

## **E-Government: Developing State Communications in a Free Media Environment**

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Persons' freedom to communicate, and their ability to do so effectively, has long been recognized as a crucial component of a society that respects human dignity and provides the conditions for humans to flourish. Government actions that suppress persons' speech and other forms of communication have been rightly subject to scrutiny and challenge. Governments have also recognized the importance of affirmative steps to enhance persons' opportunities for communications; such steps include improving education and supporting public forums. Communication is not only a personal and political good but also central to economic development. With the growth of the information and communication industries, freedom in communications is becoming increasingly important to persons' entrepreneurial and productive activities.

While the political and economic importance of personal communications is well-established, government communications has been largely relegated to invisibility in policy discourse.<sup>2</sup> The inevitability of government communications is a banality: government as a purposeful organization of persons and physical objects (buildings, cars, desks, computers, etc.) does not exist in a state of symbolic suspension, and even government officials' attempts to be silent can send loud messages. Of course elected and even appointed government officials are keenly concerned about press and television coverage, and there are norms and laws concerning how public officials can use their offices as part of their own permanent popularity campaigns. But most of most government institutions are non-partisan and not personalized. Most government communications seeks to provide information, to shun expression of multiple,

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<sup>1</sup> The opinions and conclusions expressed in this paper are those of the author. They do not necessarily reflect the views of the Federal Communications Commission, its Commissioners, or any staff other than the author. I am grateful for numerous FCC colleagues who have shared their insights and experience with me. Author's address: dgalbi@fcc.gov; FCC, 445 12<sup>th</sup> St. SW, Washington, DC 20554, USA. This paper is based upon the third part (Section VI) of a broader paper on convergence; see "Communications Policy, Media Development, and Convergence," available at <http://www.galbithink.org>.

<sup>2</sup> "Students of the [US] Constitution endlessly debate whether small groups of Nazis may march. But the march of government, a communicator immensely more powerful than a small group of malcontents, is ignored. Few legal theories or concepts of speech in a liberal democracy reach beyond government regulation of private speech to consider the government's own involvement in communication enterprises." Yudof, Mark G., *When Government Speaks: Politics, Law, and Government Expression in America* (Berkeley: University of California Press, 1983) p. 16. The situation has not changed significantly since Yudof wrote. There has, however, been some important recent work on government communications. See Greene, Abner S., "Government of the Good," *Vanderbilt Law Review* Vol. 53, No. 1 (Jan. 2000); Rose, Jonathon W., *Making "pictures in our heads": government advertising in Canada* (Westport, CN: Praeger, 2000).

contrasting, or distinctive viewpoints, and to avoid attracting more attention than is necessary for a particular, narrow function.

The future may benefit from a much broader and more significant role for government communications. The development of the Internet potentially can provide ubiquitous, low cost, multi-media communications capabilities. The cost of communicating via cultivating relationships with journalists, staging media events, and buying advertising is likely to rise relative to the cost of more direct channels of communication from government to constituents. Governments, while they are likely to outsource to commercial businesses many aspects of their communications needs, will have much better opportunities to retain editorial control in their communications. Cheaper, more capable communications channels provide governments with an important new tool for providing government services, enhancing democratic political discourse, and promoting private economic development.

## **I. Government Communications Today**

Government is an important provider of information and services. The UK E-Minister recently declared, “Government information is the largest information resource available to the UK.”<sup>3</sup> Government publications include studies, laws, official statistics, transcripts of hearings and proceedings, material submitted for public consideration as part of hearings or proceedings, and a variety of other material. The US Government Printing Office issued about 18000 new titles in 1999, a volume equal to about a quarter of the total number of new books and new editions published in the US.<sup>4</sup> Routine, widely experienced transactions with government include renewing a driver’s license, getting a marriage license or registering a birth, paying taxes and fines, obtaining information about public parks and recreational opportunities, inquiring into laws and legislative developments, and voting.

Developing a brand is an important part of a communications strategy. Governments have the advantage of distinctive brands with a high level of public awareness. Most persons know the name of the country in which they reside. Flags, anthems, and less prominently, seals, developed as part of building national government brands. Government in a geographic area typically has many sub-brands such as national, state, and local governments, and associated particular government bodies and agencies. Persons’ views about government do not relate just to specific products – did the government get me something specific that I wanted – but are typically based on a broad range of emotions, images, and self-images. Thus citizens may strongly fear government intrusions on personal freedom or strongly support government action, without reference to any particular government actions. Such broad, emotion-laden images and associations are characteristic of a well-recognized, powerful brand name.

