

# Reclaiming Choice

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The United States has more or less achieved universal, affordable access to private automobiles, with some profoundly positive—and profoundly negative—results. Automobiles have supported personal mobility and freedom, as well as the expansion of vast industries. But the proliferation of cars and trucks forces us to endure daily traffic jams, air pollution, the ill effects of suburban sprawl, tens of thousands of annual road fatalities, and dependence on nonrenewable and insecure sources of imported oil. In the process, we have created a society in which owning an automobile and driving upwards of 10,000 miles per year has become, for most Americans, not at all a voluntary option.

If we now have second thoughts about how our society achieved universal access to the automobile, there are sound reasons to suspect that we will feel every bit as ambivalent about the commercially driven approach through which we are pursuing universal Internet access.

On the other hand, a technology's contradictory social consequences need not be swallowed whole. Wise policies governing the design and use of a technology can encourage its benign effects and lessen the deleterious ones. Unwise policies can do the opposite.

In 1956, no popular clamor for building a new road system pressured Congress to pass the Interstate Highway Act. Only about half of American families owned a car; everyone else depended on public transportation. Auto makers, road builders, and realtors who saw profits in developing suburban subdivisions, however, all lobbied Congress aggressively. In response, lawmakers created the Highway Trust Fund, earmarking taxes from gasoline sales for highway construction. Public transit systems, unable to compete with subsidized automobiles, rapidly atrophied. Soon more Americans were forced to buy a car to shop or to hold a job. So the tremendous social transformation that followed hinged upon the political muscle of powerful business interests and external compulsion—not simply the free choices of consumers and certainly not any inexorable internal logic of technological development.

Western European nations, in contrast, opted for different public policies governing transportation systems. The results include networks of bicycle lanes and public transit systems that are comparatively comfortable, extensive, and easy to use.

## **The cybernetic Wal-Mart effect**

In this context, the Internet's future development—including the extent to which it is driven by commercial versus civic imperatives—poses a political issue that may prove at least as defining for our social future as did the politics of automobile use. Among the first casualties might be local economies, by which I mean local capacities to produce enough goods and services to meet a fair share of local needs.

Imagine what happens when a Wal-Mart store opens on the outskirts of a town. Suppose that half the residents start to do one-third of their shopping at Wal-Mart. That means they still do two-thirds of their shopping downtown, while the remaining half of the population does all its shopping downtown. Thus everyone wants downtown to remain vibrant. However, if half the people do a third of their shopping at Wal-Mart, you've extracted about 16.7 percent of the revenue from the downtown and neighborhood economy. If profit margins aren't high, that's enough to start shutting down the downtown. Here we have a perverse market dynamic—a loss to the entire community that not a single person wanted. And it is a coercive, self-reinforcing dynamic. Once the downtown starts to shut down, people who preferred to shop there must now switch to Wal-Mart by default.

In our lifetimes, Wal-Mart has become a symbol for the malling of America, which has wiped out many individual mom-and-pop retail stores. I'm concerned that the Internet will extend this trend via a Cybernetic Wal-Mart Effect. Online, you're not just competing with Wal-Mart. You're competing with the full global marketplace. Moreover, Wal-Marts basically threaten mom-and-pop retail shops. But online commerce can spread out into every sector of the economy, including local manufacturers, business suppliers, and even service providers, such as travel agents, accountants, insurers, stockbrokers, and lawyers.

### **Serfing the net**

Assuredly, some local businesses will thrive and grow by going online themselves. But the advertising economies of scale in attracting customers to a select number of hot Web sites suggest that before long the global economy will consolidate into a smaller number of prominent, large, very un-local enterprises. As Lisa Allen of Forrester Research explained recently in *The New York Times*: "It's not a pretty picture for local merchants right now. ... National players have the deep pockets to create [web]sites with the best user experience and market them. And the mom-and-pops don't have that."

The antidemocratic implications of the Cybernetic Wal-Mart Effect reach even further.

Eviscerating a

local economy weakens local cultural and community vibrancy. That's bad in its own right. But it's also bad for democracy, because as social bonds weaken, people relinquish mutual understanding and the capacity for collective action. Those are essential foundations of a workable democracy.

The destruction of local economies further translates into greater local dependence on national and global market forces and on distant corporate headquarters—powers that communities can't control. The locus of effective political intervention thus shifts toward more distant power centers. Everyday citizens can't be as effective in these distant centers as in smaller political settings, so democracy is further impaired.

