

## Phil Noble

Let me begin by thanking you and the organisers of this conference. Democracy is a very fragile plant and it must be constantly watered and have sunlight, and be nourished. And no matter how strong you think the plant may be and how old it is, it can always have problems, and there can always be difficulties. And we in the United States often like to think that we have the oldest and strongest democracy, but we have seen just recently how very little things like counting votes (one, two, three ...) can be very big problems. So perhaps if we had had this voting machine, this election counting machine in Florida we would not have had so many problems. Or perhaps the Hispanic vote would have been over-counted in Florida if we had had it.

But I want to talk to you a little bit about the Internet and how it is being used in campaigns: political campaigns and also lobbying campaigns. And I want to focus largely on the US, but not exclusively.

As some of you can tell, I am from the southern part of the United States, and my father was a preacher there, a southern preacher. And I have often been told that I am like an evangelist or a preacher for the Internet in politics, because I'm a great believer in this and its potential. When I was growing up my father told me, "if you're going to be a preacher you must always begin your sermons by quoting the bible or one of the gospels". So as a preacher for the Internet I must first begin by quoting one of the saints, if you will: Saint Bill – Bill Gates. And this is what Gates says about the Internet.

Notice what Bill Gates says about the Internet. He says it's something fundamentally different: it's going to change our world the same way as the invention of printing and the coming of the industrial age. Notice he didn't say the invention of television or radio or telephones, but something as big as the coming of the industrial age and printing. That's huge. And I think he's right for two reasons: number one, I believe the Internet is that big, and number two you do not get to be the richest man in the world and be wrong about very many things, ever. And I don't think he's wrong about this.

Well, where are we with the Internet and politics and campaigns today? I say it's a revolution, and I think the revolution is here now, today. We may only be at ten o'clock in the morning on the first day of the revolution, but the revolution is here. And there are some people, a few people, who are involved in the hot battle of the revolution. Some people just maybe see it in the distance. At ten o'clock in the morning of the first day of the revolution most people don't even really know the revolution is here yet. But it is here, and how it's going to come out, how it's going to emerge, we don't know. But it is here and it has begun.

Let me just talk with you a minute about where the Internet has come [from] and how the revolution has unfolded in the first six years since it began. In 1994 the Internet did not exist in politics. It did not exist. The first political WebSite was in 1994. Kim Alexander here, who you're going to hear from tomorrow, she and I are having a running discussion over who was the first political candidate with a WebSite. And we haven't settled it yet, but we both agree it was 1994. So before 1994 it did not exist. In 1996, just 2 years later, in an opinion poll after the election 11% of the people said they got information that helped them make up their minds.

In 1998 Jesse Ventura was elected governor of Minnesota, a former wrestler: you know, the crazy guys, and he was one of the craziest. He was elected in a big state. It's one of the largest states in the United States, and he said he would not have been elected if it had not been for the Internet.

Next we had the first global Internet news story, a story that spread around the world instantaneously on the Internet. And that was the whole Monica Lewinsky scandal and the report of prosecutor Starr. And let me tell you just how quickly that was: two weeks after the Starr report was put on the Internet I happened to be in Kiev, Ukraine – not exactly the most wired city in the world. And in Kiev, Ukraine I was walking through the market and a vendor in the market, a street vendor, had one of these babushka dolls – do you know what I'm talking about, where you open it up and there's another one inside, and you open that up. Well, he had a babushka doll, and the first one was Clinton, then you opened it up and it was Jennifer Flowers, Clinton's first girlfriend, and then you opened that up and there was Paula Jones, his second girlfriend, and you opened that up and there was Monica Lewinsky. And you opened that one up and it had a very small Hillary Clinton. The point of that is that 2 weeks after these events Monica Lewinsky was the subject of ridicule by street vendors in the Ukraine, half way around the world. That's not a traditional news story.

In 1998 the Social Democrats in Sweden reported that over 40% of the people who voted came to their party's WebSite. In just the last 2 years, in 1999 Bill Bradley raised one million dollars on line. We had e-commerce at Christmas which drove up acceptance of buying and selling by individual consumers on the Internet. The Democratic and Republican parties became Internet providers: you could get on the Internet using the Democratic or Republican party. John McCain, running for president, raised over 6 million dollars on the Internet. He raised a million dollars in the first 24 hours after his victory in New Hampshire. We had on-line voting, which you're going to hear more about, in Arizona. We had the presidential debate on-line in something called the cyber-debate. We had large amounts of video of candidates taking position on-line available. We had Nader Trader, which I think is one of the most significant advances because it was the same concept as Napster, it was "Napster meets the political establishment", if you will, using the technology to do different things.

