

1. Mark your confusion.
2. Show evidence of a close reading.
3. Write a 1+ page reflection.

The Net Neutrality Debate: Why There Is No Simple Solution

By Nelson Granados

The Federal Communications Commission (FCC) is preparing a ruling to roll back net neutrality rules enacted under Obama. Last week, it released a 75-page "Notice of Proposed Rulemaking" and opened a three-month comment period.

The upcoming change in net neutrality rules could affect anybody who conducts business online or who uses the internet to access information or content. At its core, it is a pretty complex technical problem to understand, let alone the legalities around it. To the benefit of those who are not techies nor lawyers, let me offer a reflection on the proposed rulemaking in as simple terms as possible, to show there is no simple solution.

Internet service as a basic need It's hard to argue against the internet as a basic need. We wake up, turn on the light and demand access to information for our everyday lives, to find out the weather, to watch news, to check social media for updates from friends and family. The internet is also fuel for economic growth, as many new industries have been disrupted and new business models have emerged thanks to the internet.

Under Obama, the FCC enacted the Open Internet Order in 2015 to regulate Internet Service Providers (ISPs), including broadband providers like Comcast and Time Warner, and wireless providers like AT&T, T-Mobile and Verizon, under the reasonable premise that the internet is a basic telecommunication service. This classification of broadband internet access brought with it a full set of regulations (i.e., Title II regulations) originally developed to treat phone service as a public utility, like water or electricity.

Bringing old regulations to oversee a modern technology is one of the main points of contention against the current rules. Foes of current rules, including Trump appointed FCC chairman Ajit Pai, argue against what they see as archaic and excessive regulation in a modern technological environment.

One of the key points of the proposed rulemaking is that, despite advocating a rollback of the internet's classification as a utility, it advocates a fair and unbiased internet. Rather, the proposal seeks classification of internet access as a value-added information service, to open the door for light-touch rules that can enable innovation and encourage investment.

Regulations specific to internet service The current rules enacted in 2015 also stipulate what ISPs cannot do: ISPs cannot discriminate content by blocking or slowing it down, or by providing special fast lanes for certain content, for a fee. In the proposal to create lighter rules, the FCC is asking for comments on whether these specific rules are indeed necessary, given there are other broader regulations to discourage anti-competitive behavior. If the answer is yes, they seek input on how to successfully implement and enforce any portion of these rules.

Special cases: Zero Rating The proposed rulemaking seeks comment on particular internet service delivery models that may challenge a neutral internet, such as zero-rating plans. These are plans by which the ISP or a content provider sponsors certain content so the consumer doesn't have to pay data charges.

The current rules are vague on this issue, stating the FCC will evaluate zero-rating plans on a case-by-case basis for a possible violation of net neutrality principles. Critics argue this vague treatment of zero rating practices and other business models may discourage ISPs from investing and innovating, due to the uncertainty about how the FCC will judge them.

Can't Keep It Simple, Stupid As you can see, informed arguments for or against net neutrality are not as unreasonable as often portrayed by the opposing side. While onerous policies to regulate ISPs are more likely to

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ensure the internet remains neutral, over-regulation and vague rulemaking can create uncertainty for ISPs, which may discourage investment and innovation.

There is evidence that backs up both arguments. In 2016, Obama's FCC filed complaints to AT&T and Verizon, stating that its zero-rating Sponsored Data plan gave an unfair advantage to DirecTV Now and Go90, streaming services owned by AT&T and Verizon, respectively. Any other content provider has to pay ISPs for their customers to view content free of data charges. No matter how you put it, this is not neutral access. In a new era, when ISPs have their own content (i.e., ComcastNBCUniversal, AT&T-DirecTV, AT&T-Time Warner pending), clear regulatory safeguards are necessary to avoid practices that unfairly favor ISP-owned streaming services.

On the other hand, the regulatory uncertainty of the current rules may be discouraging investment. The proposed rulemaking includes evidence that broadband investment by ISPs decreased in 2016. But without a baseline, it's difficult to establish causality, and it's only one year of data, so it's too early to assign blame on current net neutrality rules for this decline in investment.

With scarce empirical evidence, there is modeling research that sheds a light. Soumya Sen from the University of Minnesota, Carlee Joe-Wong from Carnegie Mellon and Sangtae Ha from University of Colorado developed an economic model that shows sponsoring content benefits all parties: consumers, ISPs and content providers. Consumers benefit disproportionately and the benefits to cost-sensitive consumers can be even more pronounced, which could help bridge the digital divide.

Maybe I was not able to make it that simple because it's not. For sure, the solution is not simple. And it's naïve to try to make this a simple, binary decision. It's time to openly talk about the trade-offs involved as the FCC seeks an optimal regulatory environment for the information economy to thrive. No regulation is not an option. Over-regulation isn't the solution either. A happy medium is necessary to safeguard a neutral internet and promote investment and innovation.

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Reflection Ideas:

- *Choose a passage from the article and respond to it.
- *Explain your thoughts on Net Neutrality.
- *Find the bias present from the author and explain how it impacts your position.
- *Discuss how the author writes and expresses information in interesting/good ways.