



## CONGRESS DEBATES NETWORK NEUTRALITY

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*As Congress reforms the nation's telecommunications laws for the first time in 10 years, a debate looms over the future of equality on the Internet.*

The telecom industry is gearing up for a multi-billion dollar overhaul of Internet infrastructure.

This will mean faster downloads and more video, but it also raises questions about who will pay for the improvements and whether change will alter the freedom and innovation that characterized the Web in its early days.

This week Congress is debating changes to the Telecommunications Act of 1996 and whether to block Internet service providers from favoring some content providers over others.

As the law stands now, Time Warner or Verizon could, in theory, give You Tube preferential treatment over Google Video by giving it more bandwidth in exchange for cash. You Tube would then run faster on people's computers than video sites that do not pay.

The debate pits telecommunications companies, such as Verizon and Comcast Cable, against content companies, such as Google and Yahoo.

Most of the big content companies are pushing for "Net neutrality," which means all Web sites would receive equal treatment.

Also at issue is whether broadband companies can provide favorable treatment for their own services, making it even harder for a start-up to break into the market.

### **Paying for favored treatment**

The telephone and cable companies that connect computers to the Web claim that sites using bandwidth-hogging technology, such as voice and video, should help cover the costs of a new cyber-highway.

"Why should they be allowed to use my pipes? The Internet can't be free in that sense, because we and the cable companies have made an investment, and for a Google or Yahoo! or Vonage or anybody to expect to use these pipes [for] free is nuts," AT&T Chairman Edward Whitacre Jr. told Business Week.

Broadband providers argue that asking companies to pay for bandwidth will lower bills for consumers. "Net neutrality is not about being neutral, it is about companies that benefit from selling video on the Internet and their potential advertisers looking to have the cost of the bandwidth they use paid by the consumer," BellSouth spokesman Bill McCloskey told Reuters.

## **The Net neutrality movement**

On the other side are Internet giants like Amazon and Microsoft who argue a multi-tiered Internet would stifle innovation, because only established companies – like themselves – could afford the added costs.

“If carriers are able to control what consumers do on the Internet, that threatens the model of Internet communications that has been wildly successful,” Alan Davidson, Washington policy counsel for Google, told The Washington Post.

A diverse group of nonprofit organizations, such as MoveOn.org, Consumers Union and Gun Owners of America, also have come out in support of Net neutrality.

"Whenever you see groups on the far left and the far right joining together over what Congress is getting ready to do, it's my experience that whatever Congress is getting ready to do is generally unconstitutional," Craig Fields of Gun Owners of America told PC Magazine.

Some Net neutrality advocates also warn that if the law is too broad, the companies which connect users to the Internet also could control what they can access.

“It comes down to trust,” Craig Newmark, founder of the popular Web site Craigslist.org,

## **Blocking competitors**

Net neutrality activists argue nothing under the current bill would stop a company like Verizon from engaging in price gouging or blocking a competing Internet phone service, such as Vonage.

Some activists fear even e-mail providers could be impacted by efforts to block out competition. “What I’m concerned about is the phone companies charging Google or someone like them a much higher price than what they charge their own affiliate offering a similar video service,” John Sumpter, vice president of regulatory affairs for PacWest, told CNET News.

Broadband companies deny this would take place.

“We have no intention of blocking or degrading other services on our network,” Verizon executive David Young told CNET.

“We are giving customers what they want, which is fast pipes at a low cost. Anyone who tries to take that away from consumers will be punished by the market.”

Congress is expected to act before the current session ends on Oct. 6.

*-- Compiled by Jeremy Lundblad for NewsHour Extra*

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