

7. **The public owns the airwaves; the public should benefit from their use.** The citizenry should benefit & profit from the use of public frequencies, & should retain a portion of the spectrum for educational, cultural & public access uses. We should demand more for allowing private use of public property.
8. **Understanding technology should be an essential component of global citizenship.** In a world driven by the flow of information, the interfaces -- & the underlying code -- that make information visible are becoming enormously powerful social forces. Understanding their strengths & limitations, & even participating in the creation of better tools, should be an important part of being an involved citizen. These tools affect our lives as much as laws do, & we should subject them to a similar democratic scrutiny.

"Despite the complicated & often contradictory implications of technology, the conventional wisdom is woefully simplistic. Pundits, politicians & self-appointed visionaries do us a disservice when they try to reduce these complexities to breathless tales of either high-tech doom or cyber-elation. Such polarized thinking leads to dashed hopes & unnecessary anxiety, & prevents us from understanding our own culture."

(Full text of the document & info on the signers can be found at [www.technorealism.org](http://www.technorealism.org))

## S.E.C. SEES STANDARD PR TECHNIQUE AS UNETHICAL PRACTICE

What raised eyebrows is a misuse of the phone conference when corporations get important news out. The mistrusted practice:

1. Company drafts a news release about an important development.
2. Then, before releasing the news to the public, tells it to its favorite Wall Street analysts. Or it arranges a conference call with a large number of analysts & selected institutional investors.
3. Reporters & unfriendly analysts are sometimes included in these calls as well.
4. This has become a staple of explaining what is going on to the investment community -- usually quarterly when earnings are released, & when something important happens.

"In the interval, after the analysts know the news, but before the public knows it, there is a great deal of unusual trading." For this trading to be illegal, some kind of benefit generally needs to be received by the tipper. While the legalities of this are unclear, "ethically, it's very clear. It's just as wrong as if corporate insiders did it," SEC chairman Levitt told security lawyers.

He laid out a possible accusation the SEC would use if it filed a case: "Issuers should not selectively disclose information to certain influential analysts in order to curry favor with them & reap a tangible benefit, such as a positive press spin." There may be guidance here for other than IR usage.

## EXECS AS MUCH A CAUSE OF DISTRUST AS ORG'L PERFORMANCE

Discontent with the honesty of elected officials is a leading cause of distrust of gov't, finds a study by Pew Research Center. The implications are far reaching:

- **This disillusionment is as important a factor in distrust of gov't as criticism of the way gov't performs its duties -- tho of course you never hear that side of it from politicians, who blame gov't workers & programs.**
- **This has a parallel in trust problems in other org'ns -- especially employee & customer distrust of management. It's not just that systems are broken or policies are wrongheaded; it's the perceived disingenuousness of senior managers.**

## OTHER FINDINGS WITH IMPLICATIONS FOR ALL ORG'NS

- **PUBLIC TRUST IS RISING.** 39% trust the gov't just about always or most of the time; 62% say some of the time or never. Trust has increased among all demographic groups since '94, when it hit an all time low. Increase is particularly striking for the better educated, among the most distrustful in '94.
- **DISTRUST DOESN'T TRANSLATE INTO HOSTILITY.** Only 12% are angry with Washington. Instead, 56% describe themselves as frustrated. 29% are basically content. [Note overstatement of anger by some pols]
- **LOCAL UNITS MORE TRUSTED.** Opinions of state & local gov'ts are more favorable: 81% have confidence in state & 78% in local gov'ts to handle problems. Still, a majority (60%) has confidence in the federal gov't.
- **MORALS MATTER.** For 30 years, there's been a parallel between the mood of the people & trust in gov't. While both measures have inched upward in recent years, they remain essentially low despite economic prosperity & record levels of personal satisfaction. Both trust in gov't & satisfaction with the state of the nation reflect broader feelings about the country. *In recent years, those feelings have been depressed by disillusionment with ethics & morality -- both of political & governmental figures & of the nation as a whole.*
- **GOV'T WORKERS NOT THE BAD GUYS.** Civil service employees are trusted over politicians by an overwhelming margin of 67% to 16%.
- **48% ARE HIGHLY CONTENTED** with their lives, a jump of 11 percentage points in just the last year.



