

# Free Internet?

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Paper 1

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The Telecommunications Act of 1996 set the groundwork for how telecommunication companies would do business. It allowed for an open and free internet and required telecommunication companies to abide by the idea of “net neutrality.” This meant providing open, equal access to any users on their network, to include access to content by their competitors, in an effort to encourage the growth of one massive interconnected neutral world. They were to use a “best effort” model of traffic management with no active traffic shaping or preferential treatment for certain customers for a higher fee or for signing partnering deals with the providers.

For decades, the current policy ensured open architecture and equal access to all. However, with the introduction of broadband cable and internet and other high-speed methods of networking, new debates were sparked about the 1996 Act.

On one side of the debate are the telecommunication companies, like AT&T, Verizon, and Comcast, who feel they have every right to decide what goes over their networks and how they run the equipment everyone is using for free. They allow big bandwidth users such as YouTube and VOIP providers (e.g. Vonage) to use their networks to provide weighty content, but at the same rates as a small, 20-visitor a week

website. To them, this translates into degraded service as their overall bandwidth is hoarded by companies making millions for very little cost. How, they argue, does this translate into fair business practice?

In a blazen statement in November 2005, AT&T chairman Edward E. Whitacre Jr. blasted the free-loading internet content providers, saying, "They don't have any fiber out there. They don't have any wires. . . . They use my lines for free -- and that's bull," he said. "For a Google or a Yahoo or a Vonage or anybody to expect to use these pipes for free is nuts!" (Stern).

Shortly thereafter, a Bellsouth executive made mention of charging Apple more money every time someone downloaded a song from iTunes using their network (Stern). Why not? If these huge-bandwidth services cost the telecommunication companies more, then they should be able to charge more. The influx of users on the internet continually drive up their operating costs, with no increase in income from big bandwidth users like YouTube or VOIP networks. These telecommunication companies consider it just offering another type of "tiered" service.

Let's look at Comcast – the self-proclaimed number one residential broadband service provider (per their website). With their own music providers (Comcast Rhapsody and Broadband Music 101), Comcast has reason to feel ruffled over iTunes's domination in the music download sector. Allowing Apple full access to all of its customers is only hurting its profits...and that's only one example. What about Games on Demand, Gamefly, or Game Invasion? Although Comcast's sites are successful in their own right, Yahoo games and other mainstream gaming providers have the potential to suck a large number of Comcast users away from its organic gaming sites.

“Comcast says it has to violate net neutrality because traffic on the internet is exceeding Comcast’s capacity” (Weinberger). Degraded service, slow speeds, and poor customer service are noted features when dealing with Comcast (McIntyre), so perhaps their argument for traffic shaping has some weight. Indeed, it seems other ISPs like Verizon may now be edging out the once-giant in the ISP market. To Comcast (and other ISPs, to be fair), something must be done to ensure their own success in the internet market.

The initial Supreme Court ruling in June 2005 that said broadband cable providers do not have to be concerned with net neutrality obligations because they are “information services” (Gilroy) opened the door for companies to regulate the content they allow to run across their network. A ruling by the FCC soon followed that ensured broadband telephone companies were included in this exemption. This upset those in favor of complete net neutrality because they felt it allowed for abuses by the telecommunication companies. However, those against the net neutrality regulations cite that they are already following the FCC’s four policy principals and that “advocates of regulation and net neutrality can’t point to any widespread behavior that justifies the need for such regulation” (Gilroy).

On the other side are the big internet content providers (think Google, Yahoo, Amazon, Ebay, Vonage, the list goes on and on), as well as small start-up companies and the near-entire American public. The main proponents for net neutrality argue that the internet was created and flourished under the concept of connecting people and services across all distances, with little to no regulatory control measures. Myspace and Facebook are now common household names that were once just a way for buddies to stay in touch.

Now these giants connect millions of people in dozens of countries for business, pleasure, or just for the sake of having 546,785 friends.

