### EVERYTHING YOU NEED TO KNOW ABOUT NET NEUTRALITY DEBATES



While the European Union enshrined net neutrality as a lasting tenet in its legal framework in 2015, the United States revised their position on the matter in late 2017, and so revived ongoing debates between the pros and cons of net neutrality. Arcep, which is responsible for enforcing the European Regulation, and therefore protecting net neutrality, has mapped out current debates. Debates that can be distilled into five core issues. Five arguments being made by both sides.



# THE WEB'S CORE VALUES

Where does the concept of net neutrality come from?



The Internet developed on its own, without there ever being a need to give neutrality special protection. Net neutrality is a recent invention born of utilitarianism, created by those who want to do away with paying Internet access providers in exchange for using their networks.



Neutrality is entrenched in the Web's founding premise: guarantee that all Internet traffic is treated and carried equally, regardless of its origin or destination. Popularised by Tim Wu in 2003, this concept reflects the values of openness that led to the internet's emergence and success. Today, protecting net neutrality has a democratic purpose: the internet has become an "essential infrastructure" in exercising freedoms, a public resource that States must regulate for the benefit of every user.

#### 2 NETWORK INVESTMENTS

Content providers benefit fully from network capacities, without having to spend a penny... Is that really fair?



YouTube and Netflix videos are forcing Internet service providers (ISPs) to increase their network's capacity. However, because of net neutrality, YouTube and Netflix are not required to contribute to these investments, even though they reap a sizeable portion of the benefits. This situation is no longer financially tenable for ISPs. Hence, when net neutrality protection measures are in place, investments decrease.



It is end-users, through their behaviour, who are driving the increase in traffic. And it is these users who pay ISPs through their internet access subscriptions. It is hard to find a causal link between net neutrality and decreased investments: in France, spending on networks has been at an all time high since 2015, when net neutrality regulation was first adopted.



## INNOVATION, 5G AND THE INTERNET OF THINGS

Between a remote surgical operation and a kittens video... clearly the former should get priority treatment over the latter, no?

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Net neutrality prohibits traffic streams from being prioritised, and so impedes innovations that should be able to benefit from this special treatment, such as autonomous cars, remote surgery, etc. If Europe lags behind the United States and China in developing 5G and the applications it enables, it is because of the European Open Internet Regulation.

PRO NN

The current regulatory framework enables quality differentiation to optimise certain services when deemed necessary. Only, the practice is regulated: players with the same needs must be treated equally, without discrimination. I.e. the same stable framework for everyone!



## FREEDON OF ENTERPRISE

Once practices are regulated, does that not mean the end of permissionless innovation?



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Net neutrality is tantamount to the regulator micro-managing ISPs. It is yet another regulation that prevents them from managing their networks as they see fit, to be entrepreneurs and offer users innovative products.

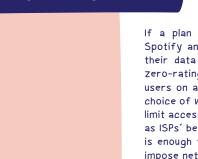


On the contrary, net neutrality means giving everyone the right to entrepreneurship, Without having to ask ISPs' permission to innovate. It means preventing the ISPs' from becoming the gate-keepers of innovation. It is up to users to chose the services of tomorrow, and not to access providers who are likely to nip innovations in the bud, especially those competing with their own services (let us recall that Skype was forbidden by certain operators in its early days). G

#### USERS' FREEDOM OF CHOICE AND FREEDOM OF EXPRESSION



Why would offering users access to content for free not necessarily be a good thing?





If a plan offers subscribers the ability to use Spotify and not have that traffic deducted from their data allowance (a practice referred to as zero-rating), it is a very good thing, especially for users on a tight budget. Consumers also have the choice of whether or not to subscribe to plans that limit access to certain content. In a nutshell, as long as ISPs' behaviour is transparent, consumer choice is enough to steer the market. Hence, no need to impose net neutrality.



But there would need to be enough ISPs competing with one another, which is not always the case (in the United States, for instance). Even then, it is a deceptive generosity that creates a pretext for not increasing the data allowance attached to a plan, and which locks the users into the choices that their ISP made on her behalf. So they will eventually be deprived of access to any of Spotify's potential competitors that will have disappeared or been unable to emerge. Spotify is music, but imagine if the content being zero-rated was a single newspaper's website... then it becomes a question of freedom of expression and of information.

The paradox of net neutrality is that it is a framework, but a framework that unlocks and liberates: it regulates the way that ISPs design their products, to prevent incumbent players from foreclosing the market, and opens the way for innovation to thrive.

Net neutrality contributes to this newfound goal of making the internet a common good.

