

# “ Who Will Control the Internet in the 21st-Century?”

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July 1, 2010

Asheville, N.C.



# A Watershed Moment

- The challenge to FCC authority
- The National Broadband Plan
- Congress to review:
  - 1934 Communications Act
  - 1996 Telecommunications Act

# The Bush-era FCC's Voluntary Surrender (2002)

- Reclassified cable-modem broadband via a 3-2 partisan vote (from “telecommunications” to “information” service)
- Removed “common carrier” & “CarterFone” protections
- Brand X v. FCC ruling (June, 2005)
- FCC reclassifies DSL broadband (Aug. 2005)

Reporting the “Brand X” decision the next day, the New York Times noted Justice Antonin Scalia's dissent:

***“[Scalia] wrote that the commission's ruling was trying to further a free-market agenda, through 'an implausible reading of the statute, and has thus exceeded the authority given it by Congress.'” Justices Ruth Bader Ginsburg and David Souter joined Scalia's dissent.”***

What did we lose in 2002-2005  
with the FCC surrender of its authority  
over broadband service  
in the United States?



# Common-Carrier and CarterFone Protections

## The Core of Net Neutrality



# Almon Strowger (1839-1902)



- Topeka, KS funeral parlor owner
- Invented an automatic telephone exchange (1889)
- Paved the way for “common carrier”

# Texas cattle rancher Tom Carter, inventor of the CarterFone.







## **Pearl Jam's Anti-Bush Lyrics Jammed by AT&T**

Rock Band Upset After 15 Seconds of Lyrics Cut From Webcast; AT&T Apologizes

“Eddie Vedder lead singer of the rock band Pearl Jam, is using his powerful pipes to call out corporate censorship after an AT&T webcast of the band's Lollapalooza performance that edited out Vedder's anti-George Bush musings.”

# The New York Times

Expect the World®

## Verizon Blocks Messages of Abortion Rights Group

By Adam Liptak

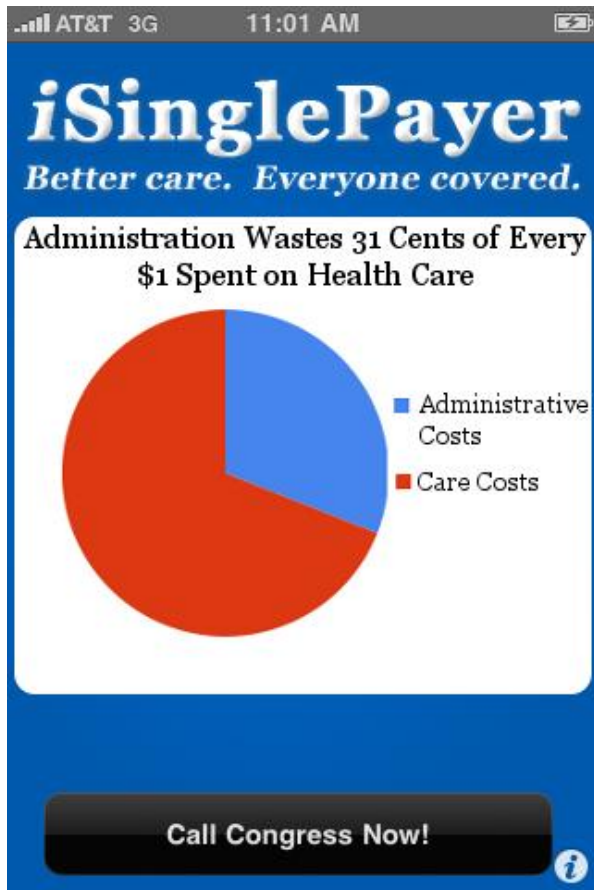
“Saying it had the right to block “controversial or unsavory” text messages, Verizon Wireless has rejected a request from Nara Pro-Choice America, the abortion rights group, to make Verizon’s mobile network available for a text-message program.”



- Since 2005, the cable and telephone giants (AT&T, Verizon, Comcast, Time-Warner, Charter, et al) control more than 95 percent of U.S. broadband access.
- Most Americans have only two broadband options: a cable or telephone company.
- Many Americans have only one option.
- An estimated 30 million Americans have no broadband options.

- The cable and telephone giants are now the “gatekeepers” of the Internet.
- They have the power to pick “winners and losers,” favoring the Bank of America over the Bank of Asheville, or Pizza Hut over Asheville Pizza Company.
- They can force innovators to “make a deal” in order to get an innovation to market.

Apple rejected the iSinglePayer application because it is “politically charged.”





## Wireless Oligopoly Is Smother of Invention

By Ryan Singel

"Unfortunately, the idea of setting basic, common carrier ground rules — rules that simply lay out what freedoms we all expect — are somehow being twisted into the government taking control of the Internet."





THE **FUTURE** OF THE  
**INTERNET**  
AND HOW TO STOP IT

JONATHAN ZITTRAIN

m@in

"A shift to smarter appliances, ones that can be updated by — and only by — their makers, is fundamentally changing the way in which we experience our technologies. Appliances become contingent: rented instead of owned, even if one pays up front for them, since they are subject to instantaneous revision."

Jonathan Zittrain, **The Future of the Internet, and How to Stop It**





## **Amazon Erases Orwell Books From Kindle**

By Brad Stone

“In George Orwell’s “1984,” government censors erase all traces of news articles embarrassing to Big Brother by sending them down an incineration chute called the “memory hole.”

