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**The Digital Divide**

by  
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The term “digital divide” has become commonplace in the media echo chamber. It expresses concern that some people have superior access to the Internet, or that some people use the Internet more than others, and that “something must be done” (by the government, of course). The reality is that any digital divides in existence are the product of natural forces, and are closing rapidly. The only threat to this benign trend is the possibility of government programs directed at “the problem.”

**Background.** “Digital divide” is a term applied to a variety of possible imbalances in Internet use, such as: Asian- or Caucasian-Americans vs. African- or Hispanic-Americans; rich vs. poor; men vs. women; urban vs. suburban vs. rural; people of different ages; people of different education levels; people with disabilities; developed vs. underdeveloped nations; America vs. Europe vs. Asia.

A common factor unites most discussions of these possible divides—a concluding plea for a government program of regulation or subsidy to close whatever divide is under consideration.

**Analysis.** For anyone who believes in equality, and who wants the magnificent opportunities of the Internet to become available to as many people as possible as rapidly as possible, the response to all proposals for government meddling in the name of “closing the digital divide” should be adamant and unvarying: Don’t do it.

It is axiomatic that the educated and the rich adopt new technologies more rapidly than other people. This is *always* the pattern of technology diffusion. It is also a good and necessary thing. These early adopters pay a premium price, provide innovators with a return on investment that makes enterprise possible, and serve as beta testers. Bugs are worked out, lessons learned, quality improved, and costs cut. Thereafter, the technology gets cheaper and better and more people sign up as it falls into their price range and as they perceive the utility.

This familiar process has put color televisions into 98 percent of US households. It has put VCRs into 85 percent, cooking ranges

into 99 percent, self-cleaning ovens into 66 percent, water heaters into 100 percent, and stereos into 68 percent of households.<sup>1</sup> As of 2000, 51 percent of households had computers, up from 15 percent in 1990, and 42 percent had access to the Internet, up from zero in 1997.<sup>2</sup>

The personal computer has reached 50 percent household penetration faster than any other technology in history. This penetration is indeed higher among upper-income and educated groups, but the Employment Policy Foundation's recent review of the numbers and trends concludes that "95 percent household penetration for computers will occur between 2003 and 2007 for upper income households and between 2005 and 2009 for the lowest income households."<sup>3</sup> Any government program that tries to short-circuit this already quite rapid process will retard diffusion across economic lines rather than promote it. Nor do other purported "gaps" require action, because they dissolve under analysis:

☞ Rural/Urban. How can a rural/urban gap exist when anyone with a telephone has access to the Internet, and the telephone is ubiquitous? The argument is sometimes made that a rural user might be required to make a long-distance call to reach an ISP, and that this is unacceptable. But the distinction between local calls and long-distance calls is a product of government regulation, not of technology or cost, and could be cured easily. A program, such as a subsidy, to cure a problem that is completely an artifact of the regulatory system would border on lunacy.

☞ Broadband. A variation of the "rural gap" argument is that a "broadband gap" disfavors rural areas because telephone companies are giving priority to urban areas in broadband deployment. But satellite broadband is coming on-stream rapidly. (See chapter 12, "High-Speed Internet Access Policy.") Other options are also developing; some rural telephone companies are deploying DSL broadband, and may be moving ahead of urban areas.<sup>4</sup> A government program, with its nitpicking and uncertainty, will delay such efforts.

☞ Disabled. Disabled Americans do need better access to the Internet, but this need is being met by an outpouring of private initiatives. (See chapter 21, "Internet Access for the Disabled.")

☞ Racial. The discrepancy in computer ownership and Internet access between Asian- and Caucasian-Americans on the one hand and African- and Hispanic-Americans on the other is the most sensitive issue.

