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BUSH ABANDONS NATIONAL STRATEGY TO BRIDGE THE DIGITAL DIVIDE

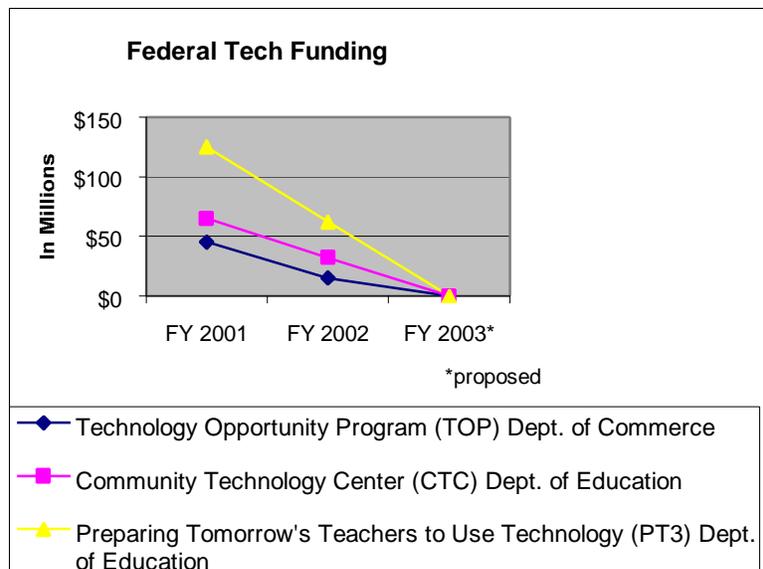
Proposed FY 2003 budget scuttles tech opportunities for working class, rural communities and children

WASHINGTON, D.C. - The Bush administration, in a stark about-face, has abandoned the decade-long national fight to bridge the digital divide.

After a year of public speculation over whether the White House was committed to expanding Internet access and skills to all of America's citizens, the administration has finally broken its silence. In its FY 2003 budget, the White House stripped over \$100 million in public investments previously available for community technology grants and IT training programs— programs that offer real payoffs to rural communities, the working poor, minorities and children.

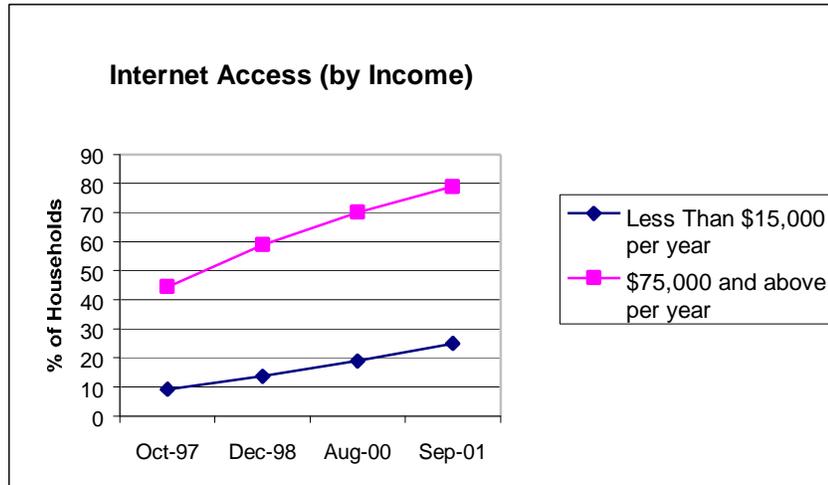
The budget's clear message is that the digital divide is no longer a concern for the government— the problem will somehow solve itself.

“After years of building up successful public investments to expand technology opportunity, the administration's decision to pull out comes at an unfortunate time,” said Tony Wilhelm, Senior Director at the Benton Foundation. “With the nation in an economic slump, technology has been a proven catalyst in increasing productivity and economic growth, especially in rural and underserved communities.”



To justify these shortsighted budget choices, the administration last week released “A Nation Online,” the latest nationwide study on computer and Internet use in America. Once the national benchmark for measuring the digital divide, the latest report takes the position that the digital divide is no longer a major concern— a position belied by the facts.

The Benton Foundation’s analysis of the data reveals that the gaps in technology access among citizens of different educational, income, racial and geographic backgrounds are not abating. According to “A Nation Online’s” own numbers, only one in four of America’s poorest households were



online in 2001 compared with eight in ten homes earning over \$75,000 per year. Even more striking is the fact that this gap expanded dramatically between 1997 and 2001.

Additionally, when it comes to high-speed broadband Internet access, almost twice as many urban households are connected when compared to rural communities, despite the fact that rural communities would stand to gain the most from the educational, health and economic benefits of high-speed connectivity.

The White House’s decision to backpedal on public investments also dampens private sector and philanthropic investments, since public-private collaboration has been the mainstay of community technology sustainability. Pulling the plug now not only threatens hard-won productivity gains but potentially our nation’s long-term prosperity if the digital divide is left unchecked.

Since 1981, the Benton Foundation (<http://www.benton.org>) has worked to realize the social benefits made possible by the public interest use of communications. Through its projects, the nonpartisan organization seeks to shape the emerging communications environment in the public interest. The Benton Foundation is located in Washington DC.

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