

COMM 366 – White Paper

Fourth World: Social Exclusion, Economic Inequality and the Digital Divide

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**Abstract**

The central argument of this essay is the concepts of economic inequality, social exclusion, and the digital divide. This paper explores how large corporations emerging from every economic sector, and in particular, telecommunications, education, book publishing, financial services, health services, and retail services are becoming the dominant players in the world's economy. In addition, access to the Internet and its technology is required in order to participate. Internet access is very important because it is impacting education, professions, religious institutions, and the way goods are manufactured among many other influences. Virtually millions of people are being left out in a technological apartheid into what might only be described as a "Fourth World"<sup>1</sup> economy in order to differentiate it from the "Third World," economy which came into existence when the imperialism of the previous centuries ended leaving those countries without political and economic infrastructure resulting in dire poverty and lack of education stereotype for which they are known. Traditionally, third world countries included Africa, Latin America, and Asia.

**Key Arguments**

- To create a system of universal access to the Internet
- Affordability through some form of subsidy (much like what was done with the telephone industry)
- Basic education
- Compulsory education that integrate the Internet technology in grades K-12 in schools
- Inclusion of developing countries

## **Paper Outline**

This paper is outlined in two parts. Part 1 is concentrated on digital inequality locally and globally. It attempts to address emerging divisions and local issues that resonate on the world stage. Part 2 is focused on the advocacy path to change, encouraging interaction with local governments, and educational settings.

### Part one – Digital Inequality and Digital Divide

- Introduction
- Digital Inequality
- Local Issues: Urban Poverty, Government Budget Cut Backs, and Social Exclusion
- The Digital Divide: What Is The Cost of Falling Behind?

### Part two – Advocacy

#### Potential Remedies for Bridging the Gap in Digital Access

- Flat Rates for Users Who Are Poor
- Tax Incentives for The Cable Companies
- Using NGOs to Encourage Interaction with Local Governments, Educational Settings, and Cultural Proximity
- Mandatory IT Training Beginning in Elementary Schools
- Getting Academia and Private Enterprises Involved

### Conclusion

## **Part one – Digital Inequality and Digital Divide**

### Introduction

In the latter part of the 20<sup>th</sup> century, satellites and cables enabled a world that could interconnect and make its business operations interdependent regardless of geographical location. <sup>2</sup> “Worldwide access to rapid telecommunication networks via satellites and cables now

creates widespread internet links, enables instantaneous news coverage, facilitates global culture and conflict, and stimulate the formation of true planetary markets.”<sup>3</sup> The new world economy is based on satellite and cable networks; therefore, the Internet is squeezing out millions of people who cannot take advantage of this new way of life either because they live in rural or remote areas where the services are not offered; they are too poor to be able to afford the services; or they do not have the basic education to use it. The economic expansion created by the Internet is generating a wider economic gap between the haves and have-nots. The Internet for all its praise and magnificence is a tool for the educated and the social classes that live in urban and suburban areas, which can afford to pay for these services. This new way of economic hegemony represents a threat to the people who do not live in metropolitan areas, or have the basic education to use it, or the money to access it. Inevitably they are being left behind making it difficult for them to join the most important and lucrative market place of the 21<sup>st</sup> century.

### Digital Inequality

Digital Inequality is the lack of access to the Internet and its technologies by a sector of the population. According the article *The New Digital Divide* published by the New York Times on December 4, 2011, “In 1995 the Commerce Department published its first look at the digital divide finding a stark racial, economic, and geographic gap between those who could get online and those who could not.”<sup>4</sup> Unfortunately, racial minorities sometime live in cities that have been economically depressed for decades, and they are too poor to afford the investment that is necessary to connect to the Internet. Technological improvements to the way the system is accessed since 1995 has improved the speed of the connections, and consequently, made access

more expensive and the gap wider.<sup>5</sup> The social impact of the digital inequality and the digital divide may begin at the poor neighbor's house, but it resonates with entire populations in the country and it spreads like a disease throughout entire continents such as Africa.

#### Local Issues: Urban Poverty, Government Budget Cut Backs, and Social Exclusion

Because going online today shapes the capacity for participation in government, education, the economy, and cultural development, the technology can limit the human activities of those who do not have access, ranging from how people interact within the society and with social institutions to inclusion in the economic system. "Inequality refers to the unequal appropriation of wealth (income and assets) by individuals or social groups (Castells, pg. 955)."<sup>6</sup> In run down cities of the American Midwest, Detroit is one whose population is severely racially segregated to the point of isolation and where a culture of poverty, dependence on the government's financial aid, and a broken education system has resulted in limited opportunities for economical advancement for the poverty-stricken people who live there. They have to make daily decisions on how they are going to spend the little money they get. According to Castells, "social development today is determined by the ability to establish a synergistic interaction between technological innovation and human values leading to a new set of organizations and institutions that create positive feedback loops between productivity, flexibility, solidarity, safety, participation, and accountability, in a new model of development that could be socially and environmentally sustainable (Castells, pg. 950)."<sup>7</sup> However, this is not what is happening in Detroit, where 75.7 percent of its citizens are African-American<sup>8</sup>, their unemployment rate stands at 25.7 percent<sup>9</sup>, and the 2010 high school graduation rate is a dismal 62 percent<sup>10</sup>. The average underprivileged Detroit parent struggles to pay utility bills and the chances of these people owning a home computer in poor economic straits are possibly zero. With a local

government funds deficit and a city budget disappearing fast, many public libraries, which could provide Internet access, have been closed leaving the people without the opportunity for engagement within their own environment. They become socially excluded from their immediate geographical areas and the economic boom promoted by the Internet technology, unable to participate in the local economy, and consequently, the global economy.