Minority groups are behind at the moment, but their connectivity is increasing rapidly.<sup>5</sup> The nation is on course to produce the result envisioned by one Internet analyst: “Everybody who wants to get online will have gotten online in the next five years, and it does not matter whether they’re yellow, pink, or green.”<sup>6</sup>

☞ **Underdeveloped World.** Several companies are providing connectivity tailored to the needs of the underdeveloped world. For example, the Simputer Project is developing a handheld 32MB computer, more powerful than most PDAs, which can run on three AAA batteries and be set up so that every person in a village can have his own e-mail account (price: US \$200).<sup>7</sup> Hewlett-Packard has introduced a worldwide network that brings buyers and sellers from all over the world together to trade. Called E-Inclusion, it enables anyone with Internet access to buy products from remote villages, communicate ideas, and collaborate on projects with people around the world.<sup>8</sup>

**Existing efforts.** To the extent that special efforts are needed, the federal e-rate program is pouring billions of dollars into connecting schools and libraries, with emphasis on less affluent areas. Technology grants to schools are also available through the Department of Education. Community colleges are providing not just technical training but educational packages that integrate technology with other skills, such as basic reading and mathematics.<sup>9</sup> (Over 40 million adults in the US are functionally illiterate; access to the Internet is not their top priority.)

Private companies are putting together extensive partnerships. At the end of last year, Microsoft donated \$100 million to the Boys & Girls Clubs of America to set up a Club Tech program to teach and encourage inner-city children to use personal computers and explore the Internet.<sup>10</sup> Other companies, such as U.S. West, Ford Motor Company, and Visa are deeply involved in efforts to provide training to low-income people.<sup>11</sup>

**Conclusion.** A recent report by the US Commerce Department concluded that “overall, our Nation is moving toward full digital inclusion,” and that more Americans are using “electronic tools” at an increasing rate.<sup>12</sup>

**Policy recommendation.** Congressional efforts to mandate progress are certain to backfire, inhibiting current efforts and turning into unproductive welfare schemes for favored constituencies and corporations.

~ JAMES V. DELONG

- <sup>1</sup> *Statistical Abstract of the United States, 119th Edition* (1999), Table No. 1223.
- <sup>2</sup> US Government Working Group on Electronic Commerce, *Leadership for the New Millennium*, 3rd Annual Report, US Department of Commerce, 2000.
- <sup>3</sup> Employment Policy Foundation, *Computer Ownership and Internet Access: Opportunities for Workforce Development and Job Flexibility*, 11 January 2001; available at [www.epf.org/forecasts/2001/nr20010111.htm](http://www.epf.org/forecasts/2001/nr20010111.htm).
- <sup>4</sup> See Gail Lawson, "Back to the Future: Rural Telcos Lead Way With Video Over DSL," *Xchange* (February 2000); available at [www.x-change.com/articles/121covera.html](http://www.x-change.com/articles/121covera.html).
- <sup>5</sup> US Department of Commerce, *Falling Through The Net: Toward Digital Inclusion* (October 2000); available at [www.esa.doc.gov/](http://www.esa.doc.gov/).
- <sup>6</sup> Solveig Singleton and Lucas Mast, "How Does the Empty Glass Fill?" *EDUCAUSE* (November/December 2000), pp. 30, 31; available at [www.educause.edu/pub/er/erm00/erm006.html](http://www.educause.edu/pub/er/erm00/erm006.html).
- <sup>7</sup> The Simputer Trust, "The Simputer Project," [www.simputer.org](http://www.simputer.org). Simputer stands for: Simple, Inexpensive, Multi-lingual comPUTER.
- <sup>8</sup> Hewlett-Packard, "E-Inclusion," [www.hp.com/e-inclusion/](http://www.hp.com/e-inclusion/).
- <sup>9</sup> Singleton and Mast, "How Does the Empty Glass Fill?"
- <sup>10</sup> "Microsoft and Boys & Girls Clubs of America Announce Club Tech Initiative..." press release, 4 December 2000; available at [www.microsoft.com/PressPass/press/2000/Dec00/ClubTechPR.asp](http://www.microsoft.com/PressPass/press/2000/Dec00/ClubTechPR.asp).
- <sup>11</sup> Deroy Murdock, *Digital Divide? What Digital Divide?* Cato Institute, 16 July 2000; available at [www.cato.org/dailys/06-16-00.html](http://www.cato.org/dailys/06-16-00.html).
- <sup>12</sup> US Department of Commerce, *Falling Through The Net*. The report laments that "a digital divide still remains," but, as noted, any such divide is closing rapidly.