Net Neutrality: Bad for Montana, Bad for America

by Roger Koopman

Not long ago, Governor Steve Bullock announced his intention to bring federally-conceived governmental controls of the internet to his home state of Montana. By the stroke of a pen, Bullock plans to issue an executive order that counters the FCC's decision to rescind Net Neutrality regulations, and binds these draconian rules on Montanans anyway. Never mind the absurdity of the 50 states all having their own versions of internet intervention. Bullock's plan only goes to show that in government, bad ideas are immortal. There will always be politicians blind enough and foolish enough to exhume the dead bodies and bring them back to life.

Let's begin with a little internet history. When, in the spirit of bipartisanship, Congress and the Clinton Administration deregulated the Internet in 1994, the results were predictable. Fueled by freedom and entrepreneurship, the United States became the international internet leader, attracting a steady stream of investment capital and creating the most robust, innovative and competitive broadband market in the world. All of that began to change though, when in 2015, the Federal Communications Commission knuckled under to the pressures of then-president Barrack Obama by passing massive new federal internet regulations under the innocuous title "Net Neutrality."

Those familiar with the way of internet services are provided, knew that "neutrality" already existed by the nature of freedom itself. The imposition of government controls was the **opposite** of neutrality, and would only have a chilling effect on a dynamic, burgeoning industry, empowered by the incentives of the free market. Of course, to a very far-left president with a charming personality, putting the brakes on private initiative was never seen as a problem. This was a man whose vision of America was conformity, not liberty – a place where free thought and free expression were privileges licensed by government, and rendered legitimate only by government guidance and approval. This indeed is the mind – and the world – of the radical left. Understanding this agenda is the only way to make sense out of Net Neutrality.

For indeed, from the very start, Net Neutrality was a solution is search of a problem, based on the unsubstantiated fear that unless the government stepped in and placed its homogenizing thumb on the internet, service providers (ISPs) would somehow create unequal access for transmission of broadband data. Thus, we must be protected from such bureaucratic boogeymen as "throttling," "fast lanes," and "blocking," brought on by what the Left always fears most: too much freedom.

But of course, free market competition had already exorcized those ghosts and goblins. Our nation had, at that time, 17 large broadband providers and over 3,000 smaller ones. There was **no** monopoly and there was **no** problem. There were only the insatiable appetites of Obama Administration extremists, who wished to place the internet – along with every other human activity they could grab hold of -- under the expert supervision of the government elite.

Given the very competitive nature of the internet service industry, common sense tells us that every provider's business decisions will be tempered by the simple reality that a consumer made unhappy by bothersome practices can readily take their business elsewhere. What profit-minded business would risk losing market share by irritating their customers with discriminatory slower speeds, blocking of websites and the like? Yet to capture more of the market, innovation will abound, offering an ever-expanding array of service choices at competitively-reduced prices. We take this process for granted in the marketing of all other goods and services. Specials deals, discounts and other inducements provide consumer opportunities and hurt no one. So why do some insist that these very same practices are sinister when competitively packaged into internet services?

On the Democratic-controlled FCC, dissenting commissioner Michael O'Reilly warned of the terrible precedent being set, that would create a "slippery slope" toward ever-increasing federal interference and control of every aspect of Internet freedom. "Where will it end?" asked O'Reilly. Where indeed. Just ask radical financiers like George Soros, who alone had pumped \$83 million into the coffers of Alinsky-style extremist groups, dedicated to creating federal manipulation of the internet and ultimately, of its content. Make no mistake. It is content control and limitations on "unapproved" free speech that has always been the ultimate goal of the Far Left. Check out most any college campus if you doubt the degree to which thought and speech control can be imposed on a population when the Left is in power. Advancing their agenda by limiting the freedom of their opposition has always been their M.O. When your ideas cannot hold up to scrutiny, silencing competing ideas is the only answer.

How we had come to such an anti-freedom precipice is a disturbing story in itself. In 2010, the US Court of Appeals struck down similar Internet restrictions by the FCC, asserting that the FCC did not have regulatory power over broadband. All internet users breathed a sigh of relief. But

not for long. Nobody anticipated the unprecedented and illegal tactics of President Obama, in violating the independence of the FCC. This time, they based their regulations on the bizarre notion that the Internet should be reclassified as a public utility under the Telecommunications Act of 1934, a law passed for a bygone era, when phone companies were indeed monopolies and broadband did not exist.

So the FCC gave birth to a 332-page Regulatory Rosemary's Baby, released to the public only after the commission had voted. What would be the end result if the FCC "baby" reached maturity? Internet investment would be driven from our shores, to lands seen as more friendly to economic freedom, consumer choice and entrepreneurial diversity. America's broadband market would become far less competitive and more monopolistic, as small and rural providers are gobbled up or close their doors – prompting yet more federal regulation and taxpayer subsidies. Most of all, it would be a crushing blow to freedom of action, freedom of thought and freedom of speech.

Thankfully, with the election of a new president, and the subsequent shift of the FCC to a Republican majority, repeal of Net Neutrality regulations was soon accomplished. This will be a huge boost to future investment in America's broadband industry, and a major incentive for continued innovation and the meteoric growth of consumer choice. Meanwhile, the vested interests (Google, Facebook, Twitter, etc.) who correctly saw these heavy-handed regulations as restricting competition and inflating their own bottom lines, have done all they can to whip the millennials into loud protest. FCC chairman Ajit Pai has face so many death threats to himself and his family that he is being forced to restrict his travel and cancel speaking engagements. Please note: these are poignant reminders of how much the Radical Left respects free speech, and how much they would readily crush the speech of others with whom they disagree, if they had the power over the internet they seek.

Advocates of re-imposing Net Neutrality would do well to reflect upon this, and on why it is that the internet's biggest players are all about re-regulation. It is precisely because complex, ever-increasing federal rules and dictates favor the big guys and effectively put smaller companies like we have in rural Montana out of business. The very problems that do not now exist in our dynamic, competitive internet marketplace, <u>will</u> exist after federal regulation transforms that market into a federally maintained and controlled monopoly. It's time we place our trust in freedom, not in strangling government bureaucracy and speech control.

Admittedly, it's more than a little disturbing to see how deficient is the education and understanding of most college students and recent graduates, on how markets work. If they

understood basic economics a little better, they wouldn't be so quick to embrace bad ideas like Net Neutrality. But so conditioned are they to top-down, command-control government as the solution to all things, that they are literally terrified of freedom. Because of this irrational fear of freedom and free markets, they make the biggest possible mistake: turning to government to create uniform "rules" in the already competitive and dynamic marketplace of internet commerce. As stated earlier, ISPs are not natural monopolies (like most power and water utilities) and should never be treated as such. But the more we conform to the malignant idea that "government must do something" (to fix a problem that doesn't exist), the more we reduce consumer sovereignty and consumer choice, and forfeit one more piece of our precious freedom. All the while, the Googles and Facebooks are carrying our foolishness straight to the bank.

So let's be careful what we ask for. While I respect the opinions of those consumers, may object to certain trade practices of certain companies, adopting a uniform set of federal rules based on a law written in the monopolistic, pre-internet days of dial telephones and Ma Bell is not the answer. Competition and freedom is – by exercising your discretion to choose another company, rather than appealing to government. I have full faith that competition and consumer choice will eliminate bad actors among internet services, just as it does with every other consumer-driven industry.

Bottom line: the internet flourished prior to the ill-conceived idea of Net Neutrality and it will continue to flourish now that those regulations have been lifted. Freedom works.

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