

Lawmakers brace for telecom reform

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As U.S. legislators continue to debate whether the current system of providing Internet access should be changed, all agree that the development of the World Wide Web has revolutionized telecommunications and technology in general.

What's more, the congressional Joint Economic Committee predicted that most video, voice and data will flow through the Internet rather than through specifically designated channels for each medium.

"This will threaten traditional business models, but will release a great amount of investment, social welfare, and economic growth. It will also change the nature of most current communications issues," the JEC said in its latest report released Tuesday entitled "Enabling the future: communications law should anticipate future trends, avoid stalemates over issues that will soon become moot."

In particular, the committee argued that lawmakers shouldn't be acting too hastily to come up with regulations that might become obsolete fairly quickly.

"A common observation about the telecommunications act of 1996 is that it failed to anticipate the rapid pace of technological change in communications technology, especially the rise of the Internet. As a result, the law does not incorporate enough flexibility to guide public policy through a period in which the traditional assumptions about industry structure no longer hold," the JEC said.

Indeed, lawmakers are currently debating revising the act only a decade after it was first made into law precisely because it no longer meets the needs of current technologies and business practices. The bipartisan research committee argued the new law should ensure that broadband access is encouraged for all mediums and that it should encourage competition in the markets for both program and service providers.

Successful legislation "maximizes the value of the content and the freedom of both content providers and consumers. This process creates hundreds of billions of dollars of new economic growth in the form of better content, new products, more jobs, and faster technological progress," said Joseph Kennedy, senior economist at the JEC and author of the report.

Yet there are some who are pressing for caution when coming up with legislation regarding technologies, given that it can be so difficult to predict just how capabilities in the industry will evolve in coming years. Indeed, when questioned about how and if laws regarding Internet pricing should be changed, a computer-science professor at Carnegie Mellon University argued caution should prevail before coming to any hasty decision, either for or against any changes.

"Before there's any regulation in place, we need to understand its impact on the present and the future ... and we need to understand both the technology and the law" behind what has made the Internet so successful until now, said David Farber.

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