

Beware the ‘peoples’ republic’ of ‘net neutrality,’ says Goldberg

“Net neutrality” is a catchy term, with a simple, if superficial, appeal to all who believe in non-discrimination: let all information move without interference on the internet; and don’t allow a two-tiered internet to develop. Easy principles that should appeal to any thinking democratic leader, especially when less democratic countries like China are restricting access to content on the internet. Appealing, that is, until you start to scratch the surface of the arguments.

“Net neutrality” advocates actually believe in a layer of government intervention that would shackle the future development of advanced internet services, constraining Canada’s economic development in the information economy. Quite the opposite of what we’ve come to expect from the internet. In a recent newspaper column, one such advocate observed that the federal government’s Telecom Policy Review (TPR) panel had urged the government to “confirm the right of Canadian consumers to access publicly available internet applications and content of their choice by means of all public telecommunications networks providing access to the internet.”

Who wouldn’t agree? Unfortunately, “net neutrality” advocates tend to stop citing the TPR report at this point. They seem to forget to mention the rest of the panel’s recommendations that contain a number of exceptions sought by network operators and community organizations. The panel’s recommendations included: letting the CRTC deal with complaints; allowing ISPs to manage their network in recognition that some types of traffic (such as TV, voice and file sharing) isn’t the same as web browsing; and acknowledging that not all traffic is legal and allowing the courts to impose bounds on such freedom. Moreover, no matter how often “Net Neutralists” try to ignore it, the TPR panel also recommended that in ensuring access “discretion should be exercised with a view to encouraging reliance on market forces and customer choice as much as possible.”

The fact is that internet companies are investing massively to add capacity to their networks, enabling better and faster services. Videotron recently announced trials of 100Mbps cable broadband service in Montreal, faster than any other cable company in North America. Service providers have to look for innovative business models to justify the investments in these service enhancements, including models where the cost of new services are paid not just by the retail consumer, but also in part by the companies who stand to benefit from those new services.

Yet “Net neutralists” oppose any differentiation in the financial relationships between networks and the content that rides on them. That makes no sense. Would we prohibit the relationship that Yahoo has with Rogers? That Bell has with MSN? Would one prohibit Google from putting servers into an ISP site in order to improve responsiveness? Shouldn’t we allow a company to pay for a high quality internet service to be installed into a residence to allow part time employees to work from home?

“Net neutrality” advocates, in their zeal to enforce non-discrimination provisions, would prohibit all of these. Out of a concern that some might fall behind, they would rather keep others from moving ahead.

It sometimes seems that we are seeing a call to nationalize the internet backbone—returning to central planning and control by government. I suppose life would be simpler that way—some benevolent Crown corporation to manage the internet with our best interests always in the forefront of their planning. I am sorry to say that the era of such public telephone utilities has largely become a distant memory. I seem to recall that we actually found those government monopoly phone companies ended up restraining innovation and charging way too much for lousy service. They fell out of favour, along with “peoples’ republics,” when the Berlin Wall came tumbling down.

“Net neutrality” may sound good on the surface, but I, for one, still place more faith in an internet free of such government constraints.

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