



**Information Technologies – Documents on the Web –  
October 2004**

Please see below for your information recent documents which may be of interest to you:

**GOVERNMENT DOCUMENTS:**

**INTERNATIONAL TRADE: CURRENT GOVERNMENT DATA PROVIDE LIMITED INSIGHT INTO OFFSHORING OF SERVICES**

General Accountability Office (GAO). September 22, 2004.

<http://www.gao.gov/new.items/d04932.pdf>

“Much attention has focused on the topic of "offshoring" of information technology (IT) and other services to lower-wage locations abroad. GAO was asked to (1) describe the nature of offshoring activities and the factors that encourage offshoring, (2) discuss what U.S. government data show about the extent of this practice by the private sector and federal and state governments, and (3) discuss available data on the potential effects of services offshoring on the U.S. economy.”

**TELECOMMUNICATIONS: INTELSAT PRIVATIZATION AND THE IMPLEMENTATION OF THE ORBIT ACT**

General Accountability Office (GAO). September 13, 2004.

<http://www.gao.gov/new.items/d04891.pdf>

“In 2000, the Congress passed the Open-market Reorganization for the Betterment of International Telecommunications Act (ORBIT Act) to help promote a more competitive global satellite communication services market. The ORBIT Act called for the full privatization of INTELSAT, a former intergovernmental organization that provided international satellite services, and imposed certain criteria on the nature of INTELSAT’s privatization.”

**CITY OR COUNTRY: WHERE DO BUSINESSES USE THE INTERNET?**

The Federal Reserve Bank of San Francisco. September 3, 2004.

<http://www.frbsf.org/publications/economics/letter/2004/el2004-24.pdf>

“This article summarizes research finding that the use of basic internet technology is widely dispersed among both urban and rural locations. Moreover, although advanced internet technology was adopted most rapidly in large urban areas, the research finds that much (but not all) of the apparent “digital divide” in internet use can be explained by the heavy concentration of internet-intensive industries in large urban areas.”

**A CAN-SPAM INFORMANT REWARD SYSTEM: A REPORT TO CONGRESS**

Federal Trade Commission (FTC). September 2004.

<http://www.ftc.gov/reports/rewardsys/040916rewardsysrpt.pdf>

“The Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM Act), which became effective on January 1, 2004, required the FTC to conduct a study and provide a report to Congress on a CAN-SPAM “bounty system.” The FTC today issued a report assessing whether and how a system that rewards members of the public for tracking down spammers would or could help improve enforcement of the CAN-SPAM Act.”

#### COPYRIGHT ISSUES IN DIGITAL MEDIA

Congressional Budget Office (CBO). August 2004.

<http://www.cbo.gov/showdoc.cfm?index=5738&sequence=0>

“This paper reviews current copyright law in the United States and considers the unique aspects of digital technology's challenge to that law. It also examines the prospects for a market-based resolution to copyright disputes over digital content and explores the effect of potential revisions to copyright law on economic efficiency and equity. While this analysis suggests some issues and concerns that the Congress may wish to consider during its deliberations about any changes in copyright law, in keeping with CBO's mandate to provide objective, impartial analysis, the paper makes no policy recommendations.”

#### CONGRESSIONAL HEARINGS:

##### ICANN OVERSIGHT AND SECURITY OF INTERNET ROOT SERVERS AND THE DOMAIN NAME SYSTEM (DNS)

U.S. Senate. Committee on Commerce, Science and Transportation. Subcommittee on Communications. September 30, 2004.

<http://commerce.senate.gov/hearings/witnesslist.cfm?id=1324>

“Members will hear testimony examining the Internet Corporation for Assigned Names and Numbers (ICANN), international cooperation in management and governance of the Domain Name System (DNS), and the security of the Internet's root servers and the DNS.”

##### INTELLECTUAL PROPERTY PIRACY: ARE WE DOING ENOUGH TO PROTECT U.S. INNOVATION ABROAD?

U.S. House of Representatives. Committee on Government Reform. Full Committee. September 23, 2004.

<http://reform.house.gov/GovReform/Hearings/EventSingle.aspx?EventID=1354>

“Today's hearing [will be] on intellectual property rights and the effectiveness of our efforts to protect U.S. interests from piracy abroad. The Committee will focus on counterfeiting and piracy in foreign countries of software, movies, music, and designs for consumer and industrial products that are protected by U.S. intellectual property laws.”

#### THINK TANK REPORTS AND PAPERS:

##### PRESCRIPTION DRUGS ONLINE

The Pew Internet & American Life Project. October 10, 2004.