Net neutrality proponents says that by allowing telecommunication companies to decide who they offer the best service to, they are inevitably destroying competition by weeding out those who can't, or won't, pay for premium service. "Dominant firms that own and control key layers of the platform may have the incentive and ability to protect and promote their interests, distorting the architecture of the platform at the expense of competition and slowing innovation" (CFA).

Bigger corporations, such as Google, will survive within these new price hikes while Joe's Yarn Company will pitter out of existence. However, will Google pay premium prices for access to their own customers using a "free" internet? Perhaps. But not without some heavy objections aimed at Congress, the Senate, the FCC, and anyone else who will listen.

In addition, basic, everyday internet users are at the head of the pack in the pro-net neutrality argument. The weeding out of those unwilling to pay premiums creates less diversity for the consumer just trying to get the most content. All of a sudden, the user does not have access to 500 different yarn sites, but only the 50 who were willing and able to pay the premiums. This, of course, gets the public spun up. Word is that the issue has gone from being of mention only in tech-geek circles to being a front-page story screaming about the first amendment and freedom of choice (Stern). Nobody wants someone else telling them they have to buy from this website or download from that one, just because they support their telecommunications provider.

The main pro-net neutrality super heavyweight is Google. Google's mission is to "organize the world's information and make it universally accessible and useful" (YouTube Fact Sheet), and its absorption of YouTube is just another example of how it's trying to put as much information out there for anyone and everyone to use. Currently, the two are a mega-giant comprised of the leader in online search, the leader in online advertising, and the leader in online video – all of which are competitors for an ISP's own organic programming. Since YouTube, and other streaming video sites, suck a lot of bandwidth from the telecommunication companies' networks, it will definitely be affected by whatever decision is reached about net neutrality requirements for internet service providers.

The situation is further exacerbated by the realization that users cannot just ditch their telecommunications provider if they don't prefer their content choices (like if Comcast gives preferential treatment to Amazon, but you are an Ebay user). Currently most people in the US have only one or two local choices for their internet service provider (Gilroy). Certain apartment complexes or neighborhoods have deals with one specific internet service and/or cable provider and that's it. So, if the user's preferred content is blocked or degraded, they have no option to go to another internet service provider. Thus, it is in the user's best interest to support net neutrality and a free and open internet.

Even those behind the whole internet concept stand in support of net neutrality. Vint Cerf, the other co-inventor of the Internet Protocol, has stated, "The Internet was designed with no gatekeepers over new content or services. A lightweight but enforceable neutrality rule is needed to ensure that the Internet continues to thrive" (Wikipedia). Tim

Berners-Lee who is the creator of the World Wide Web has even been named a staunch net neutrality supporter (Wikipedia). Supporters argue that the mere “threat of discrimination” severely hinders innovation. They say open networks have encouraged economic growth and that open architecture is key to “ultra robust” networks (CFA).

Somewhere in the middle are those who are not for or against either side...simply because they don't believe it's an issue. An article found on ARSTechnica.com claims that net neutrality isn't the issue: more fiber is. Once areas spread the technology and lay fiber everywhere, there won't be a need for “HOV” lanes anymore because everyone will be able to travel at high speeds anywhere they want to go. Bob Kahn, Internet Protocol's co-inventor, has called the term "net neutrality" merely a slogan (Wikipedia). These sorts of people; however, are very limited and seem to have little play in the policy game.

Throughout the debate and policy discussions, both sides utilize lobbying to get their position out there. Since the consumer plays such an important role in the outcome of the debate, grassroots lobbying is the most widespread tactic used, especially by the pro-net neutrality side.

