

## A Primer: Just What Is Net Neutrality, and Why All the Fuss?

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The battle over Net neutrality is once again heating up. But not everyone has followed this somewhat complicated issue. Here, then, is a primer for understanding what's at stake in the fight for an open Internet.

**Just what is Net neutrality anyway?** Net neutrality is a principle that Internet Service Providers (ISPs) – and the regulators that oversee them — treat all Internet traffic the same way. The idea is to keep the Net free and open, giving users equal access to any website or application. Net neutrality would prevent companies that provide Internet access from blocking or slowing down traffic to or from specific sites in much the same way as a phone company has to put through your call, regardless of whom you're calling. Timothy Lee has a simple explainer at *Vox*. Rob Frieden, a professor of telecommunications and law at the University of Pennsylvania, wrote a more detailed backgrounder on the issues surrounding Net neutrality. And Armand Valdez at *Mashable* offers an accessible, two-minute video explaining the concept.

**How does this affect me?** As Susan Crawford, a telecommunications policy analyst, <u>explained</u> to <u>Bill Moyers</u>, "For most Americans, they have no choice for all the information, data, entertainment coming through their house, other than their local cable monopoly. And here, we have a situation where that monopoly potentially can pick and choose winners and losers, decide what you see, how interesting and interactive it is, how quickly it reaches you — and then charge whatever it wants."

An open Internet sounds like the right way to go – so why is this an issue? So far, the Internet has remained mostly free without explicit neutrality regulations. But some ISPs want to charge a premium in order to provide content providers a fast-lane on the electronic highway. In theory, that could mean a company like Verizon could privilege its own content over a competitor's. Some activists worry that ISPs could also block legal content that an ISP finds objectionable for whatever reason.

Companies like Comcast argue that Net neutrality rules hurt consumers. Certain applications are more sensitive to delays than others — like streaming video and Internet phone services — and they say that ISPs should be able to charge more for customers who want to pay a premium for priority service.

Others argue that governments shouldn't play a significant role in regulating the Internet. Adam Thierer of the CATO Institute, for example, <u>argues</u> that Net neutrality rules would "open the door to a great deal of potential 'gaming' of the regulatory system and allow firms to use the regulatory system to hobble competitors. Worse yet, it would encourage more FCC regulation of the Internet and broadband markets in general."

**Some key background:** Congress has given the Federal Communications Commission (FCC) broad powers to regulate the Internet. But in 2002, then-FCC Chair Michael Powell, a Republican nominee, classified residential broadband as an "information service" rather than a "telecommunications service," which sharply limited its own authority (the former are regulated under a different provision of the law than the latter). Activists were angered by the decision, and frustrated because despite all the legal wrangling in the courts, the FCC could simply reclassify residential Internet providers as utilities – like telephone companies – and enforce Net neutrality regulations today if it chose to do so.

**What's the latest?** In January, an appeals court struck down an order issued by the FCC that had effectively split the difference. It allowed ISPs to create a two-tiered Internet, but promised close supervision to avoid anti-competitive practices, and banned "unreasonable" discrimination against providers. In January, Michael Winship <u>explained what the court's ruling meant</u>, and *Ars Technica* offered <u>a more detailed explanation</u> of what the court struck down.

On April 24, FCC Chairman Tom Wheeler <u>wrote</u> that his agency would propose new rules that would comply with the court's decision, to be finalized by the end of the year. Wheeler promised that those rules "would establish that behavior harmful to consumers or competition by limiting the openness of the Internet will not be permitted." But Wheeler's proposal would allow network owners to levy extra fees on content providers, raising alarm from consumer advocates. "The proposed approach is the fastest lane to punish consumers and Internet innovators," <u>said a representative</u> for Netflix.

Wheeler is viewed with suspicion by Net neutrality advocates because of his past work as a lobbyist for the cable industry and wireless phone companies. As Bill Moyers and Michael Winship noted, Wheeler's appointment is an example of Washington's revolving door. "Tom Wheeler had been one of Obama's top bundlers of campaign cash – both in 2008 and again in 2012, when he raised at least half a million dollars for the president's re-election," they wrote. "What's more, Wheeler had been the top gun for both the National Cable and Telecommunications Association (NCTA) and the Cellular Telecommunications and Internet Association (CTIA), lobbyists for the cable and wireless industries. However we might try to imagine that he could quickly abandon old habits of service to his employers, that's not how Washington works."

**Is this just a case of Big Businesses fighting regulations pushed by grassroots activists?** Not really. Net neutrality is an issue that's united a broad coalition of businesses and organizations from across the political spectrum. But it's true that big businesses on both sides of the issue have spent a lot of money lobbying lawmakers to see things their way. When Congress considered a Net neutrality bill in 2006, *Bloomberg* reported that AT&T, Comcast and other opponents of the measure outspent companies that favored neutrality rules – like Microsoft and Google – by around \$51 million. The Internet carriers won that vote by a large margin in the House of Representatives.

One of the reasons this remains a charged political issue is that Congress has been similarly deadlocked on Net neutrality rules on a number of occasions. There have been five unsuccessful attempts to pass Net neutrality legislation since 2004.

**So, is real Net neutrality dead?** Not dead, but it is endangered. As John Nichols <u>wrote in *The*</u> *Nation*, the open Internet can be saved if citizens rally to its cause. First, as mentioned above, the FCC can overturn its earlier decision and reclassify residential broadband services as "telecommunications" — which they are. Second, the January ruling left open the possibility that the FCC would review state bans on "municipal broadband" – allowing cities to install their own fiberoptic networks that would then be owned by the public rather than private companies. As Susan Crawford <u>explained</u> in *The New York Times*, municipal broadband offers the potential to create an open Internet from the bottom-up. Moyers and Winship <u>have some ideas about what</u> you can do to make that happen.