Businesses, moreover, are using computer networks to consolidate high-level managerial control over their expanding global operations. As a result, corporations are becoming ever more empowered relative to individual workers, trade unions, and even national governments. As a cover story in *Business Week* boasted some years ago, new "stateless"

megacorporations are “leaping boundaries” to intimidate labor unions, elude domestic political opposition, threaten meddling government officials with plant closure and capital flight, and “sidestep regulatory hurdles.”

In addition, the volume and speed of electronic transfers in the global financial system heightens the threat of capital flight. In *The Rise of the Network Society*, Manuel Castells vividly describes how global electronic networks both alter and deepen the politically coercive implications inherent in this threat:

“A global economy is a historically new reality ... it is an economy with the capacity to work as a unit in real time on a planetary scale. ... Capital flows become at the same time global and increasingly autonomous vis-à-vis the actual performance of economies.”

Here is an entirely new twist to the issue of capital flight, transforming financial instabilities that were formerly localized and episodic into the chronic condition of the entire world economy. With capital soaring aloft in perpetual global motion, national governments that formerly feared capital “flight” must now additionally compete for transitory capital “alight.” This severely constrains what elected leaders dare say and do, further compromising the democratic process for determining national policies.

Cybervisionaries such as Microsoft chairman Bill Gates have waxed ecstatic in describing the coming wonders of Internet-enabled “friction-free capitalism.” In *The Road Ahead*, Gates writes: “We’ll find ourselves in a new world of low-friction, low-overhead capitalism, in which market information will be plentiful and transaction costs low. It will be a shopper’s heaven.”

In Gates’ view, capitalism will become low-friction when market information is “plentiful.” But early

indications are that the kind of information that is becoming available, and its distribution, both reflect biases of social power and wealth. Businesses are electronically assembling statistical profiles on the performance of individual employees and personal consumer habits as never before. In contrast, worker and citizen abilities to penetrate the veils of corporate managerial secrecy and proprietary information are not remotely keeping pace. Corporations and financial institutions can snoop into your life in ways that you most definitely cannot snoop back.

The implications for open and informed democratic deliberation are not cheering. The proprietary nature of corporate strategic planning decisions puts governments, workers, and citizens several years behind businesses in terms of access to information about impending, socially consequential innovations. Businesses can use their inside information to devise and deploy technological or social faits accomplis or to lobby government long before anyone else even knows what’s afoot. This looks less like friction-free capitalism and more like information-free politics—ironic in a self-styled “Information Society.”

Economic historian Karl Polanyi, in his 1944 classic, *The Great Transformation*, showed how the subjection of human labor to unregulated market imperatives produced horrendous social and economic hardship during the centuries in which Britain became an industrial powerhouse.

“To allow the market mechanism to be sole director of the fate of human beings and their natural environment ... would result in the demolition of society,” Polanyi wrote. “Robbed of the protective covering of cultural institutions, human beings would perish from the effects of social exposure. ... Nature would be reduced to its elements, neighborhoods and landscapes defiled. ... [N]o society could stand the effects of such a system.”

### **On being no place at once**

Meanwhile, an ever-more compulsory cybernetic life-style continues to accelerate life on the job and off, distract and fragment our moment-to-moment existence, and alienate us from our immediate physical environment. Some of us are already spread so thin among so many places that we exist constantly in an emotional state of “being no place at once.” In effect, attention deficit disorder is being upgraded from psychological impairment to societal norm.

According to a leading scholarly study of how Americans use their time, recent stressful trends of this sort mean that “many Americans never experience anything fully, never live in the moment.” That could cripple our capacity for committed personal relationships, as well as our willingness to act personally and politically to protect the environment. It’s also likely to challenge our patience with the necessarily slow pace of democratic deliberation, to reduce our experience of meaning in daily life, and to impair our moral development and discourage our personal participation in civic affairs.

From an Eastern perspective, being no place at once is antithetical to the here–and–now, single–pointed

attention and subtle awareness that Buddhists, for example, consider essential to clear vision, compassionate knowing, human emancipation, and enlightenment. From a Western perspective, it offers a final example of how far removed a society is from the classical democratic ideals of Jean–Jacques Rousseau, Thomas Jefferson, John Stuart Mill, and John Dewey if it is ruled by a hyper-commercialized Internet. Independent moral judgment, civic obligation, democratic deliberation, self-government, and the common good atrophy. In their place, we find compulsion, power asymmetry, friction-free capitalism, and the commodification of just about everything.

### **Capturing benefits, limiting harm**

While US policies toward science and technology remain mired in the past, other countries are racing ahead to make science and technology within their borders more socially responsive.

Nonscientists make up a majority of the Swedish government’s Council for Planning and Coordination of Research, which is noted for promoting innovative programs of interdisciplinary research.

