

Net Neutrality: Telecom's Extremism

By Ed Finegold

To date, the debate over net neutrality has been one of extremes. The more I read about it, the more puzzled I am by the myriad points of view that swirl around it. There are those who believe insidious forces within the Federal Government want to see net neutrality erased so that they can put a stop to the free flow of information the Internet enables. Others believe that any easing of net neutrality will result in corporations owning the Internet, and the end of its egalitarian state. Some oppose net neutrality because it represents government interference that enables a market where over-the-top business models get a free ride on the back of companies that spend



billions to maintain the Internet's infrastructure. I'd like to believe there's a happy medium, even if I have little confidence that regulators will succeed in defining or delivering it.

The Problem in a Nutshell

In my opinion, which I realize many people will disagree with, the problem with net neutrality is that it does, in fact, provide free rides to service providers who don't contribute their fair share to the maintenance of the infrastructure that enables their businesses. Of course, we all know the upside to this is that as a result the Internet's economics have

"The public Internet, as we know it, has a life of its own now."

Not for distribution or reproduction.

A promotional banner for INTEC. The top part is dark blue with the word "INTEC" in white, bold, sans-serif font, underlined with a yellow line. Below this is a green horizontal band containing the text "INNOVATIVE SOLUTIONS" and "POWERING" in blue, and "NEXT GENERATION SERVICES" in white. At the bottom is a dark blue band with the website "WWW.INTECBILLING.COM" in white. The background of the banner features a stylized yellow and white graphic resembling a network or a signal tower.

spawned opportunities for millions of businesses that employ people, drive innovation and arguably change the world. For that reason, it makes sense to protect the Internet from being laden with onerous toll booths that could stifle its economic fertility.

Things go off the rails, however, when discussions about premium services enter the picture. Because the approach to net neutrality has been extreme thus far, the concept of premium, Internet-like services has been met with resistance. The argument typically backs into the idea that big corporations will take over and snuff all the things we love about the open, egalitarian Internet. If we allow network operators to charge a premium for higher quality services, somehow that means we won't be able to access YouTube, post anonymous comments on blogs, or download freeware that gives us viruses anymore.

The Case for Premium

The public Internet, as we know it, has a life of its own now. The idea of it being stifled by regulation is ironic, given that it's such a potent enabler of so many black market business models like software piracy, illegal music sharing and the infamous Nigerian banking scams. The bottom line is that the public Internet isn't going anywhere, but people would benefit from an option that provides higher quality, more security

“we'll see some movement on making the over-the-top guys pay more.”

and content choices that are cleansed before being presented.

As a relatively new parent, I've become much more sensitive to the Internet's openness. Along with the good comes an awful lot of bad – inappropriate images, foul language and every scam imaginable. There are also issues like low quality video, choppy streaming and slow downloads. From that perspective, what's wrong with allowing service providers to deliver a “premium Internet” for which you pay a bit extra to have these problems solved or eliminated for you?

I'd like something like Hulu that didn't limit how many episodes of a given show are online at a given time. I'd like to let my daughter search the Internet for educational videos about gorillas, without the most inappropriate content imaginable appearing on screen (yes, this has really happened). I'd like to be able to filter out anything that includes the “F word”,

Pipeline
Your OSS/BSS Information Source

KnowledgeCast Webinar

Will Your Network Survive the New Mobile Broadband Culture?

Join Pipeline and Tektronix for a KnowledgeCast on Dec 7, 2010

During this live webinar you'll learn:

- How to turn network data into actionable information
- Optimize your service mix for profitability
- Ensure accessibility, performance, and service quality

Featuring **Tektronix**
Communications

Tuesday, December 7, 2010 at 11 a.m. EST

REGISTER NOW!

anything remotely related to pop stars that resemble strippers and imagery that promotes violent video games or bombards my kid with advertisements for toys (of which she has more than enough, I assure you). Right now, net neutrality is basically preventing this from emerging because network operators can't offer exclusive, premium services that look like the Internet.

The Regulatory Challenge

Sometimes I feel bad for the folks at the FCC. Basically, the FCC is made up of a bunch of attorneys, some of whom are killing time in a government gig for one reason or another, who have to try to figure out what engineers are talking about every day and translate that into practical recommendations that Congress can adopt. This is no simple task. When I read the public comments the FCC solicits to help frame new policy, they are often mind boggling. The recommendations will get into semantic discussions about connectivity and capacity, trying to set a basis for determining what is and what is not the Internet based on how and to where it is routed and which technology it utilizes. Having worked with the FCC for 15 years, originally as a regulatory reporter, I can promise you that very few, if any, of the individuals who work there are ever going to be able to translate that mumbo-jumbo into something a U.S. Senator is going to support.

When you combine the techno-babble with the overly impassioned inputs from conspiracy theorists who believe any Internet regulation will turn the entire world into a Stalinist dictatorship and all people in corporate controlled automatons, the result is an important debate framed by extreme opinions that mostly fail to address an important question – where does the Internet go from here? Does it continue to play to the lowest common denominator, or can we differentiate it in ways that mirror many other aspects of society? Just because some people are fortunate enough to fly in custom business jets while I'm fighting for overhead space on Southwest doesn't mean I think the FAA should force Gulfstream out of business. If today's Internet is coach, well maybe it's

time we got business class, first class, and more.

What Will Happen?

If anything is going to force net neutrality rules to change, I suspect it will be the wireless industry. I could base this argument on more techno-babble, getting into the nature of wireless devices and backhaul networks and how you have a clear delineation between the public Internet and wireless access networks. But the bottom line is that the CTIA, the U.S. Wireless industry's lobby group, is extremely influential and has deep pockets. As the wireless industry grows and becomes wealthier, its power to shift rules in its favor becomes greater.

Don't let the recent noise about Bill Shock, and the little wrist slap Verizon Wireless received for its \$1.99 data charges fool you – that's all carefully choreographed. Right now, wireless providers benefit from over-the-top apps because those services, along with new smartphones, drive increasing data subscription revenue. That revenue is recurring, visible, predictable, and lucrative. When that market is fully penetrated, however, and the wireless industry needs new avenues for revenue growth, then I suspect we'll see some movement on making the over-the-top guys pay more of the freight for the services they now deliver to wireless devices, over wireless networks or the Internet, at will.