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Columnists

Telecom laws need to be updated

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by Congressman Mike Pence

There is one often overlooked item on the 109th Congressional agenda that is critical to our economy and our American system of free enterprise. I am talking about updating our nation's telecom laws to unleash billions of dollars in new investment and economic growth, to renew America's global competitiveness and to put consumers, rather than the government, in charge of our innovation economy.

When Congress last revisited the nation's telecom laws in 1996, the Internet was in its infancy, cell phones were rare, few people had personal computers outside of work and cable companies provided solely television service while phone companies gave you only your dial tone. Today, technology has brought an explosion in consumer choices, value and innovation. Cable, wireline, wireless and satellite companies all are competing directly to meet your communications needs from Internet, to digital television to voice. Congress has done a good job keeping regulatory and tax burdens low on emerging technologies, like Internet telephone service, making new advances more rapidly available to more Americans.

Unfortunately, this hands-off approach has not been extended to all competitors in today's communications marketplace. The 1996 Telecom Act was written for a world in which only cable providers could compete with other cable providers, and only phone companies could compete with one another. Technology has obliterated those distinctions to the benefit of consumers who now can make choices across a variety of communications technologies. Yet the laws on the books have not caught up with this technology-driven reality, tilting investment and the market advantage toward newer technologies not mired in outdated rules.

Some have proposed increasing the regulations on every competitor to level the playing field. I could not disagree more. In a competitive marketplace, consumer choices should guide the evolution of technology, not a "government knows best" approach. Similarly, where a compelling justification exists for limited regulation, such as to ensure affordable basic access to a dial tone or to uphold law enforcement and public safety needs, then the burden should be borne by all competitors, rather than a select few. Otherwise the government continues to distort the marketplace, and companies that uphold public objectives are essentially penalized for doing so.

Updating our almost decade-old telecom laws also could unlock billions of dollars in investment, infusing our economy with new jobs and GDP growth and helping the United States boost its global competitiveness. According to a study commissioned by the U.S. Chamber of Commerce, unleashing market-based competition in today's communications sector could bring 212,000 new jobs and \$634 billion in GDP growth over the next five years alone.

Currently, the United States ranks 13th in the world in broadband deployment, down from 11th in just one year. How is it that the country that invented the Internet is falling so rapidly behind? I believe the answer is not lack of American ingenuity, but heavy-handed, outdated government policy.

Clearly our telecom laws need reforming, but true reform will require more freedom for innovation, not more government regulation.

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