And then since election day the level of traffic at news sites has gone up two, three and four hundred per cent, already on top of election day. So we're seeing huge traffic patterns. So we've gone from 1994, 6 years ago [when] it did not exist, to electing a governor via the Internet in 1998, to raising multi-million dollars over the Internet and to having entirely new political strategies, like Nader Trader developing, and on-line voting. That's fundamentally different.

There are more people today who have accessed the Internet in the last five years than used the telephone in the first 30 years of the telephone. The number of Internet pages is increasing by over 2 million pages every day. This is something fundamentally different. This is truly a revolution that is beginning, and we're only at about 10 o'clock on day one. In Spain it may still be 6 in the morning, but it's still day one.

Part of what is so significant about the Internet is that the growth of the Internet is not just in political campaigns but in government as well. In that four-year period, or six year period, we have gone , [with] the members of parliament in the United States: we have gone from one member having a WebSite to almost 100% having WebSites in that same time period. The political communications of the media have shifted almost 100% to the Internet in the US. You don't go to a newspaper, or even radio, or even television, to get the fastest, newest news story about politics. You go to the Internet. And the example of Florida shows that.: a 400% increase in the number of people going to news sites since the election.

In the way people use the Internet, political communications have gone from being sound-bites on TV and radio and articles in newspapers to people spending anywhere from eight to ten to twenty minutes on a political news site. Think about that a minute. When was the last time you had a 20-minute conversation about politics. On the Internet in Sweden the average visitor to the Swedish Social Democratic site spent 22 minutes interacting with that WebSite. That's an enormous amount of information.

Each of the presidential campaigns [...], each of the presidential campaigns made major advances with the use of the Internet in politics. As I said, Bill Bradley was the first to get the Federal Government to say "we will sanction contributions to campaigns via credit card on-line". And he raised one million dollars – the first to do that. He had separate pages on his WebSite for every state, not just one big general WebSite. Each of the 50 states had their own section, where people could come to those sites and find out information about what the campaign was doing in their state, in their community, in their neighbourhoods.

They also had a section in their WebSite where instead of getting a box of materials from the campaign or from the party with the brochures and the papers and the policies, you could download it all from their site. So if you went to his WebSite and said "I want to volunteer. I want to help in your campaign" then all you had to do was download the information from the WebSite and you could set up your own campaign headquarters, if you will, in your own neighbourhood.

We talked about John McCain raising a million dollars in one day. Over 5 million, actually over 6 million, one fourth of all his money came to him from the Internet. He had a hundred and forty thousand people volunteer to be a part of his campaign, coming to him through the Internet. That was almost 40% of all the people who said "I want to help your campaign" who came his campaign to through the Internet. And we have found that that is very true not only of presidential campaigns but at all levels. Somewhere between one third and one half of the people who are participating in the campaigns find the campaign, communicate with it, through the WebSite.

Al Gore was the first candidate to have video e-mails, and I would show you a video e-mail, but I have no faith in the technology that I would be able to make it work. But maybe after we get through, if we have time. He had a Spanish version of his WebSite – two languages. He also put all of his campaign commercials on the Internet. Every day he broadcast or webcast at least one of his campaign speeches on the Internet, and he also had an interesting technology, where if you wanted to know more about the campaign on the news and what's happening you could download it to your Palm Pilot, so automatically if your Palm Pilot was enabled for the Internet when you turned on your Palm Pilot at 3 in the afternoon you would get the latest news stories about the Gore campaign, integrated between his WebSite and your personal Palm Pilot, your personal technology.

George Bush put all of his financial disclosure information on the WebSite – who was giving to his campaign, promoting transparency in a way that had not been done before. He was also the victim of what we call the first parody site. These are sites that are created simply to make fun or criticise the Bush site. It was satire, if you will, and what was very interesting is that Bush showed us exactly how not to react when somebody creates a parody site for you. There was a single person in Massachusetts, I believe he was a garbage collector, just one person who created this WebSite making fun of George Bush running for president. A reporter asked him about it, so he spent four of five minutes criticising this WebSite. What happened? That WebSite got half a million visitors that one day. The reporters came back and asked him about it again. He criticised them again. What happened?

The traffic went up – another million people visited. Reporters became more interested. Bush said “I am going to sue him to make him take it down” – millions of people started going to this Internet site. So this totally insignificant person, one person building a WebSite, was able to get George Bush, running for president, to send millions of people to his WebSite to see the bad things he was saying about George Bush. Totally, 100% wrong. And then what did the Bush campaign do? They became very paranoid that there were going to be others doing that, so they went around buying up all the URL’s, things like “Bush sucks” and “Bush is bad”, and “Dumb Bush”. They drove the price of these URL’s up, and people were making them up and then selling them to them. It was a perfect example of how not to use the Internet in politics.