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<sup>3</sup> See DTI Press Release 2000/602 (6 September 2000); online at <http://www.hmso.gov.uk/p2000602.htm>

<sup>4</sup> See *Biennial Report to Congress on the Status of GPO Access*, Appendix C; online at [http://www.access.gpo.gov/su\\_docs/aces/biennial/index.html](http://www.access.gpo.gov/su_docs/aces/biennial/index.html) . For the number of book titles, see *Statistical Abstract*, Table 938.

While governments have a strong brand, they typically advertise relatively little. Prior to and during WWI and WWII, the US federal government carried out major advertising campaigns to boost public morale and generate support for the war effort. US federal government advertising is typically focuses on military recruitment (particularly with a professional, non-conscripted armed forces) and postal services. In 1999 US federal government advertising expenditure amounted to \$548 million, which is 0.3% of total US advertising spending.<sup>5</sup> The Ad Council, a US non-profit organization that provides advertising on behalf of government and non-government public service campaigns, provided about \$1.2 billion of media spots in 1998.<sup>6</sup> US state and local governments also did some advertising, primarily for lotteries, tourism, and economic development. Overall US government advertising spending in 1999 (including the value of donated time and space) probably amounted to less than 1% of total US advertising spending. For comparison, US federal government expenditure amounts to about 20% of GDP.<sup>7</sup> In other high-income countries, governments typically do more advertising and play a larger part in the economy. But government advertising and communications in most high-income countries appears to be small relative to governments' share of goods and services in the over-all economy.

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<sup>5</sup> The US federal advertising figure is from US government accounting systems. See US General Accounting Office, *Federal Advertising Contracts: Agencies Have Discretion in Setting Work Scope and Requirements* GAO/GGD-00-203 (Sept. 2000) p. 3. US government advertising spending does not appear to be consistently defined and tracked. See GAO, *Federal Advertising Contracts: Distribution to Small Disadvantaged Businesses*, GAO/GGD-00-102R (April 17, 2000) Figure 1, p. 4; LNA/MediaWatch, *Ad \$ Summary*, various years (New York: Competitive Media Reporting, various dates), Table of Leading National Advertisers; *Advertising Age*, Ad Age Dataplace, 100 Leading National Advertisers, various years, on the web at <http://adage.com/dataplace/index.html>. The total advertising figure is from Robert Coen's compilation. See <http://www.mccann.com/html/coenreport.html>.

<sup>6</sup> See [http://www.adcouncil.org/body\\_news\\_donate.html](http://www.adcouncil.org/body_news_donate.html). The five largest Ad Council campaigns in terms of media value were Crime Prevention (\$128 million), Drunk Driving Prevention (\$117 million), Education Excellence Partnership (\$95 million), Reduce, Reuse, Recycle (\$81 million), and 4-H (\$64 million).

<sup>7</sup> Central government expenditure in high-income countries typically amounts to 35-45% of GDP. See World Bank, *World Development Report 2000/2001*, Selected World Development Indicators, Table 14; available online at <http://www.worldbank.org/poverty/wdrpoverty/report/index.htm>. Note that central government expenditure includes transfer payments for social security and health that are economic transactions but are not included in GDP. Government (final) consumption as a share of GDP in high-income countries is about 15-20%. See Id. Table 13.

Many governments are moving aggressively to provide services electronically. Under terms such as government online, electronic government, and e-government, governments are seeking to use the Internet to provide services cheaper, faster, more conveniently, and more effectively.<sup>8</sup> Singapore's eCitizen Central portal ([www.ecitizen.gov.sg](http://www.ecitizen.gov.sg)) and the Centrelink portal in Australia ([www.centrelink.gov.au](http://www.centrelink.gov.au)) are among the early, important examples of these developments. In the US, the state of California has recently established an impressive e-government portal ([my.ca.gov](http://my.ca.gov)), and the state of Texas has set out an ambitious program for e-government.<sup>9</sup> These uses of the Internet focus on functionality and service provision with a literal, instrumental approach to communications. Attracting and holding attention does not appear to be a significant goal.

While governments are moving aggressively to provide services online, the amount of attention that government websites currently attract is relatively small. Table 1 shows page views among US users at the top non-government and government websites in May, 1999. The top 10 government websites taken together had less total page views than a electronic greeting card site, less than a commercial weather site, and less than a pornography site. Whatever one's views about the appropriate scope of government, it seems reasonable that government should be able to attract a larger share of its citizens' online attention than such commercial sites.

