaged in production. In the USA this proportion has fallen from three-quarters in 1900 to about a third in 1980. It moves on to consider how business processes, organisational dynamics and technology interact to enable a company to stay competitive. Managing our information environment effectively is the best chance we have of coping with change.

Enabling high-performance teams of individuals to work in organisations which are increasingly delocalised - operating across sites, cities, countries as "extended enterprises" - needs to be our goal in skills development. The two most obvious examples drawing attention to this need are the arrival in our consciousness of

"teleworking", and the global preoccupation with the role that "electronic commerce" will have in our future.

We need to think about the implications for the organisation of our education and training institutions. These represent a substantial share of our national and European public expenditure. We have to seek out ways of operating that properly balance the requirements of competitiveness and of social cohesion.

## Skills for an information society

The relationships between technology, productivity, growth and employment are complex. Any simplistic approach to the problem is dangerous. However, it is clear that we are seeing growing skill shortages in the very areas needed to sustain the information society.

The term "skill shortage" is often used very loosely. But it seems clear that one of the most pervasive current shortages are in the market for IT specialists.

Reduced demand for low-skilled workers in agriculture and manufacturing has meant that the minimum level of skills that makes a person employable has been rising fast. The challenge is intensified by the rapidity with which skills become obsolete.

It is at least possible that these trends will lead to states retreating from "whole education" to the provision of basic education, with a free market emerging for the skills that adults need. Deregulation of various kinds has already had a major impact in aspects of ICT. It bears many risks as well as many benefits. Exactly the same set of risks and opportunities can be seen to lie in this key area of the information society - education and work for all.

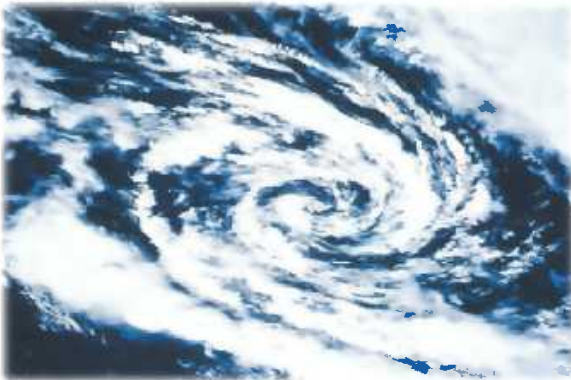
In the Forum's **Newark Declaration** we concluded that "the design and the means of the employment and learning policies has to be thought about in an economy where productive organisation is based on flexibility, making best use of human resources and on effective use of plentiful information, where multi-skilling of employees will become usual and life-long job exceptional, and where the boundaries between labour, training and leisure will fade away."

## Living in peace with the environment: The environmental dimension of sustainability

Current generations should meet their needs without compromising the ability of future generations to meet their own needs. This definition of sustainable development was adopted at the World Conference on Environment and Development in Rio in 1992.

Economic and social development issues are thus closely connected with environmental issues. In order to fulfil human rights in the long run, we need an intact biosphere. We can no longer assume this. The scale of our species' impact on the rest, with which we are bound in mutual dependence, is now such that we need to take deliberate steps to ensure that future generations have a liveable environment. The potential impact of global climate change is just one example of this.

We therefore need global patterns of economic production and distribution that correspond to world-wide social and cultural requirements and to ecological needs. As the United Nations Human Development Report 1999 indicates, we are far away from this aim. To find a solution to this problem is now humankind's greatest challenge.



Sustainability as a concept has developed broadly over the last 20 years. The seventies saw growing public and political awareness that our world-wide development and economic growth are on a track that can not be sustained indefinitely. The nineties have brought widespread awareness of problems ranging from carbon dioxide and other emissions into the atmosphere, to climate problems, deforestation, desertification, fresh water supply, soil degradation, depletion of marine resources, to the challenge of producing food for perhaps 10 billion people in 50 years while maintaining biodiversity.

In Rio the concept of sustainability was generally recognised as embracing aspects of resource utilisation and of socio-economic and cultural development. On one hand, it acknowledges the right of all people and all countries in the world to develop a better standard of living. On the other hand it recognises that our present lifestyle in the North cannot be extended to 10 billion people with the technologies we have today.

The most immediate constraints we have to deal with are environmental, and are associated with material use and transfers. Humanity has more than doubled natural material transfers into the environment in recent years. We have released into nature tens of thousands of new chemical and biochemical products. The results have often surprised us, as did the depletion of the ozone layer, which protects life on earth against ultraviolet radiation, as an artefact of industrial chemical release.

An information society offers a possible partial solution: "dematerialisation". We can reduce the amount of material extracted from, synthesised and dispersed into the environment per unit of economic activity. This is the key to long-term improvements, and to an equilibrium between economy and environment which encourages global equity.

### Sustainability and the information society

Information and Communication Technology (ICT) has a central - perhaps predominant - role to play in eventually reaching sustainability and improvements in the quality of life. The Forum takes the position that whether we can reach a sustainable state will be decided in the course of shaping the future information society. (see **Challenge 2025**)

On the one hand, these technologies are major drivers of economic globalisation. Because of this they are now indirectly causing additional social and environmental burdens world-wide. This is typical of so-called rebound effects of technological progress. A particular technology may enable a particular good or service to be produced with the consumption of fewer material resources; but if it stimulates demand, including demand for

other technologies, it may increase total resource use. (Large numbers of people travelling to meetings that discuss the information society could be taken as an ironic example.)

On the other hand, these technologies offer, in principle, huge opportunities for overcoming social exclusion, for supporting cultural diversity, for stimulating the economy and for reducing environmental burdens by increasing material productivity. While this so-called dematerialization is a typical, promising feature of most technological progress, ICT has by far the highest potential in this regard. On top of that, ICT is the technological basis for an open world-wide information and knowledge society, and it is in this context that our mental images for the future will be shaped.

Whether information and communication technologies will lead to more sustainability, or not, essentially depends on the further development of the global economic and societal frameworks within which they are deployed, and on corresponding attitudes and values. Building such frameworks is the single most important challenge to politics and societies entering the 21st century.

Such frameworks require more than ideas: development along sustainable and equitable lines needs transfers of resources. We need global instruments that commit the industrialised states to support and co-finance social and ecological developments and improved standards, in countries in transition and in developing countries. In the long run, the result is likely to be something like a global civil society and a global citizenship.

### **Why do we need new frameworks - is something lacking in global governance?**

The world is now integrating economically into a single world-wide market. This essential aspect of the present globalisation process is strongly encouraged by the availability of ICT and its ability to eliminate distance. Any consideration of the information society must take this into account. Environmental issues often have to do with costs and competitiveness. World market conditions strongly influence environmental matters, and many other aspects of life for members of the information society.

By far the strongest existing frameworks for the global market are the World Trade Organisation (WTO), the rules of the world financial markets, and other organisations such as the International Monetary Fund (IMF). We summarise the founding principles of these as free trade with deregulation - "*laissez-faire* free trade". Both originate from an era quite different from the information society: when states were far more powerful than commerce, and when ICT consisted mostly of the electric telegraph. They are solely regimes for trade. As such, they are necessarily concerned primarily with the short term. They should be upgraded in order to comply with issues of sustainability and the environment.



We observe that there is a wide range of conflicts between the WTO process and some groups aspiring to represent civil society. Some of these - over for example the ability of capital to escape social and environmental responsibilities either by relocating or by overturning states' regulations - are of concern to the ISF only inasmuch as the information society depends upon a habitable environment. Others are generally agreed to be its direct concern - like the risk that the present global market may impose uniformity in the cultural content of ICT services (see **Chapter 4**).

Free trade is necessary to the global information society, but the ISF asks all concerned to question whether it is sufficient. The so called "planned economies" do not provide the alternative. Both are essentially 19th-century concepts.

Markets are clearly the system of choice for the transformation of resources and skills into economic activity. The role of an economic system is to optimise economic activity via markets under frameworks. The question is thus: how can we build a better framework,

one that encourages the development of a sustainable information society?

This is where the "European Way" approach enters the stage. The European Way fully acknowledges that we will need the power of markets, continuing innovation, and free and open global information and knowledge flows to master the challenges ahead of us. Nevertheless on top of that, we also need better frameworks for global governance and the global economy, to cope with feedback effects of future development, such as the rebound effect.

We might call this goal a "strong global socio-ecological market economy". We offer towards the construction of its framework such European traditions as individual liberty, social solidarity and equity. It must include global citizens' rights and obligations, as the basis for steering world affairs towards a sustainable path. It will require global agreement on some core elements of a global ethics. Within its framework, people may interact with all the vigour of a free market-place.

The framework we have will not, as it is, lead to sustainability. The opposite of sustainability is extinction.

The conferences in Rio and Kyoto showed that the EU and its member states are prepared to take strong measures for environmental protection. The EU has a strong regulatory framework backed by investment in research, by voluntary agreements with industry and by such measures as taxation designed to further environmental goals. Many citizens are directly involved in campaigning, in the use of green purchasing power and in a multitude of local activities, including participation in Local Agenda 21 activities. We also find in the EU growing acceptance of a relationship between the development of the information society and an ecologically sustainable economy. Such phenomena are closely linked to the nature of the European Way.

In this context, citizens and governments in the EU can make an early start on significant applications of ICT to sustainability, for example using it to improve traffic, education, personal contact, and work so that "bits travel instead of atoms". On the global scale, we suggest that ICT may make a significant contribution to the implementation of such measures as the Clean Development

Mechanism proposed within the post-Kyoto process. Indeed, it is hard to see how such a complex international framework mechanism could be implemented otherwise. Such use of ICT in implementing global frameworks may even come, in retrospect, to be seen as a key component of the global information society.

### **Towards a global framework**

Our central message is that beyond national, regional or individual concerns and activities, the world economic regimes have to be developed further into a stronger framework of global governance, if we want an intact environment and sustainability.

This can be achieved by new multilateral international agreements. Europe should bring its best traditions and experiences from its own past and from its own processes of increasing co-operation and integration into these debates. It should become more proactive on the issues.

The need to reach a consensus obviously means that an international framework will not be constructed overnight. We have to accept as a priority the intellectual challenge of consensus-building with our partners all around the globe. The EU can play a strategic role in achieving such a global consensus. The ISF requests its support for a truly global dialogue, to clarify what is common ground and to draw in others' experience and ways (see **Chapter 8**). Here, promoting and further developing the "European Way" could be a significant contribution.

## Strength from Cultural Diversity: The cultural dimension of sustainability

The globalisation propelled by technological innovation challenges the traditional basis for the wealth of Europe's cultural diversity and the unique identities of our societies. The ISF's **Seattle Declaration**, delivered to the Ministerial Conference in that city debating a Millennium Round of World Trade Organisation negotiations, addresses several of the immediate implications of this.

Information and communication technologies will, obviously, radically change the way people communicate with each other around the world. The development of the internet into a major resource for information, learning, communication and entertainment links cultures ever more closely with each other.

In principle, mutual exchanges between cultures could strengthen and enrich all. But the economics of the new media are currently based on the commoditisation of information. The promotion of global cultural industries and international trade in cultural products thus poses risks and challenges to smaller cultures and sub-cultures and to linguistic diversity, for the same reason that markets in other commodities leads to dominance of a few suppliers unless a framework has been designed to prevent this.