A whole number of things that he did were really interesting. About a third of them were really stupid, about two thirds were really good. McCain’s fund raising: I know the model of fund raising by individual campaigns doesn’t translate exactly in Spain. But think of it as party memberships; think of it as contributions to NGO’s; or think about funding for local projects or political moves. It’s the same concept. Half of the people who came and gave money over the Internet had never given a penny, not one peseta, to politics before. Another 20% had only donated one time, so 70% of the donors who came had [either] never participated by money in politics, or only once.

The average age was about 28-30. The average amount of contribution was 115 dollars. It is often compared to direct mail advertising, and the average contribution in mail fund raising is 25 – 30 dollars. So you have a whole new people giving twice as much money as ever before, and they’ve never participated in politics before. And here’s my favourite thing they did: if you went to his WebSite and you said “I want to volunteer, I want to help” – say this is New Hampshire – then they said “how would you like to help? Would you write letters, would you make phone calls?” and you said “phone calls”. They would automatically e-mail back to you a list of 10 people in some other state that they wanted you to call. And people called them. The McCain campaign had about 800,000 phone calls made on their behalf to the next campaign state, and it all cost them nothing. Nothing. 800,000 telephone calls made on behalf of them, and it was totally automated and cost them nothing to do. It’s a whole different way to use the media.

The other usage which we have seen dramatically increase is the use of the Internet for politics by pressure groups, by NGO’s, not by political candidates or parties. And the reason is because the Internet is perfect for collecting and connecting people who have the same attitudes but are spread all over the country or the world. It’s the way to connect you and you and you and you, all to one Internet site, all together at one time. Let me give you one example of how it works. During the impeachment proceedings against Clinton – I started to say Nixon: sometimes I feel like they’re about the same kind of people – but anyway, during the impeachment of Clinton there was a group started that said “it’s time to move on, to forget the impeachment”. “Move on” is sort of an American colloquial term that just says “hasta mañana”, “let’s go – I’ll see you tomorrow”. And two people started this WebSite, and they said “if you think it’s time to move on, we want you to come to our WebSite and promise to give money to Democrats who are running against the Republicans who are pushing the impeachment, and we want you to sign a petition”. Within one month they had 13 million dollars pledged, promised to those Democratic candidates, and a half a million petitions. And during this last campaign there were candidates who ran for office against those Republicans who got hundreds of thousands of dollars into their campaigns from these people who they never saw, never talked to. They didn’t know who they were, they were scattered all over the country, but they had promised to give money to Democrats running against certain Republicans.

To those candidates this organisation "Move On", was far more important than the Democratic Party. The Democratic Party didn't give them hundred of thousands of dollars, Move On did. And what is Move On? A man and his wife in the basement of their home with a computer in West Texas: that's Move On. That's a whole new political way of doing business. And it's not just a one-time affair: it happened again with something called the FDIC, which was banking regulations. They mobilised a quarter of a million people. A forest protection campaign did the same thing with three hundred thousand e-mails. In Canada they organised 900,000 people in a petition in 2 weeks against one of the political leaders. The whole Nobel Peace Prize land mine campaign was essentially an e-mail campaign, and here's the magic if you will: assume for the moment that you woke up tomorrow morning and you saw something in the newspaper that you thought was terrible and you said "we need to tell the prime minister he's a rotten bastard, or he's a good guy" – either one- and so you send an e-mail to five friends. You say "we want you to send an e-mail to Aznar saying you're a good guy or you're a bad guy" – pick one – and you say "you send that e-mail to five more people and get those five people to send it, etc. etc.". Well, it always breaks down, but if you could do that and you began at eight o'clock in the morning and it was forwarded, five e-mails were sent each hour, by five o'clock you would have dumped nine million seven hundred thousand e-mails on top of the prime minister. I think you would get his attention. And what did it cost to do that? not one peseta.

That's the whole new power of this medium. Again it's not just the United States. The Swedes: 40% of the population, of the voters came to their Internet site. Blair has said he's going to have all-digital government by 2004. Joan Clos over in Barcelona has provided a free e-mail to every citizen where you can come and they'll provide you with an e-mail account for free. Costa Rica will be the first country probably to have on-line voting for the entire national election. In Switzerland there's a political party that's born, live, exists on the Internet. There's no office, there's no public place to go to this party. Last month they had a fight: there are now two Internet parties in Switzerland, and there will very soon be 50. Move On, etc.: that's the model.

There's all sorts of new tools that the Internet is creating: on-line fund-raising we've just talked about. It's designed so that anybody, any campaign, any person can start their own WebSite and develop on-line fund-raising capabilities. And it's not just in the US: our company provided on-line fund-raising for the presidential campaigns in Mexico and Chile. It's very easy to do.

