

Telecommunications Policy Choices & Entrepreneurs

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America's small business and entrepreneurial sector has enthusiastically embraced new and breakthrough innovations that relate to telecommunications services. Indeed, in a "flat world" that gets flatter by the day, business survival increasingly hinges on getting things done faster, more creatively and with greater efficiency – and all at lower costs, of course.

It is not without coincidence that government's pro-market approach over the past decade with respect to the Internet and telecommunications policy has led to extraordinary technological gains. During this period, billions of dollars in new investment have yielded a faster, more robust Internet; more innovative services and choices for entrepreneurs; mobile tools that enable the use of this advanced technology; ground-breaking hardware and software that leverages the power and use of the Internet and telecommunications services; and lower costs for such products and services.

With respect to the direction of telecommunications policy for the future, there are two paths to review to help demonstrate which one yields the best results for consumers, innovation, entrepreneurs and the economy. As detailed below, when government severely regulated the industry, progress and innovation came in fits and starts. The current period -- marked by a more market-oriented, deregulatory approach -- has produced amazing results that are literally changing our world and vastly improving people's lives.

The history of telecommunication regulation makes clear, government interference in the market usually is spurred by the political demands of narrow interests, rather than by a true economic imperative or by a need to protect the public. That is the case again with the push for "net neutrality" regulation. Those advocating net neutrality assert that all Internet traffic should be treated equally, including in terms of costs. In effect, net neutrality proponents have a set view of how Internet service providers, content providers and consumers should interact, and they want politicians and government bureaucrats to spell that out and enforce it

A key threat to a rosy economic future is governmental policy gone awry. History and economic common sense make clear that markets and technology best flourish in a climate of economic freedom, not one where special interests and government try to call the shots. When it comes to telecommunications and technology, let businesses and entrepreneurs compete and cooperate in the free market, with consumers – not the government – ultimately deciding what works best.