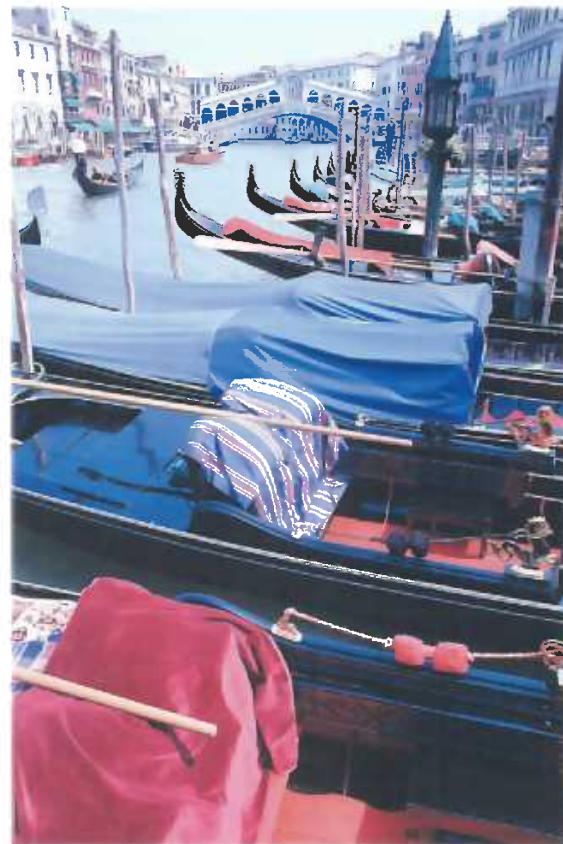
The internet is dominated by the English language and eighty percent of its content currently originates in the United States. In contrast, the European institutions alone operate in eleven different official languages. Many dozens of languages, from Armenian to Xhosa, are spoken by residents of European Union states. But, for the first time in history, the number of languages spoken world-wide is decreasing, not increasing.

### Seeds of a mono-culture

Are we on the threshold of a mono-cultural world in which all citizens listen to the same news, read the same books, watch the same movies, play the same video-games and speak the same language? In theory, the internet enables people world-wide to access each others' websites, for example: it could promote cultural diversity by helping smaller cultures to get access to world-wide markets. In practice, however, the websites of a few internationally-renowned content providers

attract by far the greatest share of visits. internet users on average visit only 14 different sites per month. They turn to the sites with the most comprehensive and attractive content, which almost by necessity is also the most expensive.

Nobody would argue that people should not have access to such attractive content. But the most compelling content available happens mostly to reflect a single and global cultural identity and language. While other cultures may have equally attractive content, they do not have the resources to offer it.



While the internet is revolutionising the means of distribution of goods and services, it does not change the economic laws underlying content production. Competitive audio-visual content is particularly expensive and risky to produce. Traditionally, the media industry has met that challenge through using economies of scale and scope. Vertical integration, media concentration and targeting of the immense English-language markets have supported the formation of global media conglomerates. In

this respect, the internet has changed nothing. Instead, the effective means of distribution provided by the internet magnify and increase the strength of these big players by enabling them to reach consumers directly and even more broadly and thus produce and distribute even more efficiently.

Cultural diversity has the same importance for citizens as bio-diversity does for all living species and the ecosystem as a whole. It is also a fundamental Human Right, as Article 27 of the **Universal Declaration of Human Rights** states: "Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits".

The European Way to the Information Society seeks to foster this cultural heritage and to prevent a monolithic and banal world in which everyone speaks, thinks and lives in an identical way. Ensuring sustainable cultural development will thus be crucial to maintaining quality of life for all.

The policy of cultural sustainability also recognises that cultural pluralism is a strong point for European industry and European ingenuity, and not necessarily a disadvantage in globalised markets. Certainly, it would not be a disadvantage if we could develop a new global framework for trade in cultural products that encouraged, or even supported and co-financed, cultural diversity. At the least, the existing WTO framework must be amended specifically to recognise the legitimacy of governments actively supporting and promoting cultural diversity. As the 1998 UNESCO Action Plan pointed out, cultural creativity is the source of human progress; and cultural diversity, being a treasure of humankind, is an essential basis for development.

Culture comprises not only the arts and letters, but also modern expressions of mass culture, such as the audio-visual media - and value systems, traditions and beliefs. The policy of cultural sustainability aims at preserving and fostering our heritage. This heritage contains all natural and cultural elements, tangible or intangible, which are inherited or newly created. Through these elements social groups recognise their identity and commit themselves to pass it on to future generations in a better and enriched form.

Freely imparting and receiving information is at the heart of democracy. As facilitators and promoters of local, regional and national cultures, the media play a crucial role. In catering to the specific needs of their audiences, they help enable citizens actively to participate in the lives of their various communities. Given the pervasiveness and impact of the audio-visual media in people's daily lives, these media play a unique role in the exploration and preservation of regional and national heritages and different languages.

Europe has long recognised this responsibility of the media by providing legal frameworks designed to foster: media pluralism; programming diversity with a special sensitivity to the needs and interests of minorities; the protection of children and minors; balanced and objective reporting; and programming schedules drawing from the whole range of the social, cultural and political spheres of society. Public service broadcasters have special programme-quality obligations, and their financing systems ensure that their programmes are freely available to all viewers and listeners.



The European Union itself supports cultural diversity and sustainability in the audio-visual media. For example, the EU MEDIA II programme provides financial assistance to the European film sector - 310 M ECU for 1996-2000, going to more than 600 recipients in 1996-1998. The European film industry still faces enormous competitive pressure from the US film studios. In the last ten years the market share of US films shown in European cinemas has risen from 56 percent to 78 percent, and the market share of European films has declined from 19 percent to 10 percent. The European trade deficit with the United States for cinema films, television programmes and videos reached US\$ 5.6 billion in 1996, and is growing. This situation is likely to get even worse in the Central and

Eastern European countries and the rest of the world. Episodes of *Dallas* are reportedly licensed to small TV markets for under US\$ 100: how can local products compete?

The proposed new round of WTO negotiations poses a great challenge to the European Model for the audio-visual media. Electronic commerce is the buzz-word used by powerful economic forces demanding not only a far-reaching liberalisation of all service sectors, but also that governments withdraw from regulating any internet-related services on public interest grounds. European film sponsorship is at risk once the existing GATS treaty is applied to the audio-visual media. If, as the media conglomerates propose, the delivery of content in the information society is treated as a purely trade category, then European regulations aimed at sustaining media pluralism and ensuring high-quality indigenous programming will be threatened. Public service broadcasting itself may be at risk from new rules on freedom of investment and subsidies.

The powerful market players claim that they themselves should set the standards that will govern the globalised economies. Yet the proposed standards seem to be driven by a single premise, namely economic profitability. Nothing concerning a world-wide ethic ensuring sustainable development in general, including cultural sustainability, is forthcoming from industry: and indeed it is not industry's job to push for one. It has to come from adequate global frameworks of governance.

Ensuring that economic growth will lead to sustainable development is a responsibility for civil society as a whole, including governments as its trustees. We cannot leave a few global industry players alone to determine our living conditions for the 21st century.

### **Governments must act as trustees for civil society**

Current global trade regimes do not take the interests of civil society into account adequately or at all. They do reflect legitimate deal-making between industry and governments - legitimate in the historical context in which governments were all-powerful and world trade was still in its infancy. WTO member countries must realise that this situation has changed dramatically. Market globalisation is now so dynamic that industry more and more often defines the rules of the game.

Against this background, the new round of WTO talks is not simply like any other previous international trade negotiation. It will define to a far-reaching extent the framework under which citizens will live in the information society and have access to information of all kinds. In this situation, WTO member countries must acknowledge that they truly have to act as trustees of their respective civil societies, and not just as executive arms of industry players. They must be ready to incorporate the goal of sustainable development in a legally binding way into the revised WTO Agreements. Once more, this has to address social, cultural and ecological aspects in addition to the economic side.

We all agree on encouraging trade and cultural exchange among nations. Few would openly argue that trade rules should override environmental protection or threaten the rich diversity of plants and animal life on our planet, or the clean air and water that is cherished world-wide. Equally, we must not permit the rules of that trade to undermine our rich and diverse cultural landscapes.

The ISF advises the Commission to deal with these issues and actively to promote sustainability, including cultural sustainability, in the WTO process.

## The role of the public sector: Using ICT to meet the challenges of the Information Society

European nations share some fundamental ideas about the role of the public sector, government and other parts of the state in society. Though there are of course differences, we consider that this conception of the public sector is an important part of the European Way. Compared to other parts of the world, in Europe:

- a much larger proportion of services to the population is operated by governmental or semi-governmental bodies - for example in health-care, education, culture, and public transport;
- the state is much more involved in regulatory activities intended to secure or sustain citizens' well-being - for example environmental protection, consumer protection, privacy issues and labour conditions;
- there is a prevailing conviction that the needs of the population cannot be satisfied by the market alone - the individual, as a user of public services, has to be dealt with as more than a mere customer.

We therefore claim that there is such a thing as a European culture of public service. A capable, efficient and effective public sector is a vital necessity to ensure sustainability, quality of life, social solidarity, cultural diversity and economic cohesion.

Parts of the public sector which failed to adapt to changes in economic and social circumstances have, in the past two decades, been seen or portrayed as obstacles to the single market and to market competition. Undesirable state monopolies have, however, now largely been removed in Europe. Governments' roles as utility operators have, for example, been significantly revised. Budget constraints have obliged states to reshape their mandates to fit their means. Now it is time to reaffirm the crucial role of the public sector in Europe and to restore its image and legitimacy.

Change continues, of course. The public sector faces demands for more individualised and decentralised services; for more openness and transparency in administration; for users' active involvement in defining the

public services they need; for better dialogue between citizens and administrations; and to exploit the commercial potential of such public resources as cultural heritage.

The advent of the information society presents both a tremendous challenge and the opportunity of new means of meeting these demands. Information and Communication Technology (ICT) can be a means to increase the capability and effectiveness of the administrations and other public bodies in Europe. (See the ISF's **Vienna Declaration**).

### A public sector for the information society

The ISF is convinced that the information society cannot be fully efficient, open and equitable, nor can it implement a long-term vision, unless the public sector plays an active role.

Regulation is fundamental, particularly in ensuring equitable access to ICT and to information. Provision for "universal service" in telecommunications is vital, as is "public service" content. The protection of privacy is another important part of the European Way (see **Chapter 1**).

Regulation is also required to guarantee peoples' access to information, in particular public information and knowledge, and the protection of private and public intellectual property. (See **Chapter 4**)

In this regulatory capacity the public sector must act as a facilitator of institutional and individual initiatives, as well as a conciliator between the various interests of civil society and the business world. Regulation can foster competition and innovation while constraining the abuses of monopoly power. It must also seek to influence market outcomes towards achieving agreed social purposes. To Europeans these obviously include protecting consumers, workers and vulnerable categories of the population confronted with ICT. Governmental regulation is complementary to industry self-regulation.

In the information society, regulation will need to be flexible enough to respond to rapidly changing circumstances and requirements. For example, the concept of "universal

service" is undergoing rapid evolution as we write. It needs to be extended and adapted to cover e-mail, the Web and new on-line services.

Regulation is necessary but not sufficient. Targeted public incentives are also essential. These should be led by measures to encourage effective exploitation of ICT by stimulating usable and accessible presentation of useful content - an approach concentrating on "use pull" rather than "technology push". The public sector will, for instance, have a significant role in providing facilities such as internet access in public offices, libraries, kiosks, schools and clinics. As its direct involvement in ICT network infrastructure recedes, its importance in ensuring that people have such points of access increases.



The promotion of functional literacy - which must now include digital literacy - among citizens is to a very large extent a responsibility of school and college systems and hence, in Europe, largely of the public sector. Similarly, ICT offers huge potential for improving healthcare, for example, through home care and emergency healthcare information services.

Propagation and accessibility of the cultural

heritage is also, we believe, an important goal of public policy (see **Chapter 4**), as is support for basic research.

Last but not least, the public sector is the largest collector of information in Europe. It is therefore, we insist, the appropriate provider of a spectrum of information services to individual and institutional users. It has a particular responsibility for access to and exploitation of the enormous volume of information it collects. We expect this role to expand to the point where the idea of "virtual public service" becomes commonplace, as a complement to such physical services as transport and paper-based libraries. The private sector, as well as the public, will have an important part to play in improving the quality of services provided to the citizens through processing the raw information stored by public bodies.