[http://www.pewinternet.org/pdfs/PIP\\_Prescription\\_Drugs\\_Online.pdf](http://www.pewinternet.org/pdfs/PIP_Prescription_Drugs_Online.pdf)

“The prescription drug market is enormous and now includes millions of Americans who go online to get information about the medicines they consume. According to a May-June 2004 telephone survey of 2,200

American adults, 64% of American households contain a regular user of prescription drugs. One in four Americans (26%) has used the internet to look for information about prescription drugs. But few have ventured into the online drug marketplace. Just 4% of Americans have ever purchased prescription drugs on the internet.”

#### PRESIDENTIAL CAMPAIGN ADVERTISING ON THE INTERNET

Pew Internet Project (PIP) Data Memo. The Pew Internet & American Life Project. October 3, 2004.

[http://www.pewinternet.org/pdfs/PIP\\_Pres\\_Online\\_Ads\\_Report.pdf](http://www.pewinternet.org/pdfs/PIP_Pres_Online_Ads_Report.pdf)

“The presidential campaigns have virtually ignored the internet as an advertising medium, according to the first-ever systematic study of online political ads. While they have stepped up their online fundraising, voter-profiling, and insider communicating this year, they have not ventured aggressively into online advertising. This is somewhat surprising because online ads can reach new, undecided, and wavering voters in the demographic and geographic niches where they are thought to reside. Online ads would seem to provide a missing link between the campaigns’ existing internet efforts and tens of millions of Americans.”

#### TECHNOLOGICAL INNOVATION WITHOUT BIG BROTHER: PRIVACY PRINCIPLES FOR GOVERNMENT IN THE INFORMATION AGE

Shane Ham and Robert D. Atkinson. Policy Report. Progressive Policy Institute. September 29, 2004.

[http://www.ppionline.org/ppi\\_ci.cfm?knlgAreaID=140&subsecID=900017&contentID=252907](http://www.ppionline.org/ppi_ci.cfm?knlgAreaID=140&subsecID=900017&contentID=252907)

“It is certainly true that the loss of privacy is an increasingly common fear in the digital age. But privacy fears are easily blown out of reasonable proportion. The Progressive Policy Institute believes that with the right rules and safeguards in place, government can increase its use of advanced information technology tools and realize significant benefits for society as a whole without causing unacceptable harms to the privacy of citizens. The PPI further believes that keeping government institutions mired in 20th century operating methods while the rest of the global economy advances is not an option.”

#### LOCKING THE DOOR AGAINST INTERNET TRESPASS: ARE NEW LAWS NEEDED?

James L. Gattuso. WebMemo #575. The Heritage Foundation. September 27, 2004.

<http://www.heritage.org/Research/Regulation/wm575.cfm>

“Increasingly, Americans surfing the Web find that they have picked up uninvited visitors in the form of programs that install themselves on their PCs—resetting home pages, adding new toolbars, “hijacking” browsers to unwanted websites, and sometimes even mining PCs for personal information. Congress is already moving forward with legislation aimed at such practices. Yet, new legislation will not be sufficient to protect surfers—nor is it necessary. Current law already prohibits most if not all Internet trespass. The most effective defense for Web surfers will almost certainly come not from Washington, but from private sector technologies and services that help consumers to protect themselves.”

#### HOW AMERICANS USE INSTANT MESSAGING

The Pew Internet & American Life Project. September 1, 2004.

[http://www.pewinternet.org/pdfs/PIP\\_Instantmessage\\_Report.pdf](http://www.pewinternet.org/pdfs/PIP_Instantmessage_Report.pdf)

“More than four in ten online Americans instant message (IM). That reflects about 53 million American adults who use instant messaging programs. About 11 million of them IM at work and they are becoming fond of its capacity to encourage productivity and interoffice cooperation. At the same time, IM usage varies widely across different age groups. Instant messengers utilize IM not only as a way to expand and

remain connected to their social circle, but also as a form of self-expression, through use of customized away messages, profiles and buddy icons.”

#### TAXATION OF ONLINE SALES: COMPETING WITH THE STREAMLINED SALES TAX PROJECT

Thomas M. Lenard and Stephen McGonegal. The Progress & Freedom Foundation. September 2004.

