



Athena Alliance

Exploring the promise and pitfalls of the global information economy

Annual Report – 2002

Athena Alliance is a 501(c)(3) non-profit corporation located in Washington, DC dedicated to public education and research on the emerging global information economy. Athena Alliance seeks to bring together organizations and individuals to help meet the challenges posed by the emerging information economy.

Summary

Athena Alliance began the year with the development and publication of *Extending the Information Revolution: A white paper on policies for prosperity and security*. During the year, staff was engaged in outreach activities, including a number of presentations around the country. The year was also a time of strategic re-evaluation and organizational restructuring. At the end of the year, Athena Alliance launched a new project and a new direction – a series of policy forums linking policy makers with ideas and success stories concerning the transition to the information economy. Our first series of these Issues Dialogues is on the topic of Owning and Counting Intangibles in the Post-Enron Era.

Activities

Extending the Information Revolution

The first major activity of 2002 was the publication, in February, of a whitepaper, *Extending the Information Revolution*. The report consists of short pieces by various contributors on topics ranging from broadband to financing. Contributors were:

“Telecommunications Infrastructure,” Karen Kornbluh, New America Foundation.

“Internet Access and Community Demand,” Based on material from John Horrigan, PEW Internet and American Life Project.

“IT Utilization by Non-profits & Community Groups,” Ryan Turner, OMB Watch.

“Education,” Bonnie Bracy, Christa McAuliffe Educator, National Education Association.

“Post Secondary Education and Training,” Samuel Leiken, senior policy consultant to the Council for Adult and Experiential Learning (CAEL).

“Entrepreneurship,” Erik Pages, National Commission on Entrepreneurship.

“IT Infusion in Small Manufacturing Firms,” Mark Troppe, National Center on Education and the Economy.

“Financing and Community Renewal,” Stockton Williams, Enterprise Foundation.

“Economic Development,” “Information Ownership,” and “International Aid and Development,” Kenan Patrick Jarboe, Athena Alliance.

Copies were mailed to all Senators and Congressmen, and to the Athena Alliance mailing list. A press conference to release the report was held at the National Press Club on February 12, 2002. Both the report and the audio from the press conference are available on the Athena website.

The report was also serialized on Benton Foundation's Digital Divide Network website – one article every few weeks. The DDN (www.digitaldividenetwork.org) website contains links to the full report on the Athena website and to the audio of each specific section..

Economic Development in the Information Age Act of 2002

Publication of the whitepaper led specifically to contact from the Office of Senator John Edwards (D-NC) concerning some of the ideas in the economic development portion of the paper. As a result, Dr. Jarboe worked with the Senator's office to develop legislation to improve local planning efforts. The Economic Development in the Information Age Act of 2002's purpose is to help local economic development organizations better plan for the transition to the information economy. The bill establishes a grant program at the Department of Commerce to help local economic development organizations increase their expertise and capacity to carry out planning and development activities. The bill also creates a "best practices" database at the Economic Development Administration (EDA) to help economic development professionals and organizations share information. In addition, the bill requires the Secretary of Commerce to carry out two studies: one to assess the capability needs of economic development organizations and another of ways to improve coordination among federal agencies.

This work is being done at the explicit request of the Senator. It thus constitutes technical assistance, and is not considered lobbying.

While the legislation was never introduced in 2002, there are indications that it will be introduced in 2003.

Issues Dialogue: Owning and Counting Intangibles

As the result of our strategic planning process, Athena Alliance embarked on a new project of organizing policy forums — called "Issues Dialogues" (see section on Internal Activities for more discussion).

Our first Issues Dialogue was Owning and Counting Intangibles in the Post-Enron Era. This series of discussions is co-sponsored by the Project on America and the Global Economy of the Woodrow Wilson Center. The meetings take place in the Wilson Center's conference room.

The purpose of these discussions is to explore the interconnected issues of the ownership of intangibles, including intellectual property, and the problems of placing a monetary value on companies' intangible assets. How will the fight over ever-increasing intellectual property rights affect the movement to value those assets? How will changes in accounting affect the battle over intellectual property rights? And to what extent will the converging forces of measuring intangibles and expanded ownership of intellectual property affect the economic utilization of intangible assets – especially by those left behind and at risk? For Athena Alliance, the key issue is understanding

how we utilize intangibles so that everyone benefits from the transformation to the information economy.

Jonathan Low of the Cap Gemini Ernst & Young Center on Business Innovation and co-author of *Invisible Advantage: How Intangibles are Driving Business Performance* was scheduled as the first speaker for December 5, 2002. Unfortunately, the event was postponed due to a snow storm. However, the event did occur successfully on January 23, 2003. A summary and audio of the event can be found on the Athena website.

The Owning and Counting series will continue during 2003; additional Issues Dialogue topics, such as Economic Development in the Information Age, will be considered.