### Access to vital information

The ISF proposes that policy on people's access to information be based on the concept of "vital information". This is information - content - to which all should have the widest and most direct access, because it determines their full participation in society, the full exercise of their democratic rights and the satisfaction of their essential needs for subsistence, education, culture, security, health, mobility, protection against discrimination and work opportunities.

ICT will make this vital information a new "public good". Access to it should become a new citizens' right on a par with the rights to education, health and culture and is an important element of the European Way. A separate and equally important element is the remit which EU member states have given public service broadcasters to provide the broadest possible range of content services to all citizens.

As we become more and more dependent on information in our lives, this question will become more significant to the democratic process. The definition of "vital information" will change over time and this re-definition sets a new task for the political process. This debate leads, of course, to the question of who will pay. The ISF proposes that at least minimal vital information should be free at the point of use to all. Those, including private sector organisations, that hold some kinds of information, such as that supporting consumer protection and environmental protection,

should be obliged to make it freely available.

It is clear that efficient use of public sector information is essential for the expansion of a European information industry. The public sector can indirectly stimulate this industry by making easy access to its information possible and economic. The private information industry may then add value to public sector information - and as it grows may thus increase employment. A fair balance between this process and the evolving right to vital information is an important feature of the European Way.

### Government in the information society and the European Way

The ISF insists that the information society requires radical behavioural and organisational change in the public sector. It implies a transformation of mentalities and working methods. The public sector must, for example, develop models of networked administration which integrate what are now separate divisions with each other and with external partners and stakeholders. This means that horizontal approaches must replace the classic hierarchical pattern of administrative structures, and requires more flexibility in working environments.



People will increasingly demand that fragmented administration be replaced with global and coherent responses to their needs and demands. Such a "single window" to the public sector as a whole will require the common action of all public actors, in partnership where needed with private actors. As a minimum, all involved in service provision to the population will have to integrate their different activities within inter-operable information systems.

There is throughout Europe a strong move towards decentralisation of decision processes. Efficient application of the principle of subsidiarity - locally, regionally, nationally

and at the European level - will require more networking between these various levels. Success in applying ICT to this will be another feature of the European model.

This integration will require harmonisation and implementation of standards for:

- interconnection and interoperability of information systems - current experience shows that this is still a pending problem;
- commercial practice - current experiences raise questions about the full effects of international trade laws on equitable access to markets;
- rights and responsibilities relating to consumer protection, authenticity, intellectual property, copyright and authors' rights, taxation, liability, and legal remedies.

None of this will be achievable without updating, adapting and renewing (in particular) public sector staff qualifications and accessible training.

The information society needs "network-minded" civil servants - those who have both the generalist's broad grasp of the whole activity of their administration and specialist skills in managing ICT systems and in analysing information. Training at all levels is therefore crucial in enabling Europe and its component states to master the challenges of the information society. Moreover, electronic government cannot be properly implemented unless public administration is able to express its specific needs to the ICT industries when planning procurements and orienting Research and Development. More generally, a change in the culture of government and of public service is required to meet the challenges of the information society.

## Being dynamic and competitive in a global market economy: The economic dimension of sustainability

We need a healthy economy in order to be able to finance programmes and policies supporting sustainability in all senses.

Globalisation and the new information and communication technologies have entirely changed the context in which Europe was able to successfully reconcile economic, social and environmental concerns during the 60s and 70s. Pressure through markets and from technological innovation - often expressed through concepts of globalisation and of the information society - put this European way in jeopardy. The economic costs of that European way have simply become too high. To abandon the priorities and values of the European Way would, however, be foolish.

Social justice; solidarity; protection of the environment; liberty; equality of opportunity; pluralism of opinion and the goal of building a sustainable information society taking into account the aspirations of current and future generations: all these remain essential to quality of life.

The ISF believes that policies and activities to promote the information society will be acceptable to citizens of Europe only if they embody the values of the European Way. This requires the creation of conditions for a healthy and competitive economy, able to finance society's wider goals in a sustainable way.

### Prerequisites for a healthy European economy

The ISF proposes that the following principles should guide reforms and be respected as crucial requirements for a healthy European economy:

- Markets are the best general instrument to ensure economic efficiency. Economic activity must be organised through open markets wherever feasible. The development of the European Union has always been based on this principle and its economic success has resulted from policies aimed at removing barriers to trade. The latter include internal market policy, competition policy and European support for the WTO settlement, as

guardian of open international markets. This has created the conditions for European industry to strengthen its international competitiveness, generate wealth and benefit from globalisation.

- Markets are, however, not in themselves adequate instruments to ensure fair distribution of wealth. Intervention mechanisms have to exist in order to guarantee social solidarity and equity, and to protect the environment. Governments should intervene when strictly necessary to safeguard these goals, and in cases of market failure. They should cease such intervention as soon as markets are functioning in ways compatible with the European Way.
- Where economic, social and environmental objectives are in tension, it is the role of democratic structures to achieve the most balanced policies and conditions possible. None of these objectives should override any other. Policies and actions intended to implement any one objective must take into account the requirements of the others, and in particular must minimise negative impacts on them. As the new **Treaty establishing the European Community** states, the Community must simultaneously promote "a harmonious, balanced and sustainable development of economic activities, a high level of employment and of social protection... a high degree of competitiveness and convergence of economic performance, a high level of protection and improvement of the quality of the environment..." (Article 2)

### The challenge of a "double strategy"

- At the macro-economic level, budgetary positions have to be sound - for example close to balance - in order to ensure the conditions for sustainable growth and avoid transferring to future generations the costs of budgetary consolidation. This requires deep budgetary improvements in most European countries, which should be achieved through expenditure restraint rather than tax increases. It also calls for reviewing pension and health care

systems to ensure that the associated burden on public finances is sustainable, notably in the face of population ageing.

- We in Europe can help defend our social and ecological standards through focused market policy and incentives. However, if market forces operating within the present framework make adjustments unavoidable, the ISF recommend that the EU consider a kind of double strategy - to modify existing European achievements, even if this hurts and at least temporarily, under protest and while seeking international alliances to regain lost ground and build proper frameworks.

ICT has the potential to make a significant contribution to sustainable development for at least three reasons.

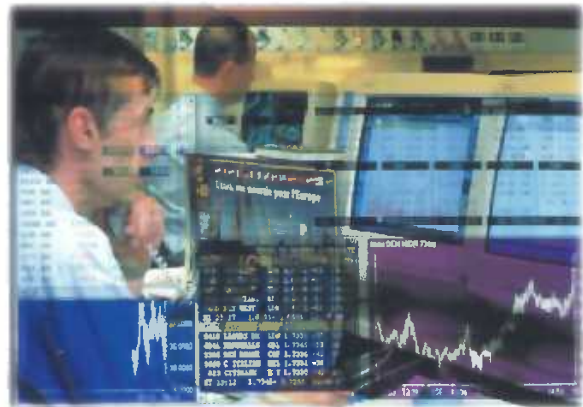
- Firstly, it is one of the main current drivers for growth. It has contributed to about one third of the increase in the size of the US and EU economies over the last two years. Steady growth can reduce the tension between economic and social objectives. It can make it easier to tackle inequities in wealth redistribution. It can also reduce the harmful impacts of budget reform and restructuring.
- Secondly, there is more and more evidence that ICT has a positive impact on employment.
- Thirdly, the advent of the information society opens up potential for economic growth that is environmentally sustainable. It will accelerate the shift from physical consumption to the use of information, from products to dematerialised services, from investment in productive capital to investment of human capital, and from transport to teleworking or teleconferencing (See **Chapter 3**).

None of these positive contributions will be achieved, however, without action by governments and others to create the proper frameworks.

The EU needs in particular to redesign its employment policies to meet the needs and fulfil the potential of the information society. New employment opportunities will emerge through new business initiatives and innovation. Policy reforms are needed to remove barriers to entry, improve the financial and administrative conditions for

start-ups and innovation, alleviate skill shortage and encourage entrepreneurship. Action is also necessary to raise current and future managers' awareness of the information society, to improve the business environment and to promote the required changes in conditions of work. This calls for the focus of European employment policies to be on active rather than passive measures.

All EU countries, and particularly those in Central and Eastern Europe, are at a stage where these measures are urgent.



### Challenges and priorities

In order fully to grasp the possibilities offered by a global information society, Europe has to improve the flexibility and speed of its responses to change. The EU needs to address these priorities:

#### **Updating the regulatory framework to create trust in markets and improve their functioning.**

The spread of ICT is a market-driven phenomenon. Its vigour epitomises the vigour of open markets. ICT will not, however, contribute to a sustainable information society without a new regulatory framework which, first, creates trust in the market, for instance by protecting privacy, intellectual property and consumer rights. A second area where the market needs an appropriate, flexible framework is in triggering development, for example through liberalising the telecommunication sector.

The European Union has a tradition of constructing legal frameworks that avoid excessive hindrance to markets, strike the right balance between conflicting interests and resolve tensions between policy objectives.

The European Union should use its experience, in particular from the internal market achievement, to "export" its balanced approach. It must use its negotiating power to convince its trading partners to accept a comprehensive approach to international issues - one which goes far beyond mere trade issues and embraces social, cultural and environmental concerns.

This effort could include not just goods and services, but also a framework of regulation for international finance which balances the interest of free movement of capital with the policy objectives of sustainability.

**Promoting a culture of entrepreneurship, reconciling citizens with business and developing a positive attitude to innovation**

Lack of entrepreneurship and aversion to risk are two weaknesses of European business. In the information society, the first to innovate gain a powerful advantage and frequently a market lead. EU member states need to complete the process of improving rapid access to venture capital for entrepreneurs and innovators. Willingness to encourage entrepreneurial attitudes, starting in schools and continuing through life-long learning, should be high on national political agendas (see **Chapter 2**).

The need to make the business environment more conducive and simpler for start-ups, innovation, and new ways of trading in particular electronic commerce is also crucial for European companies to grasp new business opportunities and create jobs. Priority has now to be given to implementation of recommended measures by Member States, and assessment and benchmarking of national policy performance.

Work in the information society will be quite different from old-style industrial employment. Independent or "freelance" workers are in increasing demand from companies seeking flexibility through "outsourcing" services. This development increases the competitiveness of the entire economy and must have political support.

Functional autonomy for independent workers must not, however, lead to them being cast adrift by the state to bear the costs and burdens of flexibility alone. Labour laws and collective agreements must recognise their status and their contribution to the entire

economy. They must have social security and work benefits and obligations comparable to other workers. Failure to achieve this will make entrepreneurship extremely unpopular. Companies that impose the burden of flexibility solely on independent workers will rapidly lose out through the resulting damage to the economic fabric.

A Europe-wide dialogue is needed on the proper balance between flexibility and security, and creating positive attitudes towards change.

Europe cannot implement any reasonable outcome from this dialogue without a proper framework of international rules. The EU must propose and negotiate international rules concerning workers' rights and security, particularly in the World Trade Organisation .

**Taking the lead in new technologies and creating new activities.**

Interaction between providers of new systems and leading-edge users often gives the former first-mover advantages and the latter a competitive advantage. The US economy currently benefits most from such a virtuous circle in ICT. The EU needs to strengthen its Research and Development efforts. It must also improve the application and economic exploitation of R&D results. In some areas this requires a cultural change towards recognising and rewarding the contribution of innovators and risk-takers.

**Training citizens to provide them with the necessary skills.**

The advent of the information society will revolutionise education and training and require a new concept of life-long learning (see **Chapter 2**).

Competitiveness requires three sets of skills in particular: technical skills including ICT literacy; human skills to help workers work in teams, be creative and develop analytical skills; and conceptual skills to develop their global and prospective visions, to improve leadership and make use of new strategy and planning tools.