- **BUT ONLY 20% ARE CONTENT WITH THE STATE OF THE NATION.** Among those who rate conditions today average or low, only 34% believe things will be any better 5 yrs from now. Unlike evaluations of one's personal life, ratings for the nation are linked more to feelings about government than to socio-economic factors.
- **SPECIFIC NEGATIVE BEHAVIORAL OR ATTITUDINAL CONSEQUENCES OF DISTRUST** are difficult to pinpoint. It has not diminished patriotism, not created a climate of opinion conducive to acceptance of illegal anti-gov't activities. Interest in gov't jobs has varied little since the early 60s, despite the decline in trust. Instead, **distrust of the national gov't & low opinions of the state of the nation seem to weaken people's connections to civic life** (see Kettering study, prr 9/2/91).

Interest in public affairs, news from Washington & voting are victims of low public esteem for politicians, which is an integral component of distrust.

**CURRENT PUBLIC OPINION OF ORGANIZATIONS / INSTITUTIONS:**

<u>Org'n/Institution</u>	<u>Very Favorable</u>	<u>Mostly Favorable</u>	<u>Mostly Unfavorable</u>	<u>Very Unfavorable</u>
Business	11%	55%	23%	5%
<b>Media</b>	<b>7</b>	<b>43</b>	<b>34</b>	<b>14</b>
Military	22	56	13	5
Fed gov't	4	34	41	18
State gov't	10	56	22	7
Local gov't	12	56	18	7

**Rating ethical & moral practices:**

	<u>Excellent</u>	<u>Good</u>	<u>Only Fair</u>	<u>Poor</u>
Fed gov't officials	2%	29%	47%	21%
State/local gov't officials	3	40	44	11
Leaders of business	2	31	47	16
<b>Journalists</b>	<b>4</b>	<b>29</b>	<b>41</b>	<b>25</b>
People like you	16	53	27	3

**Media Use: How often do you:**

	<u>Regularly</u>	<u>Sometimes</u>	<u>Hardly Ever</u>	<u>Never</u>
Watch news on tv	72%	20%	6%	2%
Read newspapers	62	24	10	4
Listen to news on radio	50	26	15	9
Listen to talk radio that discusses current events, public issues & politics	18	28	25	29
Go online to get info on current events, public issues or politics	11	13	14	62

(More incl. methodology from Pew @ 1150 18<sup>th</sup> st, NW, DC 20036; 202/293-3126)

**TECHNOREALISTS ATTEMPT TO BALANCE VIEWS OF TECHNOLOGY**

Technology is neither the answer to society's problems nor their cause, believes a group calling itself *technorealists*. In *Technorealism: An Overview* -- a useful document for educating techno-fearful publics as well as overzealous nerds -- they write:

"We seek to expand the fertile middle ground between techno-utopianism & neo-Luddism. Our goal is neither to champion nor dismiss technology, but rather to understand it & apply it in a manner more consistent with basic human values."

8 evolving principles were hammered out by Andrew Shapiro (Harvard Law School's Ctr for Internet & Society), David Shenk (author of *Data Smog: Surviving the Information Glut*, see purview 8/18/97) & Steven Johnson (ed of the e-zine *Feed*). 12 others further articulated the principles & signed the document.

**PRINCIPLES OF TECHNOREALISM**

1. **Technologies are not neutral.** They come loaded with both intended & unintended social, political & economic leanings.... It's important for each of us to consider the biases of various technologies & to seek out those that reflect our values & aspirations.
2. **The Internet is revolutionary, but not Utopian.** As it becomes more populated, it increasingly resembles society at large, in all its complexity. For every empowering or enlightening aspect of the wired life, there will also be dimensions that are malicious, perverse, or rather ordinary.
3. **Gov't has an important role to play on the electronic frontier.** While gov'ts should respect the rules & customs that have arisen in cyberspace, & should not stifle this new world with inefficient regulation or censorship, it is foolish to say the public has no sovereignty over what an errant citizen or fraudulent corporation does online. Technology standards & privacy issues, for example, are too important to be entrusted to the marketplace alone. Competing software firms have little interest in preserving the open standards that are essential to a fully functioning interactive network. *Markets encourage innovation, but they do not necessarily insure the public interest.*
4. **Information is not knowledge.** Regardless of how advanced our computers become, we should never use them as a substitute for our own basic cognitive skills of awareness, perception, reasoning & judgment.
5. **Wiring the schools will not save them.** The art of teaching cannot be replicated by computers, the Net, or by "distance learning." While these tools can augment a high-quality educational experience, relying on them as a panacea would be a costly mistake. [Ditto for training in org'ns]
6. **Information wants to be protected.** We must update old laws & interpretations so info receives roughly the same protection it did in the old media.