

Sun Journal

Published : Sunday-June 12, 2005

Pro-growth telecom policy needed to help economy

Over my years of involvement in Maine politics, I have always been a strong proponent of the power of market forces to drive industry progress. Most American industries thrive as a result of consumer-driven competition.

Why, then, should the telecommunications sector be subject to heavy-handed government regulations that stifle true competition and investment? Isn't it time for consumer choice, not government dictates, to advance telecommunications innovation? I surely think so.

When I ran for the U.S. Congress in 2002, I witnessed firsthand how the digital divide is stifling growth and opportunities in Maine. Now, three years later, action is even more necessary. We need updated laws that promote private-sector competition in the market, not monopolistic approaches that give us lower quality and higher costs.

At the beginning of the 20th century, our country was moved forward with the Electrification of America Act, which brought electricity to rural America. We need similar action now to bring telecommunication to rural areas. And unlike back then, we have an opportunity make it happen, this time with private-sector rather than government investment. All we need to do is change the antiquated rules.

Do you remember what you were doing in 1996? I know my life was very different. I bet you didn't own a cell phone, and if you had heard of the Internet, it's doubtful you were surfing it and certainly not at any higher connection speed than 1,200 baud (compared to today's "slow" dial-up of 56,000 baud). Cable modems now connect at 300 times the speed of the connection in 1996.

When lawmakers last revised our nation's telecommunications laws in 1996, they never could have envisioned that the Internet would quickly become a mainstream communications tool, or that cell phones would outnumber home phones. In fact, by a 2-1 margin, more Americans say they would rather give up their newspaper than their computer, e-mail, cell phone or home phone, illustrating a huge cultural communications shift from a simpler information age. While it may not seem like long ago, the 1996 Telecommunications Act barely mentioned the Internet or considered cell phones, leaving me to wonder why such legislation still binds an industry that has changed in just about every way?

There is tremendous incentive to update our nation's telecom laws. Firstly, a market-driven, rather than government-knows-best, approach is capable of delivering more than 212,000 U.S. jobs and \$634 billion in U.S. GDP growth in the next five years, a U.S. Chamber of Commerce study reports. This economic influx would be felt right here in

Maine, triggering small business growth and new jobs. Furthermore, as we have already witnessed through Maine's TeleHealth initiative, advanced communications are improving the quality of rural health care, a capability that will only grow stronger when the entire telecommunications industry is free to vigorously compete and invest.

Enriching universal service through the contributions of all industry providers is also essential to ensuring rural and low-income residents have affordable, basic telephone service. This resource also provides Internet connectivity to schools and libraries - a technology that opens the doors to distance learning opportunities that have already enhanced education in 91 high schools across Maine. No matter what service or technology they choose, consumers also deserve basic federal protections from fraud and abuse, reliable access to 911 and other law enforcement and public safety tools, and communications technologies that offer access for persons with disabilities.

These social priorities are important facets of an updated telecom policy that I sincerely hope our lawmakers won't ignore.

I hope Sen. Olympia Snowe will once again take the lead in promoting the merits of market-driven competition in the telecom sector over an antiquated policy that is holding back progress. A pro-innovation, pro-growth telecommunications policy is what is needed to drive economic and consumer benefits across the state of Maine. Because whether Mainers live in Machias, Madawaska, Madrid or Lewiston, they should be able to work in Manhattan.

Stavros Mendros is a Lewiston city councilor from Ward 1. He served in the Maine Legislature from 1998 to 2002 and was a candidate for Congress in 2002.