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<sup>8</sup> See, for example, *Government Online, The Commonwealth Government's Strategy* (April 2000) [Australia], <http://www.ieg.ibm.com/pdf/GovernmentOnlineStrategy.pdf>; *eEurope 2002 Action Plan: Government online* [European Union], at [http://europa.eu.int/comm/information\\_society/eeurope/actionplan/actline3b\\_en.htm](http://europa.eu.int/comm/information_society/eeurope/actionplan/actline3b_en.htm); *Contract with the future, A vision on the electronic relationship between government and citizen* (19 May 2000) [Netherlands], at <http://www.ieg.ibm.com/pdf/future.pdf>; *National Partnership for Reinventing Government, E-Gov* (April 2000) [United States], at <http://www.npr.gov/library/Visionddb1.htm>.

<sup>9</sup> See *e-Texas, Report of the e-Texas Commission* (20 December 2000), online at <http://www.e-Texas.org/report/>.

**Table 1**  
**Web Traffic Among US Users, May 1999**

Address	Site Type	Rank	Page Views
Top 10 Non-Government Sites			
msn.com	content community	1	9,837,705
yahoo.com	portal	2	8,289,934
microsoft.com	software company	3	1,392,064
ebay.com	online auction	4	1,355,412
excite.com	search engine	5	1,354,463
aol.com	content community	6	1,302,714
altavista.com	search engine	7	1,152,986
go.com	portal	8	897,919
geocities.com	online community	9	811,574
lycos.com	search engine	10	670,455
Top 10 Government Sites			
nasa.gov	space exploration	140	70,194
nih.gov	health research	189	58,260
irs.gov	taxes	272	41,450
ca.gov	state government	360	30,333
noaa.gov	weather	404	27,384
loc.gov	national library	412	27,197
usps.gov	postal service	440	25,563
ustreas.gov	treasury	502	22,608
ed.gov	education	530	21,519
wa.gov	state government	705	17,093
Total Top 10 non-government sites			27,065,226
Total Top 10 government sites			341,601
Source: Alexa Research Top 1000 Sites. See <a href="http://www.alexaresearch.com/clientdir/products/top_websites.php">http://www.alexaresearch.com/clientdir/products/top_websites.php</a>			

## II. Increasing Attention to Government

The inter-relationship of money, media time, and politics is widely considered to be a major challenge to inclusive, responsive political culture and effective democratic government. European countries that require broadcasters to provide free time to political candidates face increasing regulatory challenges as the number of broadcast outlets increases, as traditional relationships between government and media change, and as cross-media competition increases. In the US, which does not require broadcasters to provide free time to candidates, the need to raise money for political advertising is a central aspect of elections. About 75% of US presidential campaign funds go for political advertising, and about 90% of that advertising spending is for network television

and local spot television advertising.<sup>10</sup> Politicians appear to be caught in a escalating but narrowly focused form of advertising competition. This particular form of competition is widely thought to be failing to produce significant public benefits.

The development of new channels for political communications can help to reshape electoral competition into a more beneficial form. In politics as in economics, the key to changing the form of competition is changing industry structure. Changes in communications industry structure could provide a much wider range of effective opportunities for political communications. In particular, if state communications channels attract significant public attention, they could play an important part in provide candidates with significant, fair access to the public. Think of organizing candidate communications on a government website. The challenge is not primarily technological: candidates can and have set up their own websites as communications channels. The challenge is to attract significant public attention and to structure communications in an appealing, fair, deliberately fruitful way.

State communication channels, by converging editorial control with political responsibility, could help to foster needed separation between politics and business for many other actors in the information economy. High profile political issues such as decency in programming, the amount of children's programming, and the provision of programming for minority groups could be addressed much more directly through state communications channels. The need for media entrepreneurs to link their profit-oriented businesses to ideas of public trusteeship would be greatly reduced. The information industry could become less politicized, while politics could become less commercialized.

While e-government web portals point to the development of new state communications channels that could attract significant public attention, they have been taking a narrow, functional-transactional approach to communications. E-government efforts have been closely linked to the discourse of business productivity. Their motivation has been based on business models: "Citizens want the same one-stop shopping and service-in-an-instant options from their government as they do from private business."<sup>11</sup> E-government has been presented as "the coming of the new government enterprise," one that will "provide customer service equal to the best in business."<sup>12</sup> Leading e-government portals are structured in terms of typical needs of everyday life, and governments have issued orders promoting the use of "plain language."<sup>13</sup> In terms of attentional economics, e-

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<sup>10</sup> See Corrado, Anthony, *Campaign Finance Reform* (New York: Century Foundation Press, 2000) pp. 83-87; Alexander, Herbert E. and Anthony Corrado, *Financing the 1992 election* (Armonk, N.Y.: M.E. Sharpe, 1995) pp. 236-7; Alexander, Herbert E., and Monica Bauer, *Financing the 1988 election* (Boulder, CO: Westview Press, 1991) pp. 36-7.