Private companies have little difficulty spreading technical skills through conventional training. They need only a framework that encourages them to invest in this. Human and conceptual skills, however, are of a different kind. These behavioural skills and human traits need special attention in education as well as training systems.

The speed of technical change requires continuous up-dating of a shifting range of skills. This calls for long-life learning. Education and training communities have to develop cutting across the obsolete boundaries of current institutions. Networked learning communities have to regroup schools, colleges, universities, libraries, training service providers and industry in public/private partnerships to offer an integrated range of learning resources. For this to work effectively, educational content should be available nationally or internationally through the established publishing market. Certain elements will need to be customised at the local level, particularly to make different language versions available and to adapt them to the social and learning culture of the area.



In the short term, urgent action is needed by national education and training systems to adapt their courses and to attract students who have shown reluctance to enter an IT career in the recent past. Initiatives to define different levels of IT professional skills and to establish formal accreditation systems have to be extended, supported by public authorities and mutually recognised throughout Europe to help mobility and avoid "brain-drain".

#### **Implementing new business methods to increase flexibility**

Information and communications technologies offer efficient tools for re-ordering production and management. Only adaptable enterprises will survive in the information society. Some European companies are world-class performers and exemplify best practices. However such practices are still too rare in Europe. Company investment in ICT is lagging behind the USA and Japan, and advanced usage of ICT such as economic intelligence and decision-making support is still insufficient.

The competitive imperative is to offer quality assurance, just-in-time production and delivery, and customised products, services and solutions. This will oblige many EU companies to reorganise their whole business processes internally and their relations with suppliers and partners.

A priority for EU employment policy is therefore to promote the diffusion of best practices by professional organisations, the education of future managers, awareness raising and training of entrepreneurs. The EU should encourage agreement among the "social partners" on a European framework for minimum social standards in the information society. Such standards should of course take account of local states of development, and include transition periods and co-financing. The EU must negotiate their adoption at world level both in the International Labour Organisation and the WTO.

#### **Conclusion**

The European Way will not survive under the current world régime if the European economy is not competitive. Europe cannot offer its Way to the world unless it is successful economically, socially and politically. If and only if it is successful will the EU be able to influence the future world order system of governance, and make it fully compatible with its basic values.

## A European Way for the Information Society: Liberty, equality, fraternity, solidarity & sustainability

In this Report the ISF has referred frequently to the concept of a distinctive "European Way", which we believe has a significant contribution to make to the development of a sustainable global information society. We hope that a broad conception of this European Way is conveyed by the separate elements we have referred to. Here, we attempt to draw these together. We also examine the question of how the information society may, given its global nature, be steered in a direction which is sustainable and which is compatible with the core values of the European Way.

### Sustainable prosperity in the information society

It is our conviction that we will be able to achieve a sustainable information society only if we can create conditions which foster dynamic technological and economic developments - while at the same time respecting and strengthening social, cultural and environmental equilibria.



The great potential of ICT represents an opportunity for us to move forward to a richer and more balanced society. The transition towards an information society represents an enormous opportunity. It will be a catalyst for great changes, of one kind or another. We propose to make it the occasion to increase sustainability and to prepare a better life for all. Sustainability demands the balancing of social, economic, cultural and environmental aspects of society within a long-term perspective (see **Chapter 3**).

There is no doubt that information and communication technologies offer huge opportunities to stimulate economic growth, and at the same time to overcome social

exclusion, support cultural diversity and reduce environmental burdens via the dematerialization of production and consumption. Economic growth, social equity, cultural diversity and care for the environment are all clear priorities and values for European societies. So Europe faces the arrival of an Information Society with great enthusiasm and hope.

There is, however, widespread concern about the long-term sustainability of the new society. The most widely-expressed of these concerns are related to environmental problems and the use of material resources.

How can ICT and the development of a sustainable information society contribute to solving the huge challenges which humanity faces?

World population is likely to reach nearly 10 billion people, and may yet go higher. There is suggestive evidence that access to education for people of developing countries is the major factor in the "demographic transition" from high population growth to sustainable levels. ICT could make a major contribution to speeding this transition - if the development mechanisms were in place to, for example, bring the internet to rural community centres.

Environmental degradation has never been as serious as today. There is increasing evidence that our planet, is in real danger, of which climate change may be only the most immediate example. The kind of framework we propose to give a voice to people's concerns and the European Way in global governance for the information society will solicit public attention to these urgent global issues.

### Equilibrium in the European Way

The European tradition has always been one of dynamic equilibrium and of balance both in the intellectual and the political areas. This is not to deny that Europe has undergone periods of rapid change or times of - to say the least - excess. It is to say that equilibrium has been a goal, and often an achievement, of European societies. Our history is marked by great successes as well as tragedies. Europeans have, to a great extent, learned to

live together with people of diverse backgrounds and cultures, and even to value the vitality such diversity offers. We have achieved a fairly balanced social and political system. We need to build upon such values in the new context.

European culture is also characterised by a tradition of research and enquiry, with a particular emphasis on fundamental research in most domains from science to culture. Europe has provided the rest of the world with a great deal of fundamental knowledge, and in the European Way the tradition of inquiry which generates this is seen as a good in itself, largely independent of market value. The long-term view is an important part of this tradition.

We thus believe that such traditions offer a characteristically European contribution to the world's response to the current exciting and challenging conditions of opportunity and danger.

**We need to find an equilibrium between dynamic markets and the needs of the long term - particularly the conservation of resources and the survival of ecosystems with the diversity to support humanity and all the other species into the far future.**

The challenges in other areas such as the economic, social and cultural are at least as important and may cause even more concern for the stability of our societies. Globalisation and the international reorganisation of value chains, due to liberalisation of commercial and financial markets and to the use of information and communication technologies, are putting enormous additional stresses on labour and employment systems. They are challenging social structures everywhere in the world, in both developing and developed countries, particularly in Europe.

As a result, people suffer growing anxiety about jobs in some areas and increasing labour exploitation in others. The fields of work most closely associated with ICT and the globalisation of trade are characterised by hugely overworked, insecure posts; meanwhile, those with other skills suffer unemployment. Such divisions must increase social instability. "Life-long learning" is the buzzword of governments struggling to come up with a response to this, but educational and training systems have not restructured or improved their performance.

**We need to find an equilibrium between flexibility, which encourages the exciting potential of rapid technological and economic change, and core values of social solidarity, equity and security.**

The homogenisation effect of the globalisation of information and markets and the commoditisation of culture challenge cultural pluralism and linguistic diversity. This creates fears of loss of identity. For various reasons, strong sentiments of historic and cultural identity are growing. There is reason for concern about a growth of xenophobic tendencies, partly in reaction to anxieties about globalisation; and there is reason for hope in the ability of ICT to bring people into contact across divides.

**We need to find an equilibrium between cultural dynamism and the amazing opportunities which globalisation and communications technologies offer for cross-fertilisation, and the sustainable growth of distinct cultural and linguistic traditions.**

Anxiety also results from the general feeling that neither politicians nor social institutions are able even to monitor these changes, let alone affect them. There is clearly a lack of national and international instruments to deal with these challenges.

Indeed, if the global information society were to be governed by a framework operating according to purely economic criteria - which is how some governments and many individuals undoubtedly perceive the World Trade Organisation - governments' ability to act in support of social, cultural, civic and environmental goals would be severely weakened. Critics point to rulings against the EU on food safety and in favour of US-owned banana plantations, and express fears about the possibility of future rulings against Public Service broadcasting and even National Health services. They point out that pro-*laissez-faire* groups, such as the International Chamber of Commerce, want social and environmental concerns to be dealt with only in fora such as the International Labour Organisation and the Rio process - which, they fear, the WTO can over-ride.

The anxieties and insecurities we describe are not mere private emotions. Addressing the fears raised by the globalisation which ICT

promotes is as important as addressing the fears some have of using the technology itself. If political processes fail to deal with their causes, the risk exists that they may become dominant political and social forces. To work to reduce insecurity and inequality is to work against causes of violence.



The European Way springs from traditions which recognise that economic activity is crucial, but is not the whole of life. Taking the long view, we recall that the French Revolution rallied to the call for "*Liberté, Fraternité et Égalité*". The great changes in the former Soviet bloc - which opened it to market vigour and the world to globalisation - were largely precipitated by a group called *Solidarnosc* - Solidarity.

We can see this tradition in the development of ICT, too. The World-Wide Web was invented by a citizen of Belgium and one of the UK working together in Switzerland - and they designed it to be maximally useful for the advancement of knowledge as a good in itself. It provides an astounding resource for education, and promises finally to transform education from the inculcation of information to instilling the skill of learning (see **Chapter 2**). Its highly visible and economically transformative use in electronic commerce is a side-effect.

The European Way is based in traditions of social solidarity, and of a search for sustainability and equilibrium between the needs of people and the biosphere in the long term. It considers "politics" as the empowerment of citizens to organise and influence affairs according to mutually acceptable ethical principles. This is, for citizens, the guardian of collective interests, including welfare and the social values of democracy. It is much more than the debased term indicating no more than factional battles between political parties. In this sense the European Way implies the primacy of politics - the art of striking a balance among *all* the people's interests - over economics alone.

So when we speak of the primacy of politics over economics, we are talking of the future: of political processes which can construct the kind of flexible, dynamic, adaptive global framework building required for the 21st century.

### **The need for a balanced global framework**

Creating a sustainable information society requires a thorough understanding of people's diverse concerns about changes in all aspects of their lives. The key, we propose, is to construct frameworks within which the new technology and the global markets it encourages can work together.

It is the view of the Forum that the future of the Information Society is still open and can be shaped in the direction of sustainability. Whether ICT will lead, in the end, to more sustainability or not is not a technological issue but an ethical and political question. The urgent task, the ISF believes, is to start developing the organs of global governance within which the social and ecological markets needed for a sustainable information society can flourish. Our proposal for a global society dialogue (**Chapter 8**) is, we believe, a necessary step towards that end.

**We advise the European Commission to consider whether the best immediate hope for a liveable information society lies in resisting and defeating pressure to exclude the concerns of the European Way from the framework of global governance; and whether this is the best chance we have of leaving the information society to grow up into a society fit for all the people of the world, and their grandchildren.**

## The need for a global society dialogue

Change is a natural process of civilisation. It always carries humanity's hopes for improved welfare, security, social and working conditions. But every major change has raised anxiety and threats, and imposed repression, hardship and adverse conditions on a part of the population.

Making the most of change implies the capacity to adjust. Present changes, however, appear to exceed by far any other in their nature, their intensity, their planetary spread, their foreseeable impact and above all their speed. A large part of this is due to the emergence of the information society.



In this Report we have discussed the need for a new framework of international rules and governance to build a sustainable information society. New ways of organising society and new work patterns will result from the world-wide exploitation of the new possibilities offered by electronic information-based products and services. Our concern is that the new ways meet the needs of all the planet's people, and that they are sustainable. We

offer the ideas of a European Way towards this end.

The information society will change the way we work, the way we access knowledge, the way we communicate, the way we think and, in the end, probably the way we are.

It will contribute widely to the emerging globalisation of economic activities and ideas. It deletes distances and gives individuals the possibility of becoming an actor at global level.

We are moving into the information society at a time when, in the most advanced economies, a new value chain is about to emerge. Services built on information may become economically dominant. Knowledge often increases in value by being shared rather than by being hoarded.

In the agricultural and industrial revolutions, by contrast, the value of goods was based partly on their scarcity. This is the first technological revolution to take place in an era of widespread democracy. The agricultural and industrial revolutions were driven partly by the interests of the ruling elite of feudal, industrial and financial rulers. Now the people are more accustomed to deciding their own fate. They will need to be fully involved in determining society's responses to the global information revolution.

But what responses? We here propose a global society dialogue. Its goal is to achieve a world-wide consensus on a shared ethical base, common objectives and on a common framework to guarantee their achievement.

