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OPINION

Why Ajit Pai's decision killing Obama's net neutrality FCC regulation is good

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Federal Communications Commission Chairman Ajit Pai announced last week that the FCC would roll back "net neutrality," which led to many complaints from Democrats. But they need to answer this: Why is it better for the federal government rather than customers to decide how networks should handle data? (Federal Communications Commission via Wikimedia Commons)

Sometimes you have to wonder how sincere people are when they gnash their teeth and pull out their hair over President Trump blocking or reversing an Obama-era regulation.

The latest cries of distress about anarchy and market apocalypse can be heard about an announcement by the Federal Communications Commission that it will roll back "net neutrality."

Net neutrality's dubious value is made obvious by the misleading way Democrats and many news outlets reported the decision. "F.C.C. plans net neutrality repeal in a victory for telecoms," wrote the New York Times. Missing from the headline or lede was that the decision was a loss for Netflix, Amazon, Google, and other corporate giants that provider content.

This is the Democratic line. By portraying deregulation as a bonbon for Big Business, and concealing the hit taken by some of the biggest businesses (see above), these partial accounts avoid debating the issue on its merits and dwindle into demagoguery, where they are comfortable. This is an established pattern with net neutrality. When the FCC voted in 2015 to impose net neutrality rules, the text of the relevant order wasn't published until after the vote.

So, let's look at the merits. Net neutrality is, generally, good in principle, for it lays down the law that the networks over which we get information should not discriminate between one type of information and another. For example, it would be wrong if AT&T prevented its Internet customers from searching for prices charged by other cellphone providers. You wouldn't want Comcast blocking access to articles complaining about its customer service.

But a general principle of that sort is often best not codified in a written regulation.

One reason is that the market will take care of wrongdoers. Comcast would lose Internet customers if, for example, it only allowed those customers to see MSNBC (Comcast's sister company) for news.

Net neutrality regulation also effectively outlaws competing business models, which are good for customers and the economy as a whole. Competing business models allow experimentation, and this leads to providers serving customers better by meeting their needs more precisely.

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Consider the possibility of Internet "fast lanes." As telemedicine becomes an increasingly important part of healthcare, wouldn't you want your surgeon to be able to buy access to an express lane in which a network was allowed to grant privilege to certain data over others? That is, AT&T should be allowed to provide a service in which data bytes flowing between an operating room and a surgeon take precedence over bytes of 100 dudes Googling to find out whether Jennifer Lawrence is married.

Maybe consumers will prefer neutrality. But guess what? If they do, many network providers will offer more neutral business models. Others will offer a tier-based model. Portugal has no net neutrality regulations, and mobile Internet providers mostly offer bundles, where you pay to have access to a bundle of online services.

Why is it better for the federal government rather than customers to decide how networks should handle data? It's perplexing that the option of government controlling data flow should be welcomed, especially at a time when so many people are freaking out of the admittedly silly fear that Trump is an anti-free-speech authoritarian.

The FCC's move last week will leave Internet business models to compete in the marketplace rather than competing in smoke-filled rooms for the favor of regulators. This deserves applause from everyone, except for those who love regulation as a good in itself.