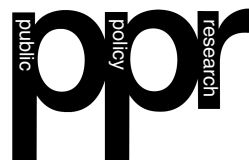# Ideas, interests and information

Conflicting visions of a supranational information society

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The institutions of the European Union have been the primary setting in which a new policy area – information society policy – has been purposefully forged out of traditionally discrete policy areas such as broadcasting, telecommunications and technology. This process can be interpreted as the latest phase in European integration: the growth of policy competence at the supranational level. This has certainly occurred, but another perspective through which to assess the course of events is in terms of Europe's ideological divide: between neoliberal and social democratic approaches to public policy.

In this essay, we argue that the history of information society policy in the EU has been dominated by a neoliberal agenda, which focuses on economic rather than social goals, with liberalisation, privatisation and deregulation the proposed means of achieving them. This agenda is bound up with the prevailing discourse on globalisation – with the associated imperatives on competitiveness – in most advanced industrial economies.

We argue that there are wider objectives of a progressive information society policy. This should not imply a return to protectionism: such an approach would share the deficiencies of narrow neoliberalism. The objectives of information society policy, rather, should be focused and judged as much on cultural and educational gains as they are on economic ones. Here we will set out a vision for how the information society can function in harmony with social democratic values throughout Europe. Furthermore, we argue, policy development in this area provides important lessons for those who worry about the propensity for European integration to be left open to undue influence by powerful corporate interests and their political sponsors.

The 'information society'

At base, the 'information society' is a concept designed to summarise the transformation that our societies are undergoing. It emerged as scholars predicted a fundamental change in social organisation, from the 1960s onwards. Popular terms such as post-industrialism, post-Fordism and post-modernism indicated that a decisive break with the past was occurring, although there was little agreement on how to characterise the new reality.

Webster (2002) identifies five competing, but not mutually exclusive, definitions in the literature. Firstly, *technological* conceptions of the information society concern the development of a new technological infrastructure afforded by the merging of information and communication technology. *Economic* conceptions define the information society by the extent to which the 'information industries' dominate economic activity. *Occupational* conceptions are concerned with how many people are employed in jobs

where information is the raw material of the work: ranging from doctors and lawyers at one end of the spectrum to call centre workers at the other. *Spatial* conceptions focus on the way social networks increasingly span disparate geographical locations, linked by the exchange of information rather than any shared locality. Finally, *cultural* conceptions highlight the amount of information in circulation throughout our culture, citing the number of newspapers, websites, university courses and television stations as evidence of the information society.

Across all of these definitions, the key distinction is between quantitative and qualitative accounts of the information society. Considered in isolation, most of these conceptions rely on quantitative assessment, with the evidence for the existence of an information society being measurable numerically: how many people work in a particular industry, the total economic value of an industry, how many computers sold, and so on.

If the term is to have any relevance, however, it has to be shorthand for the range of forces reshaping the nature of our society. Qualitative accounts of the information society are much broader: they depend not a single set of quantitative parameters, but a fundamental change in social relations. Manuel Castells (1996) achieves this in his account of an information society defined by the 'networked' social relations that replace traditional organisational hierarchies, where our connection to information networks becomes increasingly important – socially, culturally and economically.

This debate about definition is important: the way in which political actors – whether powerful or marginalised – promote and distribute ideas, and for what purposes, is becoming a central concern of political scientists across the field. This concern is pertinent especially in relation to information society policy. This policy domain was crafted deliberately and purposefully by actors at the European level, and tied explicitly to a powerful political concept.

Superficially, the aim of information society policy is relatively straightforward: to encourage the development of an information society. There is also agreement that this depends on an increasing flow of information, which is partly dependent on enabling technology. There is less agreement on the nature of these ends and the means by which we will reach them. Some suggest the ends are economic, with a focus either on the productivity gains afforded by information and communication technologies (ICT) or the extra jobs created by expanding new industries. For others, the ends are to enhance social inclusion, or to exploit the educational opportunities the information flows allow. Differing positions on the means can be defined according to the extent to which a strategy depends on merely distributing technology, and what role the state has in the encouragement of the information society.

The emergence of EU information society policy

Every few months, another mobile phone company launches a television service, or a broadcaster announces the availability of programmes for internet download. These developments are the subject of the controversial draft directive – the Audiovisual Media Services (AMS) Directive – issued in 2005 by the European Commission (EC), which purports to regulate innovative forms of audiovisual provision. We might view this as a simple case of the latest economic practices being followed by a new set of laws to regulate them. However, the AMS Directive actually

comes at the end of a long list of policy activity at the supranational level.

EU information society policy emerged with the production of two influential documents by the EC in the 1990s. First was the landmark White Paper *Growth, Competitiveness and Employment* (Commission of the European Communities 1993). Following this came a report by the Commission's High Level Group on the Information Society entitled *Europe and the Global Information Society* (Commission 1994) and referred to as the 'Bangemann Report', after Martin Bangemann, the Industry, Telecommunications and Information Technology Commissioner who chaired the Group.