### The Digital Divide: What Is The Cost of Falling Behind?

“The digital divide, refers to any inequalities between groups, broadly construed, in terms of access to, use of, or knowledge of information and communication technologies.”<sup>11</sup> Access to the Internet and its technologies has a few disproportionate elements. There are people for whom information and communication via the Internet is largely inaccessible; consequently, their participation is far from being inclusive. The telecommunications corporations and government bodies are not making connectivity for all the masses a priority. They are largely responsible for the current media convergence placing a large percentage of the media content, government institutional processes, educational instruction, religious practices, and professional occupations on services on the Internet. According to the aforementioned New York Times article “Millions are still offline completely, while others can afford connections over their phone lines or via wireless smartphones. They can thus expect lower-quality health services, career opportunities, education, and entertainment options than they already receive.”<sup>12</sup> Improvements in the infrastructure to provide equitable access for everyone is feasible, but it is still an issue because the Internet service providers “have to bear all the cost of the infrastructure and have no incentive to expand into rural areas”<sup>13</sup> or provide this type of access to the underprivileged.

At the international level, “the global digital divide designates countries as the units of analysis and examines the divide between developing and developed countries on an

international scale.”<sup>14</sup> Currently, the use of communication technologies in developing nations is in its infancy, if it exists at all. In continental Africa the divide has reached the levels of apartheid between those who can connect and use the communication technologies and those who cannot. It is a sad reminder that there is still a large portion of the world’s population that are not connected to the Internet. This new technology could make life very difficult and complicated for them, leaving them shut out of the whole of society, limiting their freedoms, and possibly making them impoverished, since they are unable to bridge the gap to the other side of the technological divide. “The situation is difficult to remedy when one third of the world’s population still has to survive on the equivalent of one dollar per day (Castells, pg. 951).”<sup>15</sup>

## **Part two – Advocacy**

### Potential Remedies for Bridging the Gap in Digital Access

In Detroit, Michigan, much of the infrastructure can be updated if the government were to pursue a flat rate for users who are poor, invest in computers in the classrooms, and make IT education mandatory. Not surprisingly, Focus: HOPE, “a Detroit-based, non-denominational, non-profit organization whose aim is to overcome racism and poverty by providing education and training for underrepresented minorities and others”<sup>16</sup> partnered with Comcast Corporation, a cable Internet service provider, in an effort to bridge the digital divide.<sup>17</sup> Reliance on non-profit organizations such as NGOs who are already working on the basic education (grades K-12) of people is a good way to begin trying to bridge the divide. The other solution is to provide computers a low cost or through donations, and provide tax incentives to the cable internet service provider to connect the services.

The same recommendations which are applied to an American city with limited education levels could be applied to developing countries. For these people, nonetheless, “the ability to

move into the information age depends on the capacity of the whole society to be educated and to be able to assimilate and process complex information (Castells, pg. 951).”<sup>18</sup> The living standards of developing nations really depend on whether their economy can compete at the global level. Every society should have the same opportunities to interact effectively with its social institutions and with local and international societies, and participate in the economy. Sadly, out of all continents in the developing world, the African nations are at a severe disadvantage. They need local solutions and government support to help them establish practices which allow every citizen to have access to the basic education to operate the new technologies.

Many NGOs have made Africa the center of attention. They have attracted educators and people who are willing to invest in the development of these nations. The education sector is able to get resources from people in the academic communities who do a certain level of research in Africa. The international business sectors in combination with local businesses who may have interests in developing the population, and assimilate them into the technology can work with the governments to help out; however, the very low literacy levels of the people of these nations is a troubling fact, the whole architecture necessary to start bringing them into the digital age really has to start with building their basic education skills.

## **Conclusion**

In the United States, the Federal Communications Commission (FCC) has developed the National Broadband Plan (<http://www.broadband.gov/>) to keep the right to the Internet open for everyone. This is not a perfect plan and it is not without challenges from the private sector, but it is a start. Just like having a telephone is not a luxury, but a necessity of modern life, having

Internet access follows the same criterion especially today when not only commerce, but so many institutional processes depend on it.

The Fourth World has been seriously evolving for a couple decades now. The label “refers to a sub-population subjected to social exclusion in global society, or stateless and notably impoverished or marginalized nations.”<sup>19</sup> In many ways, the local governments are highly responsible for perpetuating the idea of dependency on handouts and other financial aid. In other circumstances people experience terrible repressions which obstruct their citizens’ participation in the political wellbeing of certain regions of the world and thus, limiting their lives. For the digital divide to be bridged, these barriers have to be torn down.

Local governments and nations worldwide cannot afford to be bypassed\* by the global economic networks,<sup>20</sup> they should establish policies and practices that are equitable for every citizen, rich or poor, to have access to education and the new communication technologies. In the infancy of the telephone industry, telephone connections were financed through subsidies. Today governments can do the same again for Internet access. It should be a nation’s responsibility to provide its citizens a means to communicate using the Internet and provide an education for its usage if they are going to have a fair and equitable democracy locally and globally.

**\*Note:** “Bypass” is also a common term in the computer hardware design industry. “It provides the ability for a controls engineer to change previously constant values or implement control algorithms using the high-level hardware language and run them in real time on the original hardware. In this way, new algorithms can be implemented and tested “bypassing” the original source code or without special hardware or expensive code changes.” (From The MathWorks Website <http://www.mathworks.com/>). I could not help but associate the term as an intentional play on words.

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