On Friday, it was “1984” and another Orwell book, “Animal Farm,” that were dropped down the memory hole — by Amazon.com.”

Generative PC/Internet  
or  
Tethered Appliance



## **Connecting America: The National Broadband Plan**

<http://www.broadband.gov/plan/>

- Health Care
- Education
- Energy And The Environment
- Economic Opportunity
- Government Performance
- Civic Engagement
- Public Safety



The logo for the National Broadband Plan, featuring a stylized map of the United States in light blue and white. The text "NATIONAL BROADBAND PLAN" is in a large, dark blue, serif font, and "CONNECTING AMERICA" is in a smaller, dark blue, serif font below it.

## NATIONAL BROADBAND PLAN CONNECTING AMERICA

### **Energy and the Environment**

<http://www.broadband.gov/plan/12-energy-and-the-environment/>

“Broadband is essential to realizing the full potential of smart homes and buildings. Broadband allows consumers to monitor and control their home energy use from the convenience of a mobile phone.”

**m@in**

The logo for the National Broadband Plan, featuring a stylized map of the United States in light blue and white. The text "NATIONAL BROADBAND PLAN" is in a large, dark blue, serif font, and "CONNECTING AMERICA" is in a smaller, dark blue, serif font below it.

## NATIONAL BROADBAND PLAN CONNECTING AMERICA

### **Energy and the Environment**

<http://www.broadband.gov/plan/12-energy-and-the-environment/>

“Recommendation 12.7: States should require electric utilities to provide consumers access to, and control of, their own digital energy information, including real-time information from smart meters and historical consumption, price and bill data over the Internet. If states fail to develop reasonable policies over the next 18 months, Congress should consider national legislation to cover consumer privacy and the accessibility of energy data.”

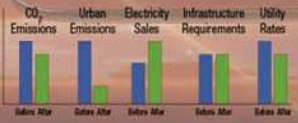
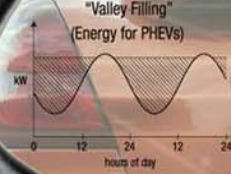


# The Smart Grid Can Deliver



## BENEFITS

- Enhanced energy security
- Reduced greenhouse gases
- Improved urban air quality
- Increased grid asset utilization



Pacific Northwest National Laboratory  
 9500 Sand Road  
 Richland, WA 99352



It is a blistering hot summer day. You have just arrived at work and realize that you forgot to turn off your home air conditioning, which is blowing full blast. In the past there was nothing you could do until you returned home. But today there are new mobile applications (“apps”) that allow you to take action anytime, anywhere. . . .

These apps are not just for early adopters with high-end home automation systems. Socially-minded or cost-conscious consumers who want to better track their energy use can use online sites like Microsoft’s Hohm and Google’s PowerMeter.



## The Ultimate Net Monitoring Tool

By Robert Poe

" The equipment that technician Mark Klein learned was installed in the National Security Agency's "secret room" inside AT&T's San Francisco switching office isn't some sinister Big Brother box designed solely to help governments eavesdrop on citizens' internet communications.

Rather, it's a powerful commercial network-analysis product with all sorts of valuable uses for network operators. It just happens to be capable of doing things that make it one of the best internet spy tools around."







## **FBI taps cell phone mic as eavesdropping tool**

By Declan McCullagh and Anne Broache

“The FBI appears to have begun using a novel form of electronic surveillance in criminal investigations: remotely activating a mobile phone's microphone and using it to eavesdrop on nearby conversations.

The technique is called a "roving bug," and was approved by top U.S. Department of Justice officials for use against members of a New York organized crime family . . . .”



# Privacy Act of 1974

*"While it was originally intended to apply to a broad range of public and private databases..., the Act was amended before passage to apply only to government agencies' records."*

Zittrain, **Future of the Internet, and How to Stop It**





## **Does Averting Cyberwar Mean Giving Up Web Privacy?**

By Tom Gjelten

June 9, 2010

“Former NSA Director McConnell advocates "re-engineering the Internet" to make more transactions there traceable. . . As in the Cold War, "mutually assured destruction actually kept the peace."



What NPR didn't tell us: "Admiral McConnell is executive vice president for National Security Business for Booz Allen Hamilton consulting firm.

Nor did NPR ask McConnell about the problem of rogue hackers.



Mike McConnell

# The New York Times

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## The Price of Broadband Politics

“One good measure of the intensity with which phone and cable companies dislike the Federal Communications Commission’s plan to extend its regulatory oversight over access to broadband Internet is the amount of money they are spending on political contributions.”

Total 2010 cable/telecom spending for campaign contributions and lobbying Congress (through May 16):

**\$27.4 million**



# The New York Times

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## Editorial -- June 29, 2010

Cable and phone companies had 276 former government officials lobbying for them in the first quarter of 2010, including:

- \* 18 former members of Congress
- \* 48 former staffers of current members of Congress on committees with jurisdiction over the Internet
- \* former staffers of at least six House Democrats who signed a letter to FCC Chairman Genachowski warning him “not to move forward with a proposal that undermines critically important investment in broadband and the jobs that come with it.”



# The Local Network Advantage

Self Reliance  
or  
Dependency