



## ***CNET: It's up to Silicon Valley to choose (op-ed)***

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Recently, there's been a lot of chatter about the openness of the Internet being under attack. While the Net is indeed facing a threat, it's not the one that some pundits make it out to be.

Consider, for example, a CNET News.com editorial by Gigi Sohn of Public Knowledge. Sohn claims that "without regulation, the vital Internet we know today would never have developed." That's a laughable reinterpretation of history akin to Al Gore's insinuation that he created the Internet, and a twist of the facts worthy of George Orwell's "1984." But in a world where information moves so fast that people sometimes forget the facts, it's worth setting the record straight.

The Internet, and the technologies that developed around it, has thrived precisely because of minimal government regulation. The idea that bureaucratic control of the old telcos spurred the growth of the thriving communications infrastructure we see today is palpably ridiculous.

New technologies driving the current economy were created in a world outside of the one where red tape was squeezing the air out of the telecom companies. While government was spinning its wheels trying to "create" competition between telecom companies, capital investment was fleeing the telecom sector and moving to more promising, less regulated places, like voice over Internet Protocol (VoIP) technology.

VoIP, which allows phone calls over the Internet, is cheaper than old phone services and has rendered landline telecommunications moot. But the environment that allowed for its creation may be facing the biggest threat ever.

Under the guise of a [principle called network neutrality](#)--the idea that network owners should remain neutral with respect to the content they carry--pro-regulation forces are trying to increase their control over the information superhighway. Joining those who want greater government control of the Net are some content companies, like Google and Yahoo, which are currently engaged in a business struggle with companies such as Verizon and AT&T, which want to charge more for greater use of their broadband networks.

There are two separate issues at work here.

The first issue is over whether broadband providers would ever stop consumers from visiting the legal Web sites of their choice. It is incredibly unlikely that would ever happen, and if it did, the companies that implemented such a policy would suffer, as their customers would soon migrate to their competitors. And, contrary to what regulatory fanatics would have everyone believe,

competition in the broadband sector is significant and growing. Cable, DSL, satellite, cellular and broadband over power lines are all options for consumers.

The second issue is whether broadband providers can charge more when customers use more of their networks. That seems like a no-brainer, but the bizarre world of communications regulation often tosses aside common sense.

Companies should be allowed to choose the business model that works best in a market economy. History shows that a heavy regulatory regime such as the forced-access mandates under the 1996 Telecom Act was a disaster and put Americans at a disadvantage by slowing the deployment of high-speed Internet services. Those damaging regulations have been addressed through a combination of Federal Communications Commission actions, court decisions and technological changes, and the time is now to start treating telecommunications firms like any other technology company, not the other way around.

If Silicon Valley's technology companies take a deep breath and clearly consider their options, they will see that negotiating in the marketplace is eminently more preferable than submitting to government micromanagement. Some peoples' fantasies aside, it would be a serious strategic error to invite the bureaucratic regime into technology negotiations.