



The Business Technology Network

FTC Task Force To Tackle Net Neutrality

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The head of the Federal Trade Commission said she prefers market forces to government restrictions for solving most problems and urged caution in weighing "so-called" network neutrality provisions.

Deborah Platt Majoras said at a meeting of the Progress & Freedom Foundation that she formed an Internet Access Task Force to examine issues being raised by converging technologies and regulatory developments, and to educate and inform the enforcement, advocacy and education initiatives of the FTC.

"I also have asked the Internet Access Task Force to address what is likely the most hotly debated issue in communications," she said. "The FTC's Internet Access Task Force is looking carefully at the issues raised by calls for network neutrality laws. I urge caution in proceeding on the issue."

Andrew Jay Schwartzman, president and CEO of [Media Access Project](#), said that the market forces are not working in favor of consumers now.

"The market is failing because right now 98 percent of [broadband](#) service is provided by either the phone company or the [cable](#) companies, and a duopoly is anti-competitive and a marketplace failure," he said during an interview Tuesday.

Majoras said industry-wide regulatory schemes should not be imposed without a cost-benefit analysis and consideration of whether another, less broad approach could be a better way to address potential harm. "Broad regulatory mandates that employ a 'one size fits all' philosophy, without regard to specific facts, always have unintended consequences, some of which may be harmful and some of which may not be known until far into the future," she said. "We should look at whether any net neutrality or similar legislation could have the effect of entrenching existing broadband platforms and market positions, as well as adversely affecting the levels and areas of future innovation and investment in this industry. The end result could be a diminution, rather than an increase, in competition, to the detriment of consumers."

Echoing the sentiments of groups lobbying against network neutrality, she added: "absent clear evidence of market failure or consumer harm, policymakers should not enact blanket prohibitions of particular forms of business conduct or business models or place requirements on how business is conducted."