The immediate relevance of these interventions is in the context of the push to liberalise the European telecommunications sector. After unsuccessful attempts to pursue integration in this sector in the 1950s, the EC returned to the issue in the 1980s, with an added focus on the spread of new ICTs.

The themes of the White Paper and the Bangemann Report are alike; the dissimilarities, however, reveal much about the EU's approach. The documents share a technological and quantitative definition of the information society: defining it by the distribution of ICTs and the increases in information flows this enables. But, while the White Paper makes the case for developing an information society in Europe, the Bangemann Report argues for a particular method of doing this: via market mechanisms.

The policy programme the White Paper prescribes is broad, involving five priorities: promoting ICT; creating a new regulatory environment, particularly by liberalising telecommunications; the provision of trans-European telecommunications services, including ISDN and broadband; training

programmes on the new technologies; and finally, an increase in take-up of new technology in industry (Commission of the European Communities 1993).

The Bangemann Report narrows these priorities: its most obvious departure from the White Paper is its absence of any notion of an employment strategy. Indeed, the report is almost exclusively focused on the second of the White Paper's five priorities: regulatory reform, particularly in telecommunications. Liberalisation of the sector was to be accompanied by deregulation, with telecommunications operators being relieved of the 'burden of universal service' (Commission of the European Communities 1994).

Although not arguing for extensive state intervention, the White Paper highlights the dual aspects of the public sector's role in establishing an information society. One is addressing societal implications (such as exclusion), maximising employment opportunities, adapting training programmes, and managing cultural and ethical issues (including privacy). The other is removing regulatory obstacles for private investors. This is not necessarily a limited role for the state, depending especially on how the first of the above functions is interpreted.

The Bangemann Report is more precise in limiting the public sector to a narrow range of functions. It removes mention of the White Paper's open-ended first function and specifies: ending monopolies; enhancing the interoperability of equipment; creating a regulatory framework that protects intellectual property; ensuring the privacy and security of information; and assisting the exploitation of key technologies (Commission of the European Communities 1994, summarised in Martin 1995). The report makes clear its strategy 'does NOT involve more public money,

financial assistance [or] subsidies'
(Commission of the European Communities
1994, emphasis original). The public sector's
role is to make private investment in the
communications sector as easy as possible.

As the blueprint for EU activity, it was the
more specific Bangemann Report that prevailed
in policy terms. This caused an initial failure to
address any aspects of a potential information
society other than economic ones, with a sole
focus on increasing firms' profitability.
Although the region-wide telecommunications
liberalisation that followed was considered a
success, there were later attempts to widen the
policy focus, addressing major concerns that an
exclusive economic approach would inhibit the
benefits that the development of an
information society could bring about.

Challenging the Bangemann agenda

The initial challenge to neoliberalism as the
basis for the EU's information society policy
came from two sources. The first, limited,
challenge emerged from an initiative of the
Union's cohesion policy. The second was far
more ambitious, challenging the ideas at the
heart of the Bangemann agenda, but ultimately
unsuccessful.

The EC distributes resources – the structural
funds – to impoverished regions in an attempt
to tackle internal economic disparities within
Europe. After the publication of the
Bangemann Report, the concept of the
information society became a significant
element in the EU's regional strategies, with the
launch of the Inter-Regional Information
Society Initiative (IRISI) in 1994. The
background to this was the perception of
inequalities between regions in terms of how
quickly the information society was being
developed, especially concerning differential
levels of ICT uptake.

The regional initiatives challenged Bangemann
through the notion that public expenditure be
used to promote the information society,
although the regional initiatives suffered from a
critical lack of funding that reduced their
potential impact (Dabinett 2001): the successor
to IRISI was allocated just €35 million from the
structural funds. Dabinett (2001) further argues
that the initiatives struggled because of their top-
down nature: focusing on providing ICT to
regions where take-up was low (including the
Scottish Highlands) despite the incapacity of
these areas to fully utilise the technology.

While the EU's regional policy represents a
more interventionist approach to the
information society, its challenge to the
neoliberal agenda is limited. A more significant
development is found in the output of the
High Level Expert Group on the Social and
Societal Aspects of the Information Society
(HLEG). The group comprised predominantly
academics and public sector representatives, in
contrast to the private industry representatives
of Bangemann's group.

The HLEG's contribution was its challenge to
the terms of the discourse that policymaking
had been conducted in: largely because of their
new way of talking about technology. The
HLEG rejected the notion of technology as an
exogenous variable – an assumption of the
Bangemann Report – to which society must
adapt. The 'social embeddedness' of ICTs is
thus the most important issue for the HLEG
(Commission 1997a). Technology can only be
complimentary to 'human investment', with
the HLEG calling for 'major public and private
investment' in training, education and lifelong
learning (Commission of the European
Communities 1997a).