The global society dialogue will be a continuing effort to reach and refine consensus on the core values that will inform the proper framework for international governance and trade. Through this, it can make a major contribution to ensuring that the information society develops sustainably, in the senses we have discussed above. This objective implies:

- analyses of how information and communication technologies will change individual and collective human behaviour, social cohesion and culture;

- studies of expected technology-led changes in work and leisure patterns, in value chains and in of the possibilities for a more balanced redistribution of income;
- development of possible scenarios for the global information society;
- drafting recommendations for means to ensure, in a sustainable way, better opportunities and improved welfare for this generation and those to come; and
- consensus-building toward creating new frameworks for global governance.



The widest representativeness of participants, both in terms of geographic origin and of cultural diversity, is necessary for the dialogue to come to meaningful conclusions. Indeed, without such representativeness the dialogue would contradict the vision of a European Way which we offer to it. The global society dialogue may, indeed, be better thought of as a plurality of dialogues. As a very first step, the ISF launched a dialogue among "founder partners" participating in the Plato Seminar which took place on Poitiers in March 1999.

The EU has already initiated a Global Business Dialogue which advises it and other bodies on specifically economic, industrial or commercial considerations. The global society dialogue should not deal in detail with these; but wherever it identifies interactions between the economy and society, it is hoped that the Commission and other interested bodies will recognise it as a consultative body on these matters.

**The ISF now issues an invitation to all those non-governmental organisations, scientific groups and other networks world-wide that are interested in a joint reflection on the**

**future of the information society, and are willing to bring their expertise and to invest sufficient time and effort to contribute actively and constructively to the achievement of the agreed objectives.**

# **Appendix**

## **ISF Declarations**

## Barcelona declaration

November 1997

### Contribution of the Information Society Forum to the European Summit on Employment in Luxembourg

The Information Society is a society in formation. Only the first signs of this future knowledge-based society are evident, and yet they already cause great concern about its impact. In the current European context of high unemployment, whose unacceptable level may put in jeopardy the very structure of European societies, legitimate fears arise: to what extent and how can the information society contribute to job creation in Europe?

The Information Society Forum has been working on this issue for two years. Representatives of a wide range of social and economic groups have taken part in the exchange of information, analyses and debates organised in the framework of this Forum. This Barcelona declaration expresses the intellectual consensus built up through this consultation.

*The relationships between technology, productivity, growth and employment are complex. Any simplistic approach to the problem is dangerous.* Globalisation, new business strategies, and the relation between technology, productivity and employment are at the heart of economic growth and the improvement of living standards. Their complexity precludes any simplistic approach to the problem. Technological innovation and diffusion is a process of "creative destruction". It does involve job destruction through sectoral shifts from industry to services, changes in skills profiles, and new division of labour between industrialised and developing countries. But at the same time, it leads to job creation in new emerging activities, and, above all, in the whole economy, because technical progress has proved to be a major engine of economic growth and increase in real income, and is even more so to-day with globalisation.

*The promotion of the Information Society could be and has to be a key pillar of European employment policy.* According to the best available knowledge and state-of-the-art economic analysis, empirical evidence points to the potential positive impact of the emergence of the Information Society on employment in the medium term. The group is convinced that the promotion of the

Information Society could be and has to be a key pillar of European employment policy.

*The challenge is to develop the necessary conditions to fully exploit the job potentialities of Information Society.* The challenge for Europe consists of building up the best conditions to fully exploit the job potentialities of the Information Society. Urgent actions are required to raise the awareness of current and future managers, to improve the business environment that will allow companies to develop and create jobs through the best usage of the new technologies, and stimulate the required changes in the work conditions and skills. The social partners should act, be involved and commit themselves. Government should favour their involvement. Because of the global nature of the Information Society, international dimension should be taken into account.

*The modalities of growth in coming years should be different as different economic conditions are present.* Among these new modalities and mechanisms:

- Economic growth as observed in past decades was too aggressive to the environment, causing resource depletion, environmental destruction and extreme energy consumption. Future growth will be conditioned by the capability of European economies to strike a better balance between a hard, manufacturing and material-intensive economy and a soft, information-rich service economy based on human capital.
- The export of products to developing countries will compensate less and less for the lack of domestic demand. The products consumed by the developing countries will be manufactured on the spot with our exported technology, our know-how, and our capital.
- The general decrease in working time now being experienced by Western economies will lead to the development of more part-time employment, better fitting the need of companies for flexibility and the desire of individuals for free time.

*Growth alone will not solve Europe's unemployment problems.* Productivity will probably increase at a rate very close to the increasing rate of output, leaving no room for important new employment. In addition, it is estimated that some 8-9 million European citizens are discouraged from seeking a job because of the level of unemployment. Any upturn in growth is likely in the first place to increase the rate of participation and only partially affect the unemployment rate. Growth is indeed a necessary condition, but not a sufficient one. Structural adaptations already underway have to be strengthened and enlarged, and growth will smooth its social and economic costs.

*In this context, the development of the Information Society is at the root of sustainable growth.* It will reinforce intangible investment as a factor of competitiveness; it will accelerate the shift from physical consumption to the usage of information, from products to dematerialised services, from investment in productive capital to investment in human capital, and from transport to teleworking or teleconferencing. It will cause the development of a totally new marketplace: electronic commerce. Consequently, the substitution of labour by capital, whose excess has been so detrimental to European employment over the last decades, will slow down, if not reverse. The Information Society will contribute to more labour-intensive growth in Europe which is not harmful to the environment.

*Market forces alone will not solve Europe's delay in entering the Information Society nor eliminate unemployment.* All the mechanisms at work are far from being clearly understood. Further studies are required. However, the group is convinced that market forces alone will not solve the Europe's delay in entering the Information Society, nor eliminate unemployment.

*Public authorities have a key role to play in this domain.* Public authorities at all levels - European, national, regional, and local - have a key and urgent role to play in this domain in order to speed up the transition. The adaptation of the regulatory and legal framework has indeed to be achieved, but structural reforms have also to be

implemented. Barriers to entry, conditions to start-up, impediments to innovation, and shortage of specific skills are particularly detrimental in this domain because the Information Society is just emerging and, as any new phenomenon, is more sensitive to factors impeding new business initiatives and innovation.

*Budgetary resources exist at all levels for new active employment measures related to preparing people and organisations for the Information Society.* Currently public resources are used in a wrong way. The 200.000 million ECU spent by Member-States on their labour market policies, as well as the Community funds at their disposal, offer enough budgetary resources for active measures: installing computers at school and enabling everyone to become IT-literate, multiplying the resources to teach and train specific high-tech skills, promoting best practices and diffusing them, speeding up the uptake of teleworking and other new forms of productive organisation, giving incentives to investment in new multimedia services and applications, developing pan-European venture capital and secondary capital markets to finance start-ups in multimedia, content and information services sectors.

*The Luxembourg Summit should establish lines of action for European as well as national policies in this domain.* The Forum urges European authorities as well as national governments to consider such measures as priorities of European employment policy, and expects clear lines of action from the next European summit in Luxembourg in that direction.

*The Information Society Forum is ready, at the request of the Luxembourg Summit, to provide further insight into the contribution of Information Society to more-labour intensive growth in Europe.*

## BARCELONA DECLARATION HEADLINES

"Final text of the Information Society Forum Group under the chairmanship of Mr. Majo"

*The relationships between technology, productivity, growth and employment are complex. Any simplistic approach to the problem is dangerous.*

*The promotion of the Information Society could be and has to be a key pillar of European employment policy.*

*The challenge is to develop the necessary conditions to fully exploit the job potentialities of Information Society.*

*The modalities of growth in coming years should be different as different economic conditions are present.*

*Growth alone will not solve Europe's unemployment problems.*

*Information Society is at the root of sustainable growth.*

*Market forces alone will not solve Europe's delay in entering the Information Society nor eliminate unemployment.*

*Public authorities have a key role to play in this domain.*

*Budgetary resources exist at all levels for new active employment measures related to preparing people and organisations for the Information Society.*

*The Luxembourg Summit should establish lines of action for European as well as national policies in this domain.*

*The Information Society Forum is ready, at the request of the Luxembourg Summit, to provide further insight.*

Barcelona November 3, 1997

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 Newark declaration

21 May 1998

**Contribution of the Information Society Forum to the European Summit in Cardiff**
**The Convergence of Lifelong Learning and Work Reorganisation as a Key Element for Job Creation in the Information Society**

Working Groups I and VI of the Information Society Forum under the chairmanship of J. MAJO and J. GRAY respectively.

1. The advent of the Information Society will shape our future. The Barcelona Declaration formally expressed the deep conviction of the Information Society Forum that the pervasive usage of information technologies will significantly contribute to preparing for employment and to job creation. It argued that the modalities of growth in coming years would be different from the ones in the past as different economic conditions are present; market forces alone would not solve Europe's delay in entering the Information Society, nor solve the European unemployment problem. It was not calling for additional budgetary expenditure for employment policies, but for making a better use of budgets by focusing on investments in the future (equipment, human capital, RTD, work opportunities). It recommended that the promotion of the Information Society be part of the co-ordinated employment policies launched in November 1997 at the European Summit on Employment in Luxembourg.

2. This message has been acknowledged. The Information Society has a transversal dimension in the "National Action Plans for employment", which the Member-States are currently implementing in respect to the four priority pillars of the Guidelines: entrepreneurship, adaptability, employability and equal opportunities. The President of the European Commission welcomed the Barcelona Declaration and proposed further consultation.

3. The emergence of the Information Society is currently accelerating in Europe; the economic and social context in which the employment policies take place is consequently changing rapidly. From a simple contributor to job creation, the Information Society policy has to become a genuine driver and should shape employment and learning policies to the new realities. Change is so deep for the very organisation of our European societies that the design and the

means of the employment and learning policies has to be thought about in an economy where productive organisation is based on flexibility, making best use of human resources and on effective use of plentiful information, where multi-skilling of employees will become usual and life-long job exceptional, and where the boundaries between labour, training and leisure will fade away.

4. Industrial change triggered by globalisation and technological progress will force companies to adapt their productive organisation more rapidly and constantly. It notably requires a continuous upgrading and even a shift in the skills of their employees, in particular towards information and communication technology skills. Up-to-now inflows and outflows of employees, which respectively stemmed from the entry of new worker generations into the employment market and from the retirement of old generations, were sufficient enough to accommodate the general renewal of required skills by the European economies, about between 2 and 3% every year. This demographic process is nowadays too slow to meet the companies' requirement, which has escalated up to nearly 10% renewal of skills every year, with ever greater demand in the area of ICT skills. Experts consider that the majority of jobs, which will exist by 10 years, are not known today. The knowledge cycle is now shorter than human professional life.

*The groups recommend that employment policies further evolve increasingly hand-in-hand with the recognition that learning and training throughout one's life is a pre-requisite to maintaining employment and employability*

5. There is no other alternative for the societies at large to implement systems of life-long learning. This, of course, affects training systems of employees, but also education systems. It will be the responsibility of

education systems to provide the students with basic and generic knowledge, which will allow them to renew their skills all along their professional life, as well as to prepare them culturally and mentally. Students should be able to leave schools and universities self-confident in their capability to adapt according to their professional life requirements. The role of learning institutions, including schools and universities, is essential to face this challenge. A fundamental requirement for education and training systems to face the new challenges is affordable access to information and communication technologies and provision of appropriate content.

*The groups recommend that the national education and training systems be assessed and profoundly restructured with the aim to prepare people to learn throughout their lives and to provide citizens with the basic knowledge to use information technologies as a necessary tool to this learning.*

6. Industrial change is foreseeable in terms of general trends and broad orientations, but the details, which would enable companies to make operational decisions in good time are impossible to anticipate. In this context of uncertainty, companies have to adopt flexible organisation that is rapidly adaptable to the changes in their environment when they occur. Such adaptive reactions are a prerequisite for their competitiveness. Adaptation generally entails extra-costs to the companies because of their administrative and regulatory business environment: labour market regulations (part-time workers, teleworkers, constraints on working time), fiscal rules (lack of fiscal incentives to human capital investment), social security protection rules (constraints to mobility) and administrative burdens. All these barriers are to be revisited with the aim to alleviate undue costs and facilitate companies' adaptation to industrial change.