<sup>11</sup> Deloitte Research, *At the Dawn of e-Government, the Citizen as Customer* (June 200) p. 5, online at <http://www.dc.com/obx/pages.php?Sector=R&Industry=P&submit.x=17&submit.y=21> .

<sup>12</sup> See Deloitte Research, *Through the Portal, Enterprise Transformation for e-Government*, p. 1, online at <http://www.dc.com/obx/pages.php?Sector=R&Industry=P&submit.x=17&submit.y=21> ; CustomerService.gov [the US Federal Government's Customer Service Web Site].

<sup>13</sup> Singapore's widely acclaimed e-government portal is structured in terms of life events. See [www.ecitizen.gov.sg](http://www.ecitizen.gov.sg) . A requirement to use plain language has been issued as part of the US program to re-invent the Federal Government. See <http://www.plainlanguage.gov/cites/memo.htm> .

government efforts communicate like product advertisements in the mid-nineteenth century: they emphasize provision of service, functionality, and efficiency.<sup>14</sup>

E-government efforts could do much more to attract attention to state-owned-and-controlled media. Drawing upon lessons from the historical success of newspapers, e-government portals could seek to provide daily content that creates and advances stories that attract wide, habitual attention. The historical evidence on advertising shows clearly that artfully chosen words can attract attention by creating appealing images, impressions, and fantasies. Many governments are extensively involved in lotteries, which could provide an important source of exclusive content for attracting attention.<sup>15</sup> More attention could also be placed on presenting personalities in affective, intimate contexts. Governments, like other media owners, could also acquire content through syndication. Even without streaming audio and video, a feasible goal for a government owned-and-controlled channel on the Internet is to become a major focus of attention among citizens.

Despite its painful historical images and associations, government communications is likely to grow significantly in importance with the growth of information societies. Government communications can address important political problems more effectively than other instruments while remaining faithful to liberal, democratic values. Government communications are currently greatly underdeveloped relative to other aspects of government, and the growth of the information society is likely to spur the development of this aspect of government.

### **III. Promoting the Commercial Viability of New Media**

Government communications can also play an important role in stimulating the development of private, commercial communications opportunities. The private, commercial development of information industries faces some significant challenges. Content industries, i.e. industries producing digital artifacts embodying human intellectual and creative labor, currently provide much less revenue for network operators than point-to-point communications.<sup>16</sup> Yet technology is rapidly reducing the cost of

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<sup>14</sup> For an interesting analysis of the shift from narrow, production-oriented advertisements to broad, consumer-oriented lifestyle advertisements, a shift which took place in the US between 1895 and 1905, see Laird, Pamela Walker, *Advertising Progress: American business and the rise of consumer marketing* (Baltimore, MD: The John Hopkins Press, 1998).

<sup>15</sup> Total lottery sales in the US in 1996 amounted to \$42.9 billion. There is a virtual government monopoly in the US on lotteries, and lotteries generated for US governments (primarily state government) \$13.8 billion in revenue 1996. There are important policy issues and many different policy directions associated with state-run lotteries. These issues are now being studied and discussed. See National Gambling Impact Study Commission, <http://www.ngisc.gov>. On lotteries, see Research on Lotteries, online at <http://www.ngisc.gov/research/lotteries.html>, and Clotfelter, Charles T., Philip J. Cook, Julie A. Edell, and Marian Moore, "State Lotteries at the Turn of the Century: Report to the National Gambling Impact Study Commission," April 23, 1999, esp. pp. 21-25; online at <http://www.ngisc.gov/reports/lotfinal.pdf>.

<sup>16</sup> This is a major theme of Andrew Odlyzko's important recent work, "The history of communications and its implications for the Internet" (Prel. ver. June 16, 2000), online at <http://www.research.att.com/~amo>.

standardized, universal point-to-point communications.<sup>17</sup> If the distinction between content industries and point-to-point communications remains fundamental, and if the information economy is primarily about the latter services, then private, competitive institutions may become dysfunctional and marginalized in the information economy.<sup>18</sup> Moreover, established businesses interests may strongly resist change if they perceive no viable business models for exploiting new technological opportunities.

A dynamic, innovative communications industry needs a propitious environment for commercial provision of content and services on the Internet. A well-recognized challenge currently associated with commercial Internet content and services is that persons have become accustomed to getting such content and services for free.<sup>19</sup> Many Internet users are unwilling, because of what they have learned through their past use of Internet services, to consider seriously providing money as part of an exchange associated with particular Internet content or services. Services that cost money are not considered worthy of attention. In addition, privacy rights, transaction terms, and use rights associated with digital content lack legitimated standards that economize on human attention.<sup>20</sup> These features of current attentional economics undoubtedly cause a substantial reduction in the multiplicity of socially valued digital content and services. They also lessen the opportunities for creating jobs and economic opportunity in the information sector of the economy.