<http://www.pff.org/issues-pubs/pops/pop11.16sstp.pdf>

“Under current law, out-of-state vendors, whether mail order, telephone or Internet, cannot be required to collect and remit taxes unless the seller has “nexus” – i.e., a physical presence – in the purchaser’s state. With the growth of e-commerce, however, state governments have become increasingly concerned about the potential loss of sales and use tax remissions on remote purchases by their residents. To address this concern, many states with sales taxes have joined the Streamlined Sales Tax Project (SSTP). The analysis we present in this paper indicates that at least some states would not find it in their interest to participate in the SSTP, assuming participation is voluntary.”

#### INNOVATORS AND INCUMBENTS: CAN TELECOM REFORM BRING BIG BROADBAND TO EVERY U.S. HOME AND BUSINESS?

Panel Remarks to the New America Foundation. Kyle D. Dixon. The Progress & Freedom Foundation. September 2004.

<http://www.pff.org/issues-pubs/pops/pop11.15dixon-naf-remarks.pdf>

“The short answer to whether telecom reform can bring Big Broadband to all Americans is simple: it has to. In order to realize the full potential of broadband and the Internet, we need to facilitate the deployment of increasingly advanced networks that can support increasingly sophisticated content, services, applications and devices. America’s global leadership in the Information Age depends on accomplishing that goal. The more critical questions are how to do that and whether we can accelerate deployment without wasting resources or taking unreasonable economic risks.”

#### INTERNET FILE SHARING: THE EVIDENCE SO FAR AND WHAT IT MEANS FOR THE FUTURE

Norbert J. Michel. Backgrounder #1790. The Heritage Foundation. August 23, 2004.

<http://www.heritage.org/Research/InternetandTechnology/bg1790.cfm>

“A heated public debate started when the original “file-sharing” service, Napster, went on-line in 1999. Napster was shut down in 2001, but the debate raged on as other file-sharing services--commonly referred to as peer-to-peer (P2P) networks--took its place. Research thus far does not show a clear effect on record sales from file sharing. Does this mean that P2P is harmless? Not necessarily. There are many reasons why P2P's impact may not have appeared in empirical data, and there are valid reasons why P2P remains a threat to the music industry. This paper provides a brief discussion of these issues and explains why the music industry's long-term viability is endangered by P2P file sharing.”

#### THE POPULARITY AND IMPORTANCE OF SEARCH ENGINES

Pew Internet Project (PIP) Data Memo. The Pew Internet & American Life Project. August 12, 2004.

[http://www.pewinternet.org/pdfs/PIP\\_Data\\_Memo\\_Searchengines.pdf](http://www.pewinternet.org/pdfs/PIP_Data_Memo_Searchengines.pdf)

“New surveys and traffic data confirm that search engines have become an essential and popular way for people to find information online. A nationwide phone survey of 1,399 Internet users shows that 84% of online Americans have used search engines – that translates into more than 107 million people. On any given day online, more than half those using the Internet use search engines. And more than two-thirds of

Internet users say they use search engines at least a couple of times per week. Furthermore, some 87% of search engine users say they find the information they want most of the time when they use search engines.”

#### THE INTERNET AND DAILY LIFE

The Pew Internet & American Life Project. August 11, 2004.

[http://www.pewinternet.org/pdfs/PIP\\_Internet\\_and\\_Daily\\_Life.pdf](http://www.pewinternet.org/pdfs/PIP_Internet_and_Daily_Life.pdf)

“Fully 88% of online Americans say the Internet plays a role in their daily routines. Of those, one-third say it plays a major role, and two-thirds say it plays a minor role. The activities they identified as most significant are communicating with family and friends and finding a wealth of information at their fingertips. And 64% of Internet users say their daily routines and activities would be affected if they could no longer use the Internet. Yet, despite its great popularity and allure, the Internet still plays second fiddle to old-fashioned habits. For instance, they are more likely to do these things offline than online: get news, play games, pay bills, send cards, look up phone numbers and addresses, buy tickets, check sports scores, listen to music, schedule appointments, and communicate with friends.”

#### THE DIGITAL ECONOMY FACT BOOK, 6TH ED

Adkinson, Jr., William F., Thomas M. Lenard, and Michael J. Pickford. The Progress & Freedom Foundation. August 2, 2004.

<http://www.pff.org/issues-pubs/books/040823defb.pdf>

“The Digital Economy Fact Book is a metronome for the digital revolution. It annually marks time, reporting the facts about the progress of the digital economy. This Sixth Edition of the Fact Book follows the arc of the digital economy through 2003 and 2004, which saw a modest economic revival of the U.S. economy as a whole. For the digital sector, the IPO returned, venture capital perked up and the communications regulatory regime continued on its tortuous path.”