The nature of the information society policy
programme is viewed in a distinct way by the
HLEG. It does not challenge the information

society as a policy goal, but makes proposals that should be a vital part of its realisation, disputing the notion that 'liberalising and deregulating' is the only relevant form of information society policy (Commission of the European Communities 1997a). It calls for efforts to increase social inclusion, reprioritise full employment, and develop cultural production and consumption at the local level as the priorities of information society policy, suggesting an active role for the public sector in this agenda. However, the emphases of information society policy have not shifted toward these priorities. When the Information Society Directorate-General was created in 1999, its primary concerns remained focused on technological rollout and economic regulation.

Regulating the information industries

The move towards a converged regulatory framework – following technological convergence – of the telecommunications, information technology and broadcasting sectors is explicitly described in the EU as part of the drive toward an information society, and it is promoted strongly on this basis. In 1997, the EC published a Green Paper that set out a light-touch regulatory regime for the converging sectors (Commission of European Communities 1997b).

These proposals began to bring to a head the debate over the appropriate form of a supranational information society policy. Major corporate interests – including the International Communications Round Table – had long favoured the emergence of a converged regulatory regime at EU level, under the auspices of information society policy. However, they did not want the content of the 'information networks' that the converging sectors were composed of to be subject to any specific regulations (see ICRT 1998).

This view was based on specific ideas about the nature of the expanding information networks. We assume that our traditional television and radio broadcasting systems represent a 'public space' – where profit is pursued – but so too are other public goods, and there are agreed limits to the extent to which private interests (for example, through advertising) can dominate this space. When it comes to the internet and other new media, the neoliberal argument effectively makes profit the sole purpose of the content of information networks.

Following pressure from France and Germany – afraid of the threat to public service broadcasting (Simpson 2000) – the 1997 proposals ultimately failed to materialise. However, the E-Commerce Directive of 2000 became a means through which the same principles were institutionalised at EU level. This Directive was concerned with the regulation of commerce conducted through the internet, or 'information society services' (European Parliament and European Council of Ministers 2000). Various member states were already regulating in this area, but the effect of the Directive was to liberalise e-commerce throughout the EU without imposing any specific regulation on the practice, effectively institutionalising a lowest-common-denominator approach to the internet.

The current proposals – the draft AMS Directive – mark a major attempt to move on from the neoliberalism of previous information society initiatives by raising the standards expected of content on information networks. The EU already regulates cross-border television services through the Television Without Frontiers Directive, which stipulates the maximum amount of advertising permitted, the protection of minors, and so on. The new Directive would essentially extend current television regulations to the non-linear

audiovisual services that have become definitive of the information society, programmes where users download on demand, using computers or mobile phones.

The proposals have faced severe criticism in the UK from industry and Government alike (see Intellect 2006; Purnell 2006). A coalition of commercial broadcasters, mobile phone companies, internet service providers and advertisers has formed to oppose the notion that the content of new, non-linear services be regulated on the same basis as television.

A two-fold argument is being made. Firstly, that the regulations will make European industry less globally competitive, with the associated threat of capital flight away from the region. Secondly, that they will make entry to the market more difficult for new firms. Fundamentally, the argument is that profit is put at risk by any content regulation. The counter to this is the basic principle that we should be more ambitious in what we hope to gain from an information society.

A broader approach

Despite the claims of its critics, the current directive does not aim to introduce protectionism. Nonetheless, it is not clear whether it will withstand the corporate onslaught, supported as it is by the ideas that have dominated information society policy for over a decade.

Indeed, the progressive goal in relation to the information society must not be a return to protectionism. Rather, it must be to move the debate away from the economic terrain altogether, not to argue for a different kind of economic approach. What the AMS Directive does is introduce the principle that the networks of information distribution – upon which the information society depends – are a public space, and can be used positively to promote the public good.

This is how we approached television and radio broadcasting in the last century, and AMS does not come close to the regulation imposed on these. Few would suggest the BBC is a symbol of protectionism, yet it represents massive state intervention in the information sector. There must be limits on advertising, protection of minors, and so on throughout the new media, if we are to safeguard this public realm. Furthermore, a progressive information society policy would recognise there are educational and cultural gains to be made – alongside economic ones – with a role for the state in promoting these.

There is a role for the state, too, in tackling the inequality of access to information networks that threatens to blight our passage into the new era. There is a precedent: Finland has combined innovation in information industries with a commitment to distributing the benefits and opportunities associated with the information society widely among its population. It is no coincidence that, by any measure, Finland has one of the most competitive economies in the world (see, for instance, Castells and Himanen 2002). These concerns have not been adequately addressed by EU information society policy to date.

There are lessons for the EC in this experience also. The development of information society policy has followed a familiar pattern. The Commission – even its more social democratic manifestations – has shown itself eager to grab policy competences at all costs. As in other sectors, this has meant that region-wide liberalisation has been pursued as a first step toward integration, as we have seen in telecommunications, e-commerce, media ownership rules, and so on.

However, having been successful in this endeavour, the Commission has, yet again, faced severe difficulties in the 'second stage'

attempt at re-regulation, as large corporations and the more liberal member states remove their former support for the process. If progressive integration is to be achieved in the future, therefore, a more open debate about policy aims must be held at the outset.

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