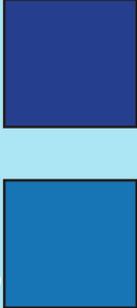


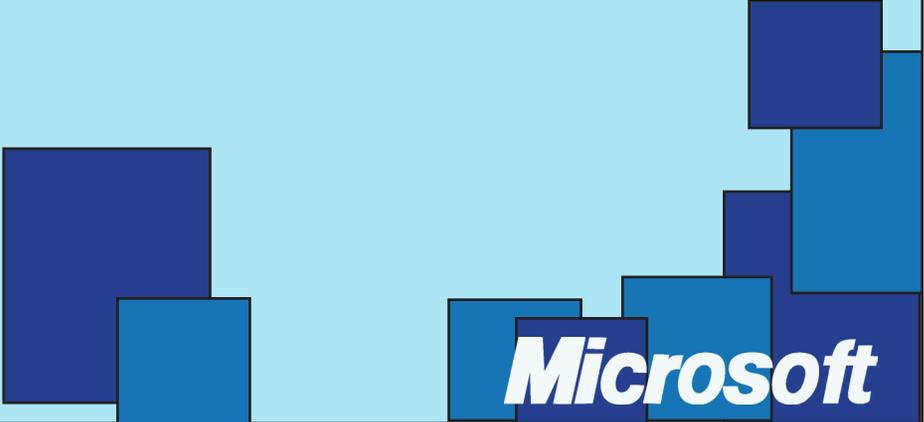
Microsoft  
makes  
things  
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Business  
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Excerpted from a white paper submitted to the World Economic Forum by Rick Belluzzo, president and chief operating officer of Microsoft.

## How Technology Shapes Our World

Human beings have a unique ability to shape the world we live in. Our innovations have given us the power to transform our environment, extend our life span, create vast, interconnected societies, and even explore the stars. The technologies that have made this possible -- from the simplest wooden plow to the most advanced personal computer -- have also helped bring about fundamental economic and social change.

Just as the steam engine, the railroad, and the telephone created dramatic shifts in the way people lived, the digital information technology developed in the past few decades has transformed our world at a pace that eclipses all innovations before it.

But with each wave of innovation comes a new set of challenges. As government and business leaders from around the world gather in New York City

Economic Forum, we face a number of key social, economic and policy issues surrounding information technology:

**Protecting individual privacy.** More people than ever are entrusting the Internet with sensitive personal information, from their medical history to their shopping preferences. Today, tools and practices exist that give people control over their personal information, but we're still a long way from creating a technological, economic and social environment that makes individual privacy a core principle.

**"Our innovations have given us the power to transform our environment, extend our life span, create vast, interconnected societies, and even explore the stars."**

**Keeping our critical systems secure.** As our economy becomes increasingly dependent on the Internet,

and as businesses and individuals become more interconnected, protection of the global technology infrastructure is essential. With the events of September 11 fresh in our minds, along with widely publicized incidents of Web site hacking, industry and government leaders have a responsibility to create a safe, secure, reliable and trustworthy computing environment.

**Protecting our children.** The PC and the Internet have helped revolutionize education, giving children powerful and exciting tools for ex-

ploration. The private sector and government have made significant progress towards ensuring that children aren't exposed to inappropriate content. This cooperation is a good example of how we can collectively tackle some of the Internet's toughest challenges.

### Bridging the "digital divide."

Although a significant part of the world still lacks essential resources such as a safe water supply, adequate electrical power or quality healthcare, technology and the Internet can help improve the quality of life worldwide through better communication, business processes and education. Working together, industry and government have an opportunity and responsibility to ensure that no one is left behind.

**Protecting intellectual property.** The Internet makes it possible to easily distribute digital information -- from software to books, music and video -- instantly and at virtually no cost. To ensure that incentives exist to innovate in the future, government and industry must work together to protect intellectual property rights around the world.

**Regulating global commerce.** Because the Internet offers people an easy way to purchase goods and services worldwide "

**"Internet can help improve the quality of life worldwide..."**

generating tremendous economic growth -- it makes commerce even more challenging to tax or regulate effectively.

Governments and businesses must cooperate to find innovative ways to integrate online commerce into the economy without undermining its tremendous economic benefits.

Even as we work to address these challenges, the next decade will see a wave of innovation that will further advance the positive role technology plays in our lives. Microsoft is committed to providing industry leadership

**"...the next decade will see a wave of innovation that will further advance the positive role technology plays in our lives."**

by creating technology that is fundamentally secure and trustworthy. Working in partnership with others

who share our excitement about the promise of technology, a great opportunity exists to help people realize their potential and to help move society forward, paving the way for even greater accomplishments.

**Microsoft**