*The groups recommend that the public authorities regard the adaptation of the business environment as a priority in order to make it more conducive to adaptive organisations of companies. Constraints and undue costs to continuous adaptation should be systematically identified in the Member-States and measures to remove them should be undertaken.*

7. The same issues arise for the overall industrial fabric, which has to become more flexible and evolve continuously to grasp the

market opportunities. Start-ups and entrepreneurship are key elements of dynamism of industrial fabric. The job creation generally lies on very few dynamic companies: 3% of the firm population accounted for 80% of job growth in the U.S between 1991 and 1995 - 6 million out of an additional 7.7 million jobs. Numerous obstacles have been identified and denounced by different documents, which explain the relative weakness of the European economies to trigger start-ups and allow their rapid development. Among others, the group would like to emphasise that, in most European countries, the economic and social systems present substantial difficulties for self-employed. The fiscal rules and the social protection systems do not award risk-taking people. This is particularly detrimental to entrepreneurship.

*The groups recommend that the administrative, legal and financial barriers to the start-ups be effectively removed by the Member-States. A steering group should be established at the European level to assess the effectiveness of the national policies to dismantle these barriers, and to diffuse the best practices.*

8. The advent of the Information Society will have in-depth consequences on the work organisation. In the industrial era, the work organisation generally required that employees worked during the same period of time and at the same place. By contrast, in the information age, a major part of value-added is virtual and can be transmitted and stored: temporal and geographical simultaneity of work is no longer a constraint. The only remaining constraint is the time to deliver the customers, which is becoming the critical moment of production. This has several consequences. The concept of weekly working time, symbol of the industrial revolution, is evaporating: the work contracts based on pre-established working time will progressively give way to contracts based on tasks to be achieved. This is exemplified by teleworking. New forms of so-called atypical work are developing, such as temporary, part-time jobs or cyclical work over the year. They fit much better with both the requirements of some specific workers and the need of company for flexibility. In a certain way, demand and supply of labour might match each other with fewer constraints in the information age.

Finally, the contractual boundaries between work, leisure and training are blurring. The

increasing time spent on learning is likely to be taken from labour, and reduction of commuting time and leisure simultaneously. In future, learning is more likely to take place within a "community" context: in multinational companies with distributed working and learning environments, and in urban or rural localities where widened use of education and cultural resources is made possible by high bandwidth interconnection of schools, colleges, libraries, museums, specialist service providers and industry. Public/private partnership with local ownership is a key factor, and the evolving community context where the "traditional" barriers begin to come down encourages the re-engineering of the organisations concerned as they adapt to new technologies, new ways of working and new responsibilities.

9. Companies, workers and public authorities have to trigger change in the work organisations and training, and share their own part of the burden.

Public authorities should ask social partners to negotiate collective agreements allowing work contracts based on the notion of tasks to be fulfilled, rather than on the concept of weekly working time, when appropriate and relevant, in particular for non-manufacturing tasks. Consultation and incentives should be preferred to legislation.

*The groups recommend that the public authorities guarantee that both advantages and burden of increased flexibility is fairly spread over employers and employees, that flexibility and a learning culture be encouraged, and that the social security protection be not dependent on the differences in types of contracts.*

Responsibility for training mainly lies with the companies in whose interest it is to invest in their human capital. Because the trained workers might leave and transfer their know-how towards competitors, companies could lessen their effort. To face this risk, some incentives to training are required.

*The groups recommend that measures, such as fiscal incentives to training, be identified and implemented to raise the level of training by companies. Additionally a system of accreditation should be used to track an individual's progress in acquiring core skills. This notably concerns ICT skills. It also recommends that training be better valorised in the unfold of professional life.*

10. Additionally, flexible organisation of companies requires less and less functional qualifications from the working force, but instead it demands a greater capacity of integration within a networked process of production, and often within a wider cultural context. With the computerisation of most repetitive tasks, the workers will accomplish more and more intelligent tasks requiring initiative, creativity and capability to decide. Efficiency of workers will be less assessed against their individual know-how, but rather against their faculty to work in team and to face multifaceted tasks. This involves "learning to learn" in new ways. Work in the Information Society is typified by more autonomy for the individual worker, performing an increasing complex combination of subsequent tasks, empowered to do so by the support of more powerful and user-friendly Information and Communications tools. However, the potentialities provided by information technologies cannot be taken for granted: pilot introductions of new ways of working and learning can speed up better understanding of new opportunities, boost the integration of new ICTs in the work process, and encourage re-organisation in the workplace.

*The groups recommend that the national employment policies be focus as a matter of priority on promoting new ways of working, training people to make the best use of new and advanced ICTs.*

Working Groups I on "employment" and VI on "lifelong learning" of the Information Society Forum endorse the view that use of state-of-the-art information and communication technologies is vital job creation. They emphasise the need to promote work reorganisation, and concurrently to develop a culture of learning throughout one's life.

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## Challenge 2025

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### On the way to a sustainable world-wide Information Society

#### PREFACE

Humanity faces great challenges on the threshold to the new Millennium. We have to decide how we want to shape our way into a world- wide Information and Know- ledge Society. How will we satisfy the desires of what may soon be 10 billion people to enjoy affluence and growth? The answers to these challenges have to be compatible with sustainable development, i. e. they must allow for further economic development, leave the ecological system intact and allow our social structures to develop positively.

Two groups are carrying out discussions about guidelines and principles for finding a sustainable path for world development: the Information Society Forum set up in 1995 by the European Commission with its Working Group 4 (Sustainability in an Information Society), and the Forum Info 2000 set up by the Federal German Administration in 1997, in particular, its Working Group 3 (Sustainable Development and Environmental Protection through Telematics Applications). Many partners are participating in this work, one of whom is the European project ASIS (Alliance for a Sustainable Information Society). Results of these working groups are now available in the form of brochures presented at a major conference 'Information Society and Sustainable Development' on 2. July 1998 in Stuttgart that was given strong support by distinguished institutions and personalities including politicians.

The following text represents major conclusions of these discussions in the form of a document entitled 'Challenges 2025: On the Way to a Sustainable World- Wide Information Society', now available in German and English. In our view 'Challenges 2025' gives an important multi-layered view which is characteristic of our European tradition and ethical considerations. Not all of the document's assertions are uncontroversial, but it is thought- provoking and deserves discussion by a broad cross- section of society.

We thank the members of the working groups for the efforts that went into both producing

their reports and this perspective document and for making it accessible to a wider public through appropriate events. We believe that 'Challenges 2025' will prove an important contribution to navigating our way to a sustainable world- wide Information Society based on the powerful principles and visions it contains.

*Dr. G. Rexrodt Federal German Minister of Economic Affairs, Bonn, June 1998.*

*Dr. M. Bangemann EU Commissioner, Brussels, June 1998.*

#### Preamble

Humanity faces great challenges on the threshold of the new Millennium. Growing international co- operation, scientific- technical progress, liberalised markets, world- wide growth and stronger acknowledgement of the necessity of change all hold great potential. However, the condition of the environment, rapid population growth, severe underdevelopment, and the millions living in suppression and hardship in many parts of the world represent strong reasons for concern. Furthermore, while overall affluence increases in a globalised economy, many of our jobs are disappearing, and established social standards might have to be modified. In such a situation, what are viable orientation lines for the world community, for Europe, and its member states? Where are the values to orient ourselves by? Further- more, how important is the path to a world- wide Information and Knowledge Society in this context? What can we do to improve environmental protection, to bolster economic and social development and to overcome poverty? The primary message of this document is to make apparent the central role of new technologies and open markets under appropriate frameworks to meet the challenges ahead of us. We have to shape the way into a sustainable world- wide information society.

#### The goal of sustainable development

Since the World Conference on Environment and Development UNCED in Rio in 1992, the

goal of attaining sustainable development -and along with it overcoming poverty and gaining respect for human rights throughout the world -has become the most important guideline for international development. Sustainable development in the words of the Brundtland Commission means '... to meet the needs of the present without compromising the ability of future generations to meet their own needs.' Sustainable development has a social, an economic and an ecological dimension. All three aspects have to be linked in an appropriate way. Sustainable development requires, in the social realm:

- overcoming poverty and making possible a life in dignity for all people,
- investing in human capital and making possible world-wide lifelong learning,
- sufficient opportunities for value-generating work,
- maintaining cultural diversity,
- attaining an adequate balance between the rights and duties of individuals and groups,
- maintaining social capital as the basis for society.

Sustainable development requires, in the economic realm:

- an open economic system framework and fair world-wide co-operation among nations,
- open markets under reasonable framework conditions and protection of the individual's freedoms,
- observance of equity issues in the sense of a fair balance of interests, both within and among generations,
- fair distribution of rights as regards the efficient use of resources and the resulting environmental loads,
- growth processes that are dedicated more to quality than to quantity (i. e. without eroding natural or social capital). Sustainable development requires, in the ecological realm:
- leaving behind for future generations a world worth living in, with its environment intact,
- maintaining genetic diversity,

- making the consumption of resources more efficient, world-wide, reducing the total load in critical areas, and not increasing overall environmental loads any further,
- living off nature's 'interest' without spending her 'capital'.

In today's situation there can be no sustainable development without an intelligent reorientation and conscious restraint by humankind in using natural resources and burdening the environment. Sustainable development is a world-wide challenge, and is closely connected to the potential and to the risks on the way to a networked, world-wide Information and Knowledge Society.

## **I. The Information Society and Sustainability: Basic Theses**

**1. The attainment of sustainable development is the crucial challenge for the next century.**

**2. Economic globalisation holds great potential, but also risks for the attainment of sustainable development.** As the transition to a world-wide Information and Knowledge Society comprises the most important technical basis for globalisation, a close relationship results between sustainable development and the Information Society.

**3. The question as to whether sustainable development can in fact be attained will be decided during the transition to a world-wide Information and Knowledge Society, i. e. it will depend on what form the Information Society will take.** On the one hand, this world-wide process is the cause of new social and ecological loads in its interaction with globalisation; on the other, it is the most important starting point for new solutions and chances. The decisive factor will be how we carry out globalisation ecologically and socially, i. e. whether the power of globalisation can be successfully channelled through reasonable environmental and social policy.

**4. If the framework conditions are right, the emergence of a world-wide Information Society will open up great opportunities for contributions to sustainability in that many physical goods and infrastructures will be transformed into online services.** This will also improve the chances for world-wide growth, employment, and the development of

local structures in the framework of free markets; it will bring more participation and mobility with reduced environmental loads.

**5. Sustainability policies will tend to slow down and ultimately reverse global population growth, but some explicit measures will be needed now to establish and to reinforce the trend.** Approaches to this include gaining respect for the human right to family planning as part of international development under equal rights, and establishing world-wide education and social systems in conjunction with a strengthening of women's role in society. The path to a world-wide Information and Knowledge Society opens up very promising perspectives for these objectives.

**6. Economic globalisation, the possible ecological problems involved in this process and the current development of the world's population will, over the medium term, only allow for those societal configurations and lifestyles which can be expanded to support 10 billion people.** That will require modifications to and further development of the framework conditions of today's open market-based model of international economics, which is otherwise very powerful with respect to goods production, which releases creativity and initiative, and creates affluence for an increasing number of people. In particular, the framework conditions must be supplemented by the world-wide establishment and co-financing of adequate social and ecological standards in line with a world-wide social and ecological market-based economy.

