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COMMENTARY

Keeping Pace: Telecommunications Reform Now

By Paul M. Weyrich
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If you were a Member of Congress and could vote on a measure which is projected to add 212,000 jobs to the economy over the next five years and to increase the GDP by more than $600 billion while simultaneously offering consumers more choices with a minor downside would you do it? Or better, why wouldn't you do it? We should be asking Congress why it hasn't acted to amend the telecommunications law when there would be so many benefits for doing so. Technology is rapidly advancing, especially in the communications industry.

When the original communications law was enacted in 1934 legislators had not heard of television. When the law last was revised, the Telecommunications Deregulation Act of 1996, technology such as on-demand television, iPods and text messaging was unknown to Members of Congress. Today millions of consumers use these new inventions yet government-managed competition has not kept pace with new technology. Telecommunications law was written for an era which no longer exists – an era in which consumers depended upon the telephone company for voice service, the cable company for video and then dial-up service to be connected to the Internet.

In relatively recent years most people had neither heard of nor subscribed to the Internet. Satellites had much less capacity and flexibility. There is no reason why we should tolerate government-managed competition which picks winners and losers in the world of communications.

There is no similarity to our American requirements for the approval of pharmaceutical industry products destined for human medical use. Our country has the strictest and most complicated procedures for testing and perfecting medicine. In stagnant Europe the marketplace determines in large measure what constitutes safe and beneficial medication. There is no analogy to telecommunications. Medicine deals with human life. Telecommunications deal with the user's free choice.

Does Congress somehow think it is dangerous for consumers to make personal choices about telecommunications? The telecommunications market is highly competitive - no monopoly in that industry. Accordingly, individual decisions regarding those telecommunications products should be made by consumers rather than as a result of burdensome, unnecessary, heavy-handed government regulations. (Seventh graders capably could advise their parents about what

communications equipment is indispensable.)

Guess what? The United States once was the undisputed world leader in telecommunications. Guess where we are now thanks to these outdated regulations? Fifth? No. Tenth? No. We are said to be 16th in the world with respect to that telecommunications technology known as broadband development. Does it not rankle you that Denmark and Iceland have surpassed the United States in this industry? Switzerland, which also is ahead, may be more comprehensible because Swiss watches and trains are among the best in the world. But Denmark? Outside of some delicious pastries and good cigars did you ever think that broadband development would make Denmark a world leader? Same for Iceland. Ever since President Ronald W. Reagan and Soviet President Mikhail S. Gorbachev held an unsuccessful and widely publicized arms control summit conference in Iceland Iceland has been forgotten. The thought of Iceland surpassing the United States in broadband development almost is incomprehensible.

The telecommunications industry already is one of the most vibrant sectors of the economy. Given our superior products and marketing, if government would let the marketplace decide a decade from now I would be willing to wager that America again could be the world leader in telecommunications.

What is the status of rewriting telecommunications law? Senator John Ensign (R-NV) has introduced the correct, even-handed bill which limits government regulation, lets consumers select the services and technologies and eliminates uneven government policy-making decisions for consumers.

Congress will be back after Thanksgiving for 10 days or three weeks, depending upon which prediction you accept. That being the case, and given the fact that the Ensign Bill yet must be voted out of committee, floor action in the Senate would be unlikely until early next year, if at all.

Similar legislation is being crafted in the House of Representatives. Action on the proposed House bill has not progressed as it has on the proposed Senate bill. If the bills were to be passed by both Houses, the bills would be reconciled in a House-Senate conference committee. Many bills die there because the conferees cannot agree to reconciliation. That is unlikely in this case because the House measure should be similar enough to the Senate bill that a conference agreement would be reasonable and swift. However, we have a long way to go before we would deal with a conference report on legislation to amend the telecommunications law.

We must move this legislation. The telecommunications industry, earlier this year, in an effort to move legislation aired clever commercials on both radio and TV. In one commercial a high school girl confides to her close friend Rachel that she had gotten the sweetest E-mail from a boy she obviously liked. Rachel then

asked her friend technical questions about what sort of E-mail transmission was used. In another a husband tells his wife that he just received a call from a company's human resources advising that he got the new job. The joyful wife then asks if human resources had called from a land line or a cellular.

The message the telecommunications people correctly attempted to convey is that consumers are capable of making these decisions. We don't need big government doing it for us. There simply is no one-size-fits-all approach to telecommunications. One of my pet peeves is that I would like to choose what programs I would view from among many cable programs in a basket. Currently I subscribe to hundreds of channels but I view a fraction of that number. I would select all cable news and information channels, such as the C-SPAN channels. I would select old movie channels and information channels, such as History, Discovery and Learning. Of course, I reluctantly would be required to subscribe to the four regular channels. Religious channels, such as EWTN must be included in my package. I would not choose Spanish and Arabic channels because I know neither language. I would not choose sports channels because, although I am a sports fan of sorts, I could watch sports events aired on regular channels. I would not select MTV or "Adult" channels or home-shopping channels.

One day a satellite company or a cable competitor could let me choose what I as a consumer would want. But such choices will never be realized unless we give the marketplace authority to decide. The law must be updated and should conform to current market conditions. If I were drafting this legislation I would sunset telecommunications law every ten years, thus forcing Congress to review the laws. Congress even might consider sunsetting legislation every five years. That is how fast telecommunications technology is changing. It has been nine years since a major telecommunications law was enacted and look what has happened in the intervening years. There is no insurmountable powerful interest to prevent the Ensign Bill and the proposed House companion from enactment into law. Only inertia would prevent it. Given the benefits to the consumer and to society were the legislation enacted, I don't understand why every constituent isn't demanding that this legislation be enacted into law.

Paul M. Weyrich is the Chairman and CEO of the Free Congress Foundation.

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