



Network News

What's at stake in the debate over net neutrality?

Interviews by Kathleen McGarvey

Since its inception three decades ago, one of the hallmarks of the Internet has been its openness. But as traffic has grown and demands for broadband speed have increased, the issue of “net neutrality”—that all traffic on the Internet should be treated the same—has become a matter of public debate. Last winter, an appeals court ruled against Federal Communications Commission (FCC) regulations that protect net neutrality. In response, Tom Wheeler, commissioner of the FCC, in May made public a plan, still under discussion, that prevents Internet service providers (ISPs) from blocking websites but also allows for a “fast lane” to which companies could buy access to ensure speedy delivery of their content.

The FCC collected more than a million online public comments on net neutrality over the summer.

Two Rochester alumni who are experts in technology share their analyses.

Dikran Kassabian '92 (MS)

Senior technology director at the University of Pennsylvania

Preserving the ability to innovate is what's at stake. Columbia Law Professor Tim Wu, who coined the term “net neutrality,” likes to say that net neutrality lets anyone with passion and creativity take

their shot, opening a business on the Internet where small start-ups can compete with major corporations.

Think about it. At one time, Google was a start-up competing against AltaVista from Digital Equipment Corp., the dominant web search engine at the time. If Google gave better results, but those results were slow to be returned because Digital had somehow purchased faster or better access, or because ISPs were slowing or blocking Google responses, then Google might never have made it. As consumers, we want competition, and we want the best ideas and technologies to win in the marketplace.

Today the interesting example is probably Netflix. While Netflix once competed against your local video rental store, today they more often compete against on-demand access from your local cable TV company. But that cable TV company is quite likely to also be your home broadband ISP. We want to be very careful here. On the one hand, we don't want to over-regulate, and we want to let home broadband ISPs manage their networks—and even offer commercially viable services, perhaps including expedited network traffic. At the same time we have to recognize the risk to Netflix and others in this situation. It isn't hard to imagine situations in which the business arrangement is too expensive to be practical to young start-up companies or in which a lack of competition results in the broadband ISP wielding undue influence. Would we want the broadband ISP, especially if it were the

only game in town, to be permitted to slow Netflix traffic in favor of its own on-demand offering?

The FCC proposal for allowing “fast lane” business arrangements is probably the key net neutrality question right now, and unlike some net neutrality advocates, I think it probably can be compatible with net neutrality. In fact, in 2010 I argued in favor of fast lanes as long as the ISPs were transparent about such arrangements, as long as they were available to all and reasonably affordable, and as long as adequate competition existed. It’s that last point that has me concerned in 2014. With greater home broadband ISP market-share held by a small number of players, competition is reduced. The small number of providers could conceivably have disproportionate influence.

If there were more competition in the home broadband ISP space, no single ISP would be in a very strong position to demand expensive traffic handling arrangements from the companies that provide application services on the Internet. That would be a built-in check in the system. Lacking competition, I think the risks we are discussing here are amplified. These are certainly interesting times for the Internet.

Tracy Beth Mitrano '81

Director of the Institute of Internet Culture, Policy and Law at Cornell and principal of Mitrano and Associates, a consulting firm for higher education and information technology

The good news is that this is now a conversation that consumers and citizens are willing to have. Net neutrality used to be a specialist’s term. The not-so-good news: it’s a difficult concept because it involves technology, business models of somewhat different industries—Google, Facebook, communications companies—and what the public wants the Internet to be, which is open, accessible, and free. And it’s caught up in an area of law that’s translucent at best.

I support Commissioner Wheeler’s recommendations, which include “fast lane” provisions and also net neutrality rules. And here’s why: right now there are no net neutrality rules. There have been two significant cases, and they’ve established pretty clearly that the FCC may not, with its current degree of authority, impose net neutrality rules on companies. So what I see Commissioner Wheeler doing is creating a Solomonic response to the current situation.

The fast lane is more about the financial relationships between communications companies and the new Internet giants, such as Netflix, Facebook, and Google. It has been misinterpreted, I think, to be about a slow lane for consumers. I am not so sure about that as an automatic conclusion from the basic concept; moreover, were that to be the case, it is what the net neutrality rules counterbalance. There is also a question about who’s going to pay for the infrastructure. The United States now ranks about 31st internationally for broadband service. If Internet giants begin to pick up some of that cost for deployment, I am OK with that.

Finally, social policy should be developed to remove the obstacles to accessibility. We did that for electrification and telephone service. And here’s where people say we don’t want to classify the Internet as a public utility with those regulations. But why confine ourselves to 20th-century categories? Congress should be creating a whole new communications law, with an understanding of the Internet as a new cultural phenomenon that requires new law to conform to its potential, not restrain it. **R**

Mitrano is working on a book titled Culture, Law, and Politics of the Internet 2.0: Communications, Commerce, Content, and Communities in 21st-Century Cyberspace.



LOOKING FORWARD: Hansen is headed to Stanford to develop a model for profitable digital versions of regional newspapers.

Getting in the Tablet Habit

Recent years have not been easy ones in the newspaper business, but for journalist **Louis Hansen** '89 those challenges simply underscore the need to find ways to keep regional papers profitable and engaging—because they are critical to their communities, he says.

That’s why he’ll spend this academic year at Stanford, as a John S. Knight Journalism Fellow, developing a model for regional papers to produce afternoon tablet publications with exclusive content.

“The irony of online news and online publications is that more people are consuming the work that daily newspapers do, but newspapers are making less money,” Hansen says. That’s because advertising, more than subscriptions, is where newspapers have found their profits, and as advertising has migrated online, it has brought less revenue than print advertisements once did.

Last August Hansen’s paper, *The Virginian Pilot*, launched an iPad equivalent of an evening paper, for which Hansen is an enterprise and investigative reporter. While most papers have tablet apps, they’re really a recreation of their website. What the Norfolk, Virginia, paper was doing was unique at the time of the launch: “We were delivering stories you wouldn’t find anywhere else in our publication,” says Hansen.

And the stories found in regional papers are news covered nowhere else, he says. When it comes to city councils, local government, and other regional institutions, newspapers are still the source for investigative journalism and other long-form, quality writing. Through his Knight fellowship, Hansen—who was once sports editor at the *Campus Times* and earned a master’s degree in journalism from NYU—is hoping to develop a model for other newspapers to follow. He’ll take classes at Stanford in business, design, and other departments to find ways to make tablet publications work better. His goal is to help newspapers publish profitably on tablets and to produce quality journalism that appeals to readers, serves the community, and supports the newspaper.

“I hope it’s something practical,” he says, “something that really can help improve what newspapers do.” **R**

—KATHLEEN MCGARVEY