7. As we stand on the threshold to the new millennium and rise to answer the call of sustainable development, we should be aware that nature can do without humankind, but humankind cannot do without nature. Therefore **humankind should take on a responsible attitude as guardian of the ecosystem**. That will require overcoming a narrow anthropocentric view and bringing the continuation and integrity of the whole ecological system into a reasonable balance with humanity's own immediate interests.

## II. What Developments are leading the Way to Sustainability?

**8. Contributions towards attaining the goal of sustainable development can be made**

**along the following three directions of innovation and change:**

- Innovations in the area of **technology**,
- Innovations in the area of **behaviour**,
- Innovations in the area of **social systems**.

**9. In the area of technology, information and communication technologies (ICT) play a central part. ICT radiates into almost all other societal areas.** Other important technological innovations are to be found in such fields as industry, services, agriculture, transportation, housing, work and education. In all these fields, the contributions of innovative entrepreneurs and the actions of companies in the market are of central importance, as is research. A functioning market economy is especially effective in helping trend-setting innovations to prevail.

**10. In the area of behaviour, one of the greatest hopes for attaining sustainability lies in improving the education and training of people in all parts of the world, particularly as part of a process of lifelong learning.** New technologies for multimedia networked education comprise important means for achieving this aim; they should best be used in public/ private partnerships. Provisions should be made to ensure that all citizens have equal access to the new media.

**11. In the area of social systems, special attention should be paid to orienting the evolution of socio-political frameworks, on all levels, more towards sustainability, so as to safeguard the interests of future generations.** Here again, information and communication technology opens up important new possibilities. Existing power structures and conflicts of interest, though, are holding back potential that could otherwise be used more readily. Neither is much unilateral activity by individual states or regions currently possible.

**12. Isolated innovations in the individual areas (behaviour, technology and social systems) will, however, not solve the problems we are facing.** In fact, they could even make things worse through forms of unexpected feedback such as the rebound effect, which we speak of whenever an improvement in one area generates an even larger negative impact in another subsystem. Therefore, a holistic approach is called for, which takes into account the mutual interdependence of the various subsystems.

**13. We need more world-wide co-operation in research and development, and more interdisciplinary research activity to meet the challenges we are facing.** We also need more information –in particular outside formal curricula –on the effects of individual decisions as to lifestyles and on the necessity of world-wide co-operation.

**14. The changes necessary to accomplish sustainable development will have to be implemented over the medium and long term, but the later we start, the more difficult it becomes.** Usually, this requires the coupling of a world-wide perspective (thinking globally) with local objectives and actions.

### III. Technological Progress and its Companion, the Rebound Effect

**15. Technological progress provides valuable opportunities to find solutions to the challenges we are facing.** Most important for sustainable development are forms of technical progress which lead to an increase in resource productivity (dematerialization). They make it possible to generate a unit of added value in a product or service with less resource use and reduced levels of environmental degradation. Information and communication technology provides an essential contribution in this direction. A significant increase in resource productivity is a necessary prerequisite for sustainable development.

**16. However, technological progress and dematerialization will not by themselves solve future problems; no more so than will isolated changes in the areas of behaviour or social structure.** Counterproductive feedback effects are extremely important to remember here: the rebound effect mentioned above works like a boomerang. Such effects, which can be seen throughout the history of technology, convert the potential savings inherent in dematerialization into growth of the average consumption per person as a result of price reductions, the increased attractiveness of products or the supposed need for additional products. Population growth is often part of a rebound and as such amplifies this effect. Consequently, the total sum of resource use in almost all areas has always grown.

**17. Growth is generally taken to be positive from the point of view of most human**

**societies, as long as global ecologies can withstand the resulting pressures on resources and pollution, and as long as social and cultural capital are not jeopardised. Today, though, the levels of carrying capacity reached in the ecological and social areas cannot be pushed much further.** Consequently, the rebound effect, i. e. the quantitative growth due to dematerialization, must be moderated by appropriate measures. In particular this requires a reasonable environmental and social policy. The market mechanism is an especially appropriate means of dealing with the rebound effect because it will guide further economic development in a sustainable direction, if global framework conditions are suitable.

**18. In view of rapidly rising resource consumption and the erosion of social capital that can already be observed in some cases, quantitative economic growth must be transformed step by step into qualitative growth, which, in the long run, destroys neither natural nor social capital.** This will require the decoupling of economic growth world-wide from the consumption of non-renewable resources and the loads placed on ecological systems. This requires responsible, world-wide policy co-ordination (global governance).

**19. The rebound effect in a globalised economy can only be limited if appropriate social and ecological 'guard-rails' are installed world-wide by politicians as part of the world's economic system. Such guard-rails have to be implemented locally in the form of national and regional framework conditions (the subsidiarity principle).** This implies that sustainable development cannot be achieved or maintained in one part of the world alone. Nonetheless, acceptance of a leadership position unilaterally by individual states or groups of states can have a positive effect.

### IV. The continuing Evolution of the new World Order

**20. Given today's globalised economy, sustainable development cannot be achieved or maintained in one part of the world alone. Therefore a continuing evolution of global policies and regulations and their local implementation in the form of national and regional policies and regulations is needed.** This will require

changes to regulations and conventions as exemplified by GATT/ WTO, the OECD, financial market regulations, environmental conventions, social conventions, etc. It will also require making voluntary commitments, audit procedures, etc. on the part of producing firms and other economic players. The various themes in such agreements (environment, social and economic aspects) have to be made compatible in their legal implications, just as they are in national policy making. The most important instruments include limitations on environmental loads and the world-wide establishment of social systems. The interdependence of social and ecological aspects is important and must be observed in the future world community's permit trading and cofinancing systems.

**21. Protection of the world's most important environmental resources** (such as air, forests, soils, drinking water, seas, biodiversity), **meeting the daunting social challenges** (poverty, hunger, unemployment, migration, population development, crises on the international financial markets) **and protecting a rich cultural heritage** (language diversity, traditions and values, regional identity, education for all) **will require concerted action by the world community.**

**22. A central challenge for the future will be the development of a more global partnership in the form of responsibility shared in accordance with each partner's ability to contribute (global governance), i. e. joint world-wide acceptance of responsibility for sustainable development** and, in particular, for safeguarding freedom from poverty and a life in dignity for all people.

## V. Assessment of the European Role

**23. On the world's political stage, Europe plays the role of a model that stands for achievement of social homogeneity, maintenance of cultural diversity within a community of countries, co-operation within the Triad, co-operation with Eastern Europe, and the new independent states, in particular Russia, and many developing countries, especially in Africa. The European Model offers many good starting points for promoting sustainable development and is seen positively in this role throughout most of the world.**

**24. A special challenge for Europe consists of the intelligent positioning and**

**implementation of social reforms in order to provide citizens with more employment and purpose in life, even if under changed conditions.** In particular, people must be regarded more as a resource with which to meet the challenges we are facing and must be actively involved in applying their various capabilities to the processes of change.

**25. Acting through the G7/ 8 and the OECD and in co-operation with developing and emerging nations, the European Union and its individual member states are strongly supportive of a world-wide transition to an Information and Knowledge Society; this is important and must be continued.**

**26. On the path to a United Europe, we should develop and defend our views on such topics as the world trade order, justice, culture, social standards and environmental protection, -in short 'Model Europe' -on the world's political stage with more determination.** This will require in some instances -despite agreement on most basic issues -that we differentiate our policies as alternatives to some U. S. policies. This will also require that Model Europe proves itself as a pillar of world politics, and that economic, ecological and social causes be put on the world agenda with determination. Europeans should use the international media and global forums more effectively than they have in the past, so as to make their ideas on the future better known to the world, and to actively seek acceptance of them. EXPO 2000 represents a promising platform for this intention, and should therefore be used accordingly.

**27. Europe must use its influence to change its own economic policies and conditions in the direction of sustainability. Such scope, however, is limited when one considers that Europe's competitiveness on the world market has to be maintained.** Modifications to the entire world trade order are therefore such a critically important step.

**28. The world economic framework, in particular the world trade order, can only be changed in agreement with the major trade blocs and global players (in particular North America, Europe, Asia-Pacific). Such agreement is indeed hard to reach, but not impossible.** Thus the results of the Kyoto Climate Conference, however inadequate they may be as regards the

challenges lying before us, did demonstrate that it is possible to bring about a future-oriented and world-wide consensus, even when the U. S. may to some extent be reluctant to act.

**29. Europe must adapt intelligently to existing world market conditions, both to maintain its own influence and to secure, to the degree possible, its standard of living.** This applies even if we may be forced to modify a number of established standards for a while, although we continue to regard them as a goal for all of humankind as part of a future world economic order.

**30. We should regard with an open mind the unavoidable consequences of adapting to the world marketplace that result from globalisation and the mounting economic power of regions that were previously lagging behind.** Possible losses when compared with the status quo will be compensated for by gains in flexibility, compassion, responsibility, risk tolerance, entrepreneurship and openness to the new. The path that lies before us may bring difficulties with it, but also great opportunities.

### Afterword

Despite foreseeable and perhaps inescapable problems, the future holds great potential, the likes of which have never been available before. Given intelligent and timely political action, both sustainability and overcoming poverty, as well as achieving respect for human rights, can ultimately be attained world-wide. We must realise that the question as to whether these goals will be achieved will be decided during the transition to a world-wide Information and Knowledge Society, i. e. it will depend on what form the Information Society will take as economic globalisation continues. Above all, one must bear in mind that the world's social and ecological problems affect each one of us, and have to be tackled by all of us working together. Therefore a key issue is whether the form that future globalisation takes will be ecologically and socially adequate. On the path to a United Europe, we should strongly invest in such a perspective - from an ethical and altruistic point of view, as well as out of insightful selfishness -against the background of our European culture and our historical experience.

### Responsible:

- Forum Info 2000, Bonn, Working Group 3 'Sustainable Development and Environmental Protection through Telematic Applications'
- Information Society Forum, Brussels, Working Group 4 'Sustainability in an Information Society', in Co- operation with the EU Project ASIS (Alliance for a Sustainable Information Society)

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## Bristol declaration

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### Democratic participation in the Information Society

Members of the Information Society Forum together with participants at **infoCity@Bristol.98** assert that the principles of accessibility, affordability, cultural diversity, empowerment, equality, freedom of expression, open democracy, public service and especially freedom of information, must be at the heart of development and promotion of the Information Society.

The key to active citizenship is ACCESS – regardless of age, ability, gender, sexuality, ethnic origin, social status, income, and religious or political views – to the information each person considers is needed to participate fully in society, and to opportunities to express freely ideas and opinions.

For information and communications technologies (ICT) to play an effective role in reducing the democratic deficit and creating an open, informed and informing society, everyone has to have the opportunity to share in the benefits through:

access to awareness of the potential of the technology;

- access to appropriate training in its use;
- affordable access to the technology;
- access to the decision-making process about the ways in which the technology is applied;
- access by individuals to personal information held about themselves;
- access to systems of redress if such information is inaccurate or is used improperly.

To facilitate democratic participation

- local and national administrations need to devise and implement coherent strategies, incorporating public consultation, to create a user-friendly infrastructure for the Information Society and, in particular, frameworks for inter-agency co-operation to simplify and improve access to public services;

- educational institutions need to develop accessible systems of service delivery which encourage everyone to make use of opportunities to gain skills and continue education throughout their lives;

- hardware and software manufacturers and information service suppliers must be encouraged to develop comprehensive, harmonised systems that are genuinely accessible by adopting design-for-all policies through the active participation of user groups. Recognising that the market approach cannot of itself guarantee social inclusion, and that many of the most innovative information and communications products come from small companies, the production and distribution of harmonised design guidelines would assist in combating some forms of social exclusion.

With the convergence of ICT it is vital that coherent and harmonised codes of ethical conduct be established, alongside provisions for copyright and data protection and protocols and technical means of assuring the reliability of information reaching the Internet.