Japan and European nations such as Germany have pioneered processes that foster collaboration between industrial engineers, university scientists, workers, and end–users in developing new technologies.

For a decade, the Danish government has appointed panels of everyday citizens to cross–examine a range of experts and other interested parties—such as representatives of industry,

labor, and consumer groups—and then to deliberate on what they've heard and announce nonbinding recommendations for science and technology policy at a national press conference. For example, a 1989 Danish citizens' panel on the social implications of the Human Genome Project endorsed the experts' support for basic genetic research but called for more research on the interplay between environmental factors and genetic inheritance, and on the social consequences of science. It also influenced the Danish Parliament to prohibit the use of information from genetic tests in employment and insurance decisions.

The Danes' carefully structured participatory process is already being emulated in other countries, including France, the Netherlands, Norway, Switzerland, the United Kingdom, Canada, Israel, Japan, Australia, and New Zealand. A pilot demonstration of the process took place in the greater Boston area in April 1997 on the topic of telecommunications and the future of democracy.

When a broad range of citizens participates in making decisions about science and technology, the public is more likely to accept those decisions. For example, after the Danish government sponsored several citizens' panels and hundreds of local debates on biotechnology, a study by the European Commission in 1991 found that more Danes understood and supported their national biotechnology policies than citizens of other European countries. Industry also can benefit when the public participates, by learning about and being able to address popular objections early in the process of developing new products.

In the United States, various federal agencies have set up small programs to support collaborations between university researchers and community groups. For example, the Childhood Cancer Research Institute, affiliated with Clark University, has received funds from several federal agencies, including the National Institute of Environmental Health Sciences. The cancer research institute has used those grants to work with several Native American tribes to study the health effects of exposure to nuclear radiation.

A recent study by the nonprofit Loka Institute estimates that for less than 0.25 percent of the total US expenditure, both public and private, on research and development, the United States could expand such small programs into a decentralized national network of community-research centers.

Current US policy irrationally encourages a Cybernetic Wal-Mart Effect by exempting most out-of-state purchases from state and local sales tax. A tax on e-commerce would hold it in balance with local economies—and thus limit the erosion of civic vitality and democratic self-governance. Some of the revenue could, in turn, be rebated to localities to invest in rejuvenating local economies and civic life.

A prohibition or tax on third-party advertising on the Internet would be a straightforward way to roll back commercialization and preserve habitat for citizenship. It sounds unthinkable, until you remember that only six or seven years ago it was the idea of commercial advertising on the Internet that was unthinkable.

Deliberative citizens' panels on science and technology policy, lay participation in the design of

new technologies, community-based research, and protection against hyper-commercialization of the Internet exemplify the type of creative changes we need. So yes, it is technically, economically, and socially possible to develop and use information technologies in humane, just, wise, and democratic ways. But it's also politically improbable right now, given the cyber-enthralment of the moment, the nation's lingering infatuation with laissez-faire economics, and the self-serving, pro-Internet bias of the commercial media. All in all, politicians have never been under such pressure to make sure technology policies back corporate visions—and so little pressured to attend to the democratic or social repercussions.

That's not a lot of ground for immediate optimism. On the other hand, the collapse of the dot.com stock market bubble opens some political opportunity to press for sensible policies for guiding Internet development. Moreover, there are important fallback steps that citizen groups and localities can take now to reduce, and one day reverse, Internet-induced social and civic harm.

Wise communities will act now to bolster their local economies against the Internet's encroachment. For example, one can counterpose community networking, neighborhood telecommuting-and-civic centers, and responsible voluntary Internet uses versus coerced uses and the export of scarce local dollars to far-flung cybershops. Or counterpose child-centric versus computer-centric school curricula.

Above all, communities must decide which aspects of face-to-face, place-based life they most treasure and then make vigorous efforts to enhance and protect them from the predatory ravages of an impending, rampantly over-commercialized Internet and over-wired world. The practical beauty of seeking greater local economic self-reliance is that any county, city, or neighborhood can pursue it and no permission is necessary from state or national governments.

In the long term, history provides reason for hope. Consider Copenhagen. Denmark initially overdosed on automobiles in much the same way as the United States. Photographs of downtown Copenhagen in the early 1960s show all the old-time plazas converted into open air parking lots, all the streets choked with traffic. But the Danes came to their senses and gradually began taking their streets and plazas back from the car. Today Copenhagen—and every city and town in Denmark—has a car-free downtown pedestrian area.

There's a lesson here. We human beings do sometimes get carried away with our technical virtuosity. But we can be just as socially creative in correcting our errors—when we're ready. In the case of the Internet, the sooner, the better.

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