



Net Neutrality

REVIEWED BY [WILL KENTON](#) | Updated Nov 21, 2017

DEFINITION of Net Neutrality

The concept that all data on the internet should be treated equally by corporations, such as internet service providers, and governments, regardless of content, user, platform, application or device. Network neutrality requires all [Internet service providers \(ISPs\)](#) to provide the same level of data access and speed to all traffic, and that traffic to one service or website cannot be blocked or degraded. ISPs are also not to create special arrangements with services or websites, in which companies providing them are given improved network access or speed.

BREAKING DOWN Net Neutrality

The term “network neutrality” was introduced in 2002. The concept was floated in response to efforts by the [Federal Communications Commission \(FCC\)](#), a United States regulator body, to require [broadband](#) providers to share their infrastructure with competing firms. The Supreme Court struck down the FCC regulation in 2005. The sticking point for regulation had been whether broadband service providers were considered information services, which allows users to publish and store information on the Internet, or telecommunication services. In 2015, under the Obama Administration, Net Neutrality rules were approved. Those rules, in part, barred internet service providers like AT&T and Comcast from deliberately speeding up or slowing down traffic to or from specific websites based on demand or business preferences. On November 21, 2017, Ajit Pai, the Chairman of the FCC



Advocates for network neutrality suggest that by not allowing ISPs to determine the speed at which consumers can access specific websites or services, smaller companies will be more likely to enter the market and create new services. This is because smaller companies may not be able to afford to pay for “fast lane” access, while larger, more established companies can. For example, several well-established social network websites were created without much [seed capital](#). Had they been forced to pay extra in order to be accessed at the same speed as competitors, they may never have become successful. Advocates view net neutrality as a cornerstone of open internet, and propose that it be mandated by law in the U.S. to prevent broadband providers from practicing data discrimination as a competitive tactic. Proponents of net neutrality include human rights organizations, consumer rights advocates and software companies, who believe that open internet is critical for the democratic exchange of ideas and free speech, fair business competition and technological innovation.

They argue that cable companies should be classified as "common carriers," like public utility companies or public transportation providers, who are forbidden by law from discriminating among their users. They advocate the principle of a "dumb pipe," maintaining that intelligence should be located only the ends of a network, and the network ("pipe") itself should remain neutral ("dumb"). Advocates of net neutrality see municipal broadband as a possible solution.

Critics of network neutrality suggest that by forcing ISPs to treat all traffic equally the government will ultimately discourage the investment in new infrastructure, and will also create a disincentive for ISPs to innovate. The up-front costs associated with laying down fiber optic wire, for example, can be very expensive, and critics argue that not being to charge more for that level of access will make the investment more difficult to pay off. Opponents of open internet include conservative think-tanks, hardware companies and