This is my most recent favourite little toy: it's called a cyber-card. It's like a mini CD-ROM. The campaigns are developing this as sort of their campaign brochure and they're handing them out. You can produce these for less than 1 dollar, and everybody looks at them. They love them because there's so much information on them. We have video e-mails, and again if I had more confidence in the technology I would show you one. We're having political banner ads. We're doing opinion polling on line that is getting quite accurate. Here's the video e-mail that I'm not going to try. Well there it is. There's sound with it as well: it's too bad you can't hear it. This e-mail would come to you when you opened your e-mail, and you could click here to donate, to send it to 5 friends, etc. It would be a direct link into the campaign WebSite.

There are new tools that are developing all around. It's really about a 5-6 percentage point advantage. If you have two campaigns and one of them uses the Internet brilliantly and the other one not at all I think it's about a 5-6% advantage. It can get you about 7% in terms of more money and people, media enhanced image. The same thing is moving very fast with government on line: you heard a

lot about that this morning from Derek Wyatt, so I'm not going to talk about it, but again the innovations are happening not just in the US but all over the world.

I believe that we're going to have a whole new set of political leaders that understand how to use the Internet just as John Kennedy understood how to use television. He came to dominate his political age. In the UK Winston Churchill in England learned the power of radio. Hitler understood radio and movies. Understanding the tools is going to empower a whole new generation of politicians over time. These sort of flash campaigns are going to become normal: it's going to become the normal means of political expression. It's going to radically change what parties are about, radically change them. And I believe on-line voting will be just as common as voting in a voting booth. Again it's changing the media, because the print media, newspapers, their power is being diminished by the Internet. The political parties it's going to change, and is changing. Trade unions, business associations, the whole political structure is changing and political candidates are going to become like a channel. They're going to be constantly pushing the information to you about who they are, what they're doing, what they're saying.

The Gore and Bush campaigns sent out about 40 or 50 e-mails every day to the media about what they were doing. Bush said this – Gore responds – Gore says something, and Bush responds. Gore responds to Bush's response. It became almost a constant conversation, dialogue via the Internet to the media. Now most voters never saw it because they weren't that interested.

It's changing the whole nature. The most important political activist for a political cause here in San Sebastián could be an immigrant in New York City. It could very easily become that. Politics is becoming global. Again, it's all about generational difference. I'm surprised almost everybody in this room is over 40 and you're mostly male. Not everybody but most of you. The Internet is about under 40. They're younger, they're technologically sophisticated. They don't trust institutions. It doesn't matter if it's the government, the Catholic church, a political party or IBM. It's very much anti-institutions. Ideology is not important, and the geography doesn't matter. Globalisation is happening so fast via the Internet that it's changing everything. Our representative system of geography is based on the idea that we're going to elect you to go to Madrid or Brussels to be our representative and to vote for us, and that you will study the issues and you will have more information so you can represent us better. But what happens if all of a sudden we have as much information as he does? Or more information? What is the basis of why did we elect him? It's not because he had more information: it's a whole different rationale of representative democracy. As citizens it empowers us, and we have new responsibilities, and it's changing the ideology: left, right, it doesn't matter. It's what's effective. I happen to be a Democrat, but I believe it's the sort of New Labour, New Britain Clinton sort of new centurism which is growing. The right has yet to sort of create a response to that. I'm sure they will, and I'm sure it will be very powerful, but for now they have yet to figure out how to deal with that.

About 20 years ago, or 25, when I was first starting out in politics, I met a banker, and bankers tend to be very, very conservative Republicans. This was a banker in my home state of South Carolina who was a hard-core Democrat. He had this saying up on his wall, which was "we must master the tools of communications or we will be mastered by those who do". And it was a British politician who first said this when radio came along. It's just as true today – we have to master that technology. Let me give you just a little bit of a commercial if you will about one way to try and do that. Our company, PoliticsOnLine, produces lots of Internet information and tools about how it's being used in politics. Out front there's a CD-ROM called "The Internet Campaign Manager". You're welcome to take them, they're free, they're about how to use the Internet in politics. There's this flier that

talks about a variety of newsletters and products and how to get on-line funding that's available from our company. We have a Latin American affiliate called [Electorales.com](http://Electorales.com) which is a Spanish language version of [PoliticsOnLine](http://PoliticsOnLine.com), and there's a card about them. We publish a number of e-mail newsletters: ours are in English, [Electorales'](http://Electorales.com) are in Spanish, about how the Internet is being used in politics around the world. If you'd like to get on the mailing list you can either visit the WebSite or you can give me your business card with your e-mail and I'll add you to the list. So the bottom line is that it is a revolution, and it's early in the revolution. There are going to be winners and there are going to be losers, and the winners in this revolution are going to be those who understand the technology, who spend time on it, who learn how to master the technology, because it is the technology of the future and it is the tools and the power of the new revolution which is literally shaping the world. Thank you.