

FACT SHEET

August 27, 2015

**Net Neutrality**

As the Federal Communications Commission (FCC) recently put it, the Internet

“...has transformed our nation’s economy, culture, and democracy...[and] has been a launching pad for innumerable creative and entrepreneurial ventures; enabled businesses small and large, wherever located, to reach customers around the globe; allowed individuals in remote parts of America to access information and services previously unavailable to them; and made it possible for the voice of a single citizen—whether in the form of a blog post, online video, or tweet—to influence world events.”¹

Given the significance of the Internet, preserving its “openness” – an idea often referred to as “network neutrality” or “net neutrality” – has been a long-standing issue. The debate began in the late 1990s/early 2000s when consumers and online service providers began raising concerns about the ability of broadband network operators – wireline providers such as Comcast and Verizon, and wireless providers such as AT&T Wireless or Verizon Wireless – to block or degrade content being provided over their networks. In the past few years, policymakers have been considering whether rules should be adopted to prohibit or restrict carriers from blocking or otherwise discriminating against services, applications and devices being used on their networks, and if so, what types of carrier actions those rules should prohibit.

¹Federal Communications Commission’s NPRM, GN Docket No. 09-191, October 22, 2009

Overview**These issues arise in discussions of net neutrality:**

- Whether the FCC has the authority to regulate net neutrality on the Internet.
- Broadband network operators’ ability to interfere with online services that may compete with their own services.
- Broadband network operators’ need to reasonably manage their networks; i.e., network operators cannot efficiently operate their networks if they cannot prioritize traffic and/or block harmful traffic.
- Whether wireless mobile networks – given their mobile nature and spectrum bandwidth constraints -- should be subject to net neutrality rules.
- Whether regulation would depress private industry’s incentive to invest in broadband infrastructure.
- Whether some broadband services, referred to as “managed” or “specialized” services, should be exempt from net neutrality regulation.
- Broadband carriers’ need to try new business models for managing congestion.
- Whether there is enough broadband competition to make regulation unnecessary.

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Media Contact

For media inquiries on a range of TAP topics, or for assistance facilitating interviews between reporters and academics, contact TAP@techpolicy.com.

Net Neutrality Sources

These sources are a good place to start in understanding net neutrality issues. This op-ed, "[Public Must Fight to Maintain Net Neutrality](#)" by [Lawrence Lessig](#) and Ben Scott, outlines the case for net neutrality. Economists Robert Hahn and Scott Wallsten argue in "[The Economics of Net Neutrality](#)" that proposed rules might be harmful, and propose alternatives focused on promoting competition and network deployment. Robert Atkinson and [Phil Weiser](#) propose a "Third Way" in their article, "[A 'Third Way' on Net Neutrality](#)," calling for a compromise – one later included in the net neutrality rules proposal the FCC put forward in 2009. An [article](#) by Andrew Odlyzko traces the history of success and failure for similar rules. The last two papers offer contrasting views of how net neutrality could affect consumers and innovation. In "['Net Neutrality,' Non-Discrimination and Digital Distribution Through the Internet](#)," [Nicholas Economides](#) argues that letting broadband carriers charge more could hurt consumers. But [Christopher Yoo](#) takes the view that net neutrality rules could harm consumers in "[Network Neutrality, Consumers, and Innovation](#)."

"As much as anything else, the economic success of the Internet comes from its architecture. The architecture, and the competitive forces it assures, is the only interesting thing at stake in this battle over 'network neutrality.'" [Lawrence Lessig](#), from his article "[Another Deregulation Debacle](#)," The New York Times, 8/10/2010

"The vigor with which the FCC has pursued allegations of improper network management suggests that the regulatory structure may already be in place to ensure that consumers are both protected and able to enjoy the Internet's tremendous promise in the future." [Christopher Yoo](#), quoted in CED Magazine, "[Network Neutrality – Overgovernance in the Digital Age](#)," 7/31/2010

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