Dozens of websites have cropped up all over this “free” internet urging consumers to sign petitions, email their local government officials, or just become more educated about the situation. Indeed, when the term “net neutrality” is entered into a Google search bar, the first results that display are mostly lobbying sites in favor of a free internet. Some examples are savetheinternet.com and saveaccess.org, both of which are rich with links to various governmental agencies and other pro-net neutrality websites. A Wikipedia entry for “Net Neutrality” comes fill-circle by stating:

*“ In April 2006 a large coalition of public interest, consumer rights and free speech advocacy groups and thousands of bloggers -- such as Free Press, Gun Owners of America, American Library Association, Christian Coalition of America, Consumers Union, Common Cause and MoveOn -- launched the SavetheInternet.com Coalition, a broad-based initiative working to "ensure that Congress passes no telecommunications legislation without meaningful and enforceable Network Neutrality protections." Within two months of its establishment, over 1,000,000 signatures were delivered to Congress in favor of a network neutrality policies (sic). By the close of 2006, SavetheInternet.com had collected more than 1.5 million signatures effectively stalling legislation in Congress that didn't write Net Neutrality protections into law. ”*

Perhaps Google itself is regulating its user's content by ensuring pro-net neutrality websites pop up on the search results before any others, and the websites all refer back to each other. In any case, even the seemingly neutral, informational Wikipedia results serve up pages and pages of pro-net neutrality material filled with reasons why net neutrality is vital to the consumer's freedoms and crucial to the continuing success of the internet. Most of these websites define themselves as nonprofit, bipartisan organizations created by educated professionals just trying to ensure the average person can access the whole internet at the best possible quality whenever he or she pleases. For example, Savetheinternet.com is run by the Free Press Action Fund, a nonprofit open media campaign group created by Robert McChesney - Professor,



author, radio talk show host, etc... (McChesney). Regulation is necessary, they say, to ensure telecoms don't abuse their power over the networks.

The content provider giants themselves serve to spread their point of view to the masses utilizing their own muscle in the online world. A simple search of recent YouTube press releases via their website brings up a laundry list of articles about new deals this and debate that. YouTube even has a video about net neutrality using Google as an example (<http://www.YouTube.com/watch?v=19jHOn0EW8U>). So, by using its own widespread online video site, YouTube (and ultimately Google) are able to spread the word about issues such as net neutrality that are top priority for them.

Currently it seems as though policy talks are at a standstill with policy-makers even though the buzz is rapidly exploding in the media and consumer worlds. Hundreds of blogs aim to expose the dealings of the media giants in an effort to drag more people into the debate on the side of net neutrality. Timothy Karr's blog in the Huffington Post dated October 29, 2007 clearly outlines how the telecommunication companies are "engaging in traffic shaping and management" (Karr). He throws AT&T, Comcast, and Verizon under the net neutrality bus, giving the facts of their dealings with content-controllers Cisco, Sandvine, and even their own content filtering software. As blogging sites like Myspace, Livejournal, Blogspot, and hundreds of others become more and more prevalent and useful in the policy fight, the unsightly dealings of either party comes under the microscope for all to see. This clearly poses the most threat to the telecommunication companies. Even so, very few policy changes have come about as yet.

A June 2007 FTC report cited in the Wikipedia pages urged restraint with respect to the new regulations proposed by network neutrality advocates, noting the "broadband industry is a relatively young and evolving one," and given no "significant market failure or demonstrated consumer harm from conduct by broadband providers," such regulations "may well have adverse effects on consumer welfare, despite the good intentions of their proponents" (Wikipedia).

On June 28, 2006, the Senate Commerce Committee approved the Telecommunications and Opportunities Reform Act. According to the US Senate Committee on Commerce, Science, and Transportation's website, "The approved bill would codify an Internet Consumer Bill of Rights which preserves Internet users' ability to freely navigate the World Wide Web. The bill ensures that all Internet service providers allow subscribers to access and post any lawful content; access any web page; access and run any voice, video, or email application of their choosing; access and run any software or search engine service; and connect any legal device of their choosing" (Commerce PR). This ruling seems pro-net neutrality, and yet the applicability is still in debate as ISP's continue to filter content to their liking.

To date, talks about shifts in current policy and stricter regulation for the telecommunication giants are still swirling in all circles. Both sides eagerly lobby for their sides, citing equally attractive facts for and against net neutrality. Although Congress is at a sort of standstill on the issue, it will no doubt be pushed into making some sort of ruling on this extremely hot topic in the months (or possibly years) to come.

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