These values and aspirations which echo those outlined in the *EC Report People First, The Next Steps* (1997), should rank alongside the final principle of the Bonn Ministerial Conference Declaration (July 1997) that '*opportunities for becoming computer literate should be available to people of all ages and from across the social spectrum*', and the principle of lifelong learning described in the ISF Newark Declaration (May 1998) that '*education and training is essential for the use of global information networks*'.

Bristol, Saturday 12 September 1998

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**Vienna declaration**
**13 November 1998**
**Moving Public Administrations Closer to the Citizens in the Digital Age**

Prepared by the IS-Forum Working Group 5

The Information Society presents many exciting opportunities which public administrations in the European Union urgently need to grasp. If they do so, then they can achieve a well-planned, well-ordered and efficient transition to what may be called an "Informed Democracy", within the Information Society. If they fail to do so, public pressures may force them into hasty and improvised adjustments that will fall seriously short of expectations.

Among the many attractions of Information Society technologies is that they enable governments to fulfil much more effectively their democratic obligations to preserve and strengthen individual rights and to improve the efficiency and quality of public services. In an "Informed Democracy", new applications of telematics will facilitate better decision-making and create more effective and coherent links between national administrations, and between them and European institutions.

But it is the ease and quality of their links with the citizen that will be crucial. People must have access to electronic communications with the Administrations, from public buildings but also from their homes. At the same time, easy physical communication must be accompanied by a guaranteed right of access for all people to public information.

This transformation to an "Informed Democracy" cannot be done cheaply, even though the cost/benefit ratio of public services will be much improved. But the substantial costs of equipment, of training and of adapting public databases and information systems should be regarded as investments capable of yielding real medium-term returns.

After a great deal of reflection on the strategy needed for moving forward towards an information-oriented administration closer to the citizens, we have identified six objectives and a series of recommendations for achieving them.

**Objective One:** Arrive at a clear definition of the citizen's rights to public information.

If much improved access to information is the key to strengthening both citizenship rights and the individual's personal and professional development, the issues of "what rights to which information, at what price and subject to which safeguards?" still need detailed definition.

We believe a pragmatic approach is necessary based on the assumption that certain information is vital to ensure the individual's full participation in society and to meet his or her essential needs. These needs derive from the practical, social, cultural and democratic aspects of daily life and are covered by a broad consensus throughout the European Union. They imply that guaranteed rights should include information on employment opportunities, health care, education, personal security, emergency assistance, transport, culture, protection against exclusion and discrimination and participation in the political process. Exercise of these guaranteed rights must, of course, be conditioned by strict respect for the equally important right to individual privacy.

**We recommend** that the essential information to which the individual must be guaranteed access should be identified through a process of close and continuous dialogue between Administrations and citizens. Telematics would be a very important instrument for facilitating this dialogue, permitting an interactive relationship capable of generating public services that are a great deal more customised than at present.

**We further recommend** that governments establish at national level the rules for accessing public information and for exploiting new services derived from that access. These rules must assure secure communications between the citizen and public administrations through adequate data protection, authentication and electronic signature systems.

**Objective Two:** Public services must be widely provided by electronic means and public information made universally available to the citizen.

Preparing public administrations for an Informed Democracy requires them to re-engineer their organisations and functions so that they can fully exploit the new information technologies to provide better public services to the citizen. The objective for administrations at all levels (local, regional, national, European) is to transform themselves into efficient and integrated networks able to present a single interface to the user of public information and public services. Clearly, this implies a major task in removing existing political and technical obstacles to communication and co-operation between them.

**We recommend** governments and the European Union to speed up the recasting of their public administrations and institutions through a more intensive use of new communications tools, the introduction of appropriate training schemes and the creation of new functions and hierarchies. Responsibility for driving information resources must be given to highly qualified people occupying senior management positions.

**Objective Three:** Public-private partnerships

Public administrations cannot achieve the transformation we believe necessary exclusively by themselves. As far as the supply of public information to the citizens is concerned, the private sector's financial, intellectual and technical resources need to be tapped, although its involvement must not weaken data protection and the citizen's right of general access to information. Private initiative should be encouraged to develop new value added services based on public information.

**We recommend** governments and the European Union to promote on a harmonised basis public/private partnerships for supplying public information.

**Objective Four:** Public information should be available as far as possible without charge when supplied in its original format – even though this will mean upgrading the quality of current public databases – and a system of affordable charges would be justified when information has been refined more closely for the needs of the user.

**We recommend** governments and the European Union to define a common approach to pricing the supply of public information in Europe.

**Objective Five:** Stimulate the identification of benchmarks and best practices by means of pan – European initiatives.

**We recommend** the Commission to present within two years a single, comprehensive interim report on initiatives being taken concerning public services and information society in the context of:

- The 5th Framework Programme
- The IDA Programme
- The TEN Telecom programme
- The Info 2000 programme.

**Objective Six:** More continuous monitoring of actions undertaken by the member states would strengthen the Forum's capacity to advise on priorities and to identify bottlenecks.

**We recommend** the Forum to set up an information platform at the European level to collect continuous information on Member States initiatives for applying new technologies to public services. An expert group of highly qualified individuals with a good knowledge of administrative systems at both the European and national levels should monitor the work of the platform and report annually.

## Seattle declaration

### Brussels, November 1999

#### Contribution of the Information Society Forum to the WTO Ministerial Conference in Seattle

##### Cultural Implications of the Millennium Round

Task Force on the General Agreement on Trade in Services of the Information Society Forum under the chairmanship of Jocelyn Hay.

The Information Society Forum firmly believes that quality of life for all citizens in the Information Society will depend on the success of efforts by nations and the world at large to ensure sustainable development. While public debate has already focused on the needs for sustainable development in the environmental, social and economic spheres, the Forum calls the attention of the Member Countries of the World Trade Organisation to the importance of safeguarding cultural sustainability. An Information Society in which cultural practices are reduced to the status of commodities traded under pure market criteria will, the Forum warns, be one in which cultural diversity is so impoverished that innovation is stifled. Such an impoverished world of culture will not work in the economic or any other sense and is clearly not sustainable.

**The Forum is aware of the significant impacts that the Millennium Round of international trade negotiations may have on cultural diversity. It appeals to all WTO Member Countries duly to take into account the needs of sustainable development in the cultural domain as much as in those of environment, labour and consumer protection and civil rights. The Forum will shortly report on the need for sustainability in all senses: here, its Task Force on the General Agreement on Trade in Services of the Information Society Forum reports on the cultural issues.**

The Information Society Forum is a group of some 140 independent experts from across the European Union and Eastern European countries. Members are drawn from a wide range of professions, such as academia, consumer groups, industry, trade unions, parliaments, public bodies and associations. The Forum advises the European Commission and EU Member States on a wide array of issues dealing with the social, societal, cultural and linguistic aspects of the

Information Society. In the last two years it has worked intensively on the question of how to ensure sustainable development for the 21st century.

The Forum recalls that the development of the Information Society has an important cultural dimension. Asserting and enhancing cultural diversity and cultural identities and broadening participation in cultural life is one of the prerequisites of democracy. Our societies need to safeguard the fundamental Human Rights expressed in Article 27 of the Universal Declaration of Human Rights. It states that "everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits". The exercise of this right necessitates effective frameworks for safeguarding our cultural heritage.

In line with the 1982 Mexico City Declaration on Cultural Policies passed by the World Conference on Cultural Policies, and with declarations of subsequent intergovernmental conferences, the Forum takes a broad view of culture. It includes the whole complex of distinctive spiritual, material, intellectual and emotional features that characterise a society or social group. It comprises not only the arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions and beliefs. The Forum also concurs with the position held by some 140 UNESCO Member Countries, as expressed in their 1998 Action Plan on Cultural Policies for Development, which states that heritage must be understood as all natural and cultural elements, tangible or intangible, which are inherited or newly created, because through these elements social groups recognise their identity and commit themselves to pass it on to future generations in an improved and enriched form.

Globalisation propelled by technological innovation challenges the traditional parameters on which the wealth of cultural identities of our societies has been based. Information and communication technologies radically change the way people communicate with each other world-wide. As the Internet becomes a major resource for information, learning, communication and entertainment, the new global communications systems link cultures ever more closely. But these developments also pose risks and challenges to cultural and linguistic diversity arising from the promotion of global cultural industries and international trade in cultural products.

Freely imparting and receiving information is at the heart of democracy. Information is an indispensable prerequisite for people to agree on commonly shared values and actively to participate in the cultural and social lives of their communities. The Forum emphasises that it is a well-established principle of the European Way for the Information Society to regard the media as crucial facilitators in promoting local, regional and national cultures and languages and in reflecting the needs of their audiences. Given the pervasiveness and impact of the audio-visual media in the daily lives of citizens, these media, including public service broadcasters, play a unique role in the exploration and preservation of the national heritage, and in the promotion of diverse cultural traditions and indigenous cultural identities.

The Forum believes that the further liberalisation of services sectors targeted by the Millennium Round will help foster prosperity and development on a world-wide basis. Open markets will contribute to stable and continued economic growth. At the same time, the global trade regimes must recognise the legitimacy of societies actively to promote and foster their cultural diversities and to support the unique role of the audio-visual media for the preservation of our cultural heritage through appropriate frameworks.

Against this background the Forum calls the attention of WTO Member Countries to the Action Plan on Cultural Policies for Development adopted in Stockholm on 2 April 1998 by the Intergovernmental Conference on Cultural Policies for Development convened by UNESCO and signed by 140 of its Member States. The Forum concurs with and reaffirms the findings and recommendations of the Action Plan, and in particular reiterates the

following passages stating that the Intergovernmental Conference:

- recognises the principle that sustainable development and the flourishing of culture are interdependent, and that cultural creativity is the source of human progress; and cultural diversity, being a treasure of humankind, is an essential factor of development;
- recognises that the defence of local and regional cultures threatened by cultures with a global reach must not transform the cultures thus affected into relics deprived of their own development dynamics;
- affirms that cultural policy, as one of the main components of endogenous and sustainable development policy, should be implemented in co-ordination with policy in other social areas, on the basis of an integrated approach; and that any policy for development must be profoundly sensitive to culture itself;
- affirms that cultural policies should promote creativity in all its forms, facilitating access to cultural practices and experiences for all citizens, enrich the sense of cultural identity and belonging of every individual and community and sustain them in their search for a dignified and safe future;
- recommends to Member States to adopt and put into practice a broader vision of national cultural policy in accordance with the actual conditions in each country, and endeavour to encourage the participation of civil society, including the media;
- recommends to Member States to promote the development and use of new technologies and new communication and information services, stress the importance of access to information highways and services at affordable prices and the equal use of languages, and encourage the use of new technologies in public services;
- recommends to Member States the idea that cultural goods and services - in the definition of the Mexico City declaration referred to above - should be fully recognised and treated as being unlike any other form of merchandise.

For local, regional or national governments to support the production and use of such goods and services is not a threat to international

competition or to open markets. On the contrary, it supports innovation and social and cultural development for the long term. All - including the traders in mass commercial culture - benefit from such support for innovation.

The Forum, therefore, appeals to all WTO Member Countries participating in the negotiations of the Millennium Round to:

- recognise the importance of cultural sustainability;
- acknowledge that cultural goods and services are significantly different from other products;
- acknowledge that domestic measures and policies intended to ensure access to a variety of indigenous cultural products and services are legitimate public interest objectives;
- refrain from applying the General Agreement on Trade in Services to services related to the communication of audio-visual content to the public, which are directly linked to the cultural, political and social interaction and sustainable development of societies. The distinctive nature of these cultural content and services applies irrespective of technology used and includes preceding stages of production and distribution of such content as well as its promotion and specific regulation.
- honour the spirit of the Bern Convention and the letter of the majority of states' Authors' Rights laws, acknowledging the significance for the diversity of cultural expression of individual authors and artists having rights and responsibilities in their creations.

European Commission

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