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Good Laws Spur Technology, Investment **by** **Deborah Taylor Tate***

As a former chairman of the Tennessee Regulatory Authority and a former commissioner of the Federal Communications Commission, I have a unique understanding of the telecommunications marketplace here in Tennessee and across the nation.

From my experience, consumers benefit greatly from efforts to free the telecommunications sector from outdated rules and regulations that stifle competition.

Just as Congress envisioned with the passage of the Telecommunications Act of 1996, reducing regulation resulted in more robust competition with more consumer choice and often lower prices. This, in turn, freed capital for investment and innovation in new business models yet undreamed of. And, while the telecommunications industry may not have unfolded precisely as Congress envisioned, no one can deny that competition exploded beyond what was imagined in the 1990s. An incredibly rich variety of services over copper wire, fiber, radio waves and satellites is being offered that did not even exist a decade ago.

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Today there are more than 260 million wireless subscribers, twice as many as there are wire-line subscribers. Tennessee has one of the highest rates of "wireless only" households in the country, at around 20 percent. Since 2000, the number of broadband subscribers has grown from less than 5 million to more than 100