Government communications often are not recognized as being an important policy instrument for fostering the development of an information society. Governments that sell information tend to charge high prices and engage in little marketing effort. This approach naturally leads to other government agencies being the largest customers for government information, low over-all sales, and failure to recover costs of generating the

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<sup>17</sup> As pointed out in Galbi, Douglas, “the price of telecom competition,” *info* vol. 1 no. 2 (April 1999), advertising and promotional expenses for US long-distance telephone companies in a single year are about the same magnitude as the total capital cost of building a national network that could provide all residents of the US free long distance telephone service. Point-to-point communications are highly valued, but the costs of providing standard, point-to-point communications services, apart from marketing and promoting, is plummeting. That’s why most analysts consider consumer long-distance telephone services, which generated about \$30 billion in revenue in 1997, to be a dying business. See also, Galbi, Douglas, “Regulating Prices for Shifting Between Service Providers,” draft available on <http://www.galbithink.org>, revised version forthcoming in *Information Economics and Policy*.

<sup>18</sup> The growth of government-owned networks reflects this dynamic. Similarly, discussions of the “end-to-end” principle and “open access” often implicitly present a single, universal public common-carrier network as the industry configuration that best serves the public interest.

<sup>19</sup> A recent Wall Street Journal article described the following comment as typical of those on Napster’s message boards following its announcement that it would be developing a fee-based service: “Napster=FREE/If Napster decides to not = free any longer then I will switch to another freebie/There are many out there. .../The Internet is a great place, you can get whatever you want on here. No matter what./Free Free Free.” The article then went on to note: “Such a sentiment can only leave one wondering which battle cry for the Internet will ultimately win out: “Live free or die,” or “Live free and die.” Kara Swisher, “Sites Eschew Giveaways in Favor of Charging”, December 4, 2000.

<sup>20</sup> For example, considerable attention would be required to evaluate a website’s privacy statement without any additional information about its normal status.

information.<sup>21</sup> An alternative approach is to provide information for free.<sup>22</sup> This leads to much greater dissemination of information, but re-enforces citizens' patterns of attention that hinder the development of commercial information sources and services. Both approaches fail to consider government communications within a sufficiently broad policy framework.

Government communications should seek to foster patterns of citizen attention that encourage the growth of both non-commercial and commercial sources and outlets of information. First, government information provision should seek to develop in citizens a willingness to consider including some money as part of an online exchange. Providing some widely demanded government products for a low fee online would help to do that. The point of the fee would not be to raise money or recover costs, but to teach citizens not to reject, as undeserving of attention, online information and services that require money as part of the transaction. Second, transactions should be structured so as to promote widely accepted standards or rights for making online transactions and using digital content included in such transactions. The credibility of the government as a legitimate authority could help to establish reasonable norms for online transactions. The development of such norms is crucial for economically efficient use of citizens' attention.

Widespread habits of media use are difficult to change and have great commercial significance. State communications channels, if they have sufficient public salience, can be important policy instruments for affecting media use. Governments that seek to foster the development of new communications technologies and a more dynamic information society need such policy instruments. In the media environment of the future, state communications channels can coexist with and promote the development of diverse, private, commercial media.

#### **IV. Conclusions**

E-government should embrace an agenda much more ambitious than re-inventing the government in the form of a business enterprise. E-government represents a new form of state media, one that is unlikely to be able to serve as an instrument of totalitarian oppression, one that instead offers great promise for reshaping democratic politics and stimulating economic opportunities. Government communications need not be invisible. It can usefully seek to attract significant attention in an information society that embraces freedom and democracy.

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<sup>21</sup> See Hubbertz, Andrew, "Selling access to legal Web site: Manitoba follows Saskatchewan's lead," Feb. 1999, on the web at <http://library.usask.ca/~hubbertz/manitoba.html>.

<sup>22</sup> An insightful recent discussion of digital access to law proposes that laws, as well as other public political information, be provided for free on the Internet. See McMahon, Tom, "Improving Access to the Law in Canada With Digital Media" Government Information in Canada/Information gouvernementales au Canada No. 16 (March 1999) [<http://www.usask.ca/library/gic/16/mcmahon.html>]. This article notes that California has a statutory requirement that laws be published for free on the Internet, while the Australasian Legal Information Institute (AustLII) recommends that public bodies should provide public information on a marginal cost-recovery basis.