Other publications

During 2002, Athena Alliance also undertook the following publications:

“Thinking Beyond the Boxes: Organizing Homeland Security in the Information Age” was submitted as an op-ed to the Christian Science Monitor, June 2002 – but not accepted.

“After Doha: What The WTO Is Not Talking About” was re-published by the Institute of Chartered Financial Analysts of India in their executive reference book *International Finance & Trade*.

Presentations

Based on our research activities, Dr. Kenan Jarboe, President of Athena Alliance, made a number of presentations in 2002:

“Thriving in the Information Age or What’s a Small City to Do?,” EDA Philadelphia Region 2002 Economic Development Conference, Philadelphia, PA, April 2, 2002

“Succeeding in the Digital Economy: The Promise of Asset Development,” *The Digital Age: The New Challenges for Low-Income People, CAAs, & Community Based Organizations*, Massachusetts Community Action Programs Directors’ Association (MASSCAP) and the Asset Development Institute, Brandeis University, April 4, 2002

“Using the Tools of the Information Age,” *Innovative Techniques for Economic Development*, EDA Chicago Region 2002 Economic Development Conference, May 9, 2002

“Thriving in the Information Age,” Keynote address, *Cleveland Digital Vision: Creating the Digital Community*, May 30, 2002

“Thriving in the Information Age,” Keynote address, *Digital Issues Update: a Dialogue on the State’s Future*, Pennsylvania House of Representatives, June 6, 2002

“Putting Information Back into the Information Economy,” Panel on “ICT in Development: Four Vital Policies for 2002,” INET 2002 (Internet Society), June 20, 2002

Other activities

During 2002, Dr. Jarboe served as an advisor to Living Cities regarding their Neighborhood Markets Project. Living Cities (formerly called the National Community Development Initiative) is a consortia of foundations which fund community development corporations. The Neighborhood Markets Project was an effort by the consortia to set their future funding strategy. The project's report was released in February 2003. It proposes a major 10-year program to develop data, knowledge, and information tools to help lower-income neighborhoods. As part of Athena's efforts, we were able to include the concept of local information assets in the project. We are pursuing ways in which Athena may be able to participate in the project in the future.

As part of our outreach activities, Dr. Jarboe attended numerous Washington DC briefings and policy meetings. These included the meetings of the State Department's International Telecommunications Advisory Committee (ITAC) concerning preparations for the World Summit on the Information Society (WSIS). While there are no plans for Athena Alliance to participate in the Summit (to be held in Geneva on December 10-12, 2003), we have been giving the State Department comments during the preparation process.

He also continued to serve on the Digital Empowerment steering committee of the Leadership Conference on Civil Rights (LCCR).

Internal Activities

Strategic issues

2002 was a year of structural change for Athena Alliance. In the summer and fall, we undertook a major strategic re-evaluation of our activities. As the result of the careful re-evaluation of past efforts and a serious discussion about future directions, the Board decided to focus the organization's efforts on a regular series of policy forums – Issues Dialogues – which will link policy makers with ideas and success stories concerning the transition to the information economy. These policy forums will be augmented by policy-relevant publications as necessary.

Athena Alliance's role is to raise questions and increase awareness of the issues surrounding the transformation to the Information Age in its broadest sense. Our concern is twofold: 1) to raise awareness of the challenges and opportunities and 2) to help create tools mechanisms, tools and capabilities that individuals, firms and communities can use to shape their own positive economic futures. In our public education and awareness activities, we seek to improve our collective understanding of the issues and interject those issues into the policy discussions. We will not attempt to replicate the work of other organizations, but seek to link that work both with other research and activities and with the policy making process.

Our approach to policy research is to seek out both researchers and policy analysts who have something to say on the issues of the transition and practitioners who have successfully created projects and programs that help communities and individuals thrive in the information economy ("voices from the field"). Our role is to be the facilitator, whereby we collect, evaluate and disseminate those ideas and success stories.

The topic for our first series of Issues Dialogues will be Owning and Counting Intangibles in the Post-Enron Era, as discussed earlier.

Organizational issues

One of the outcomes of this process was a decision of the Board to convert Dr. Jarboe to a full-time employee and end the management contract with Jarboe & Associates for his services as President of Athena Alliance. Jarboe & Associates will continue to be reimbursed for certain office expenses. As part of that process, a formal job description for the President and an employment contract for Dr. Jarboe were approved by the Board. New personnel policies and a financial management manual were adopted. Athena contracted with Judy Wood, CPA, to provide accounting services and with Paychex, Inc for payroll services.

In addition, the District of Columbia government instituted a new registration system (the Master Business License) for all organizations doing business in Washington. During the latter part of 2002, Athena Alliance undertook to file the various appropriate registration papers. That effort will continue in 2003 as the Master Business License program is refined by the District government.