

EDITORIAL

HOW NEUTRAL IS NET NEUTRALITY?

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Net Neutrality: there it is the cry of war which has rallied hundreds of thousands of internauts throughout the world.

In the USA, where the debate has started, the Federal Communications Commission (FCC), after being submerged by a flood of complaints, and after being publicly and strongly pressed by president Obama, eventually capitulated. It adopted a regulation with a strict majority: three democrats against two republicans: the Open Internet Order of 2015.

But first of all, what net neutrality is about? It enshrines the principle that all traffic on the web ought to be treated impartially, whatever the contents and irrespective of the sources, without granting to anyone a fast lane. Furthermore, no caps should be imposed on the customers as far as the amount of capacity is concerned. In one sentence, the principle of “best effort” must be held good, as a pillar of internet democracy.

Has the goal been achieved? The answer is a resounding no!

President Trump has committed the FCC to repeal the regulation even before it could be challenged before the courts.

“Committed” is not the proper word for an agency which boasts independence. But reflects the reality where the republican majority have answered to a “wish” of the President.

If it will be so, the Internet Service Providers, to whom the regulation is addressed, will have won the day.

The step is momentous.

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Such an outcome could in the American context jeopardize the competition given the highly concentration of the market which revolves around few giants, unlike in Europe where the success of infrastructure regulation has allowed a lively market of Internet Service Providers.

In USA customers are offered few choices to access internet, reduced either to a cable operator like Comcast, or to one of the few undertakings of telecommunications. It is not rare that in some areas the choice would be between only two competitors. Hence the concerns about the treatment of contents: if the networks are few and powerful, it is reasonable to fight for an equal treatment by the carriers of the contents posted on the web.

If these are the main points of the dispute, it is nonetheless worth to look at what lies behind the curtains.

What is at stake, it is perhaps more than what appears at first sight.

It is needless to recall that the birth and development of internet has been largely anarchical and polycentric.

Now this very feature could be the target of the denial of net neutrality.

Strong is the impression that the biggest players on the market aim at gaining control of this powerful means, concentrating both access and traffic, therefore imposing a hierarchical industrial frame on the galaxy of the web.

To some extent such a development could be foreseeable: the triple play offers tendered by an undertaking like Comcast could hardly be matched by anyone else on the market. Moreover the process to integrate networks and contents in the hands of the same subjects shrinks the field of competition, rewarding the economies of scale at the expense of plurality.

Much of the outcry ignited by the struggle on net neutrality stems from the fear that a means of communication born as the symbol of democracy could slide into industrial oligarchy.

The anxiety aroused by the repeal of the safeguards of net neutrality seems therefore justified.

Very different is the landscape offered by Europe which adopted in 2015 Regulation 2015/2120.

Here the European Parliament has espoused the banner of net neutrality with fervor. The regulation forbids any managing of internet traffic, save for the needs of fixing technical problems.

Ideology and politics have played a not negligible role in the fierce stance adopted by Brussels. Consumers lobbying has been powerful and successful.

But if we ask whether such a regulatory intervention was warranted by a true market failure, the answer should be cautious. Few issues concerning net neutrality, such as the slowing of traffic or capacity caps, had arisen and seldom regulators had to deal with discrimination within the networks. The explanation is easy. The competition between the internet service providers in Europe is such that should an undertaking indulge in discrimination the customer would switch to a competitor. The same holds true if we look at the content providers, such as Netflix, which could had been sensed as a threat by the European telecommunication operators longing to turn themselves into content providers. On the contrary, the opportunity has been caught to host a successful undertaking whose programs could appeal to the public.

In short politics and ideology have largely trumped real concerns in the European debate.

Still, even if politically biased, the regulation could prove useful in the future when the adoption of the internet protocol will become universal, should Europe be tempted to follow the American course toward concentration, a temptation which is looming even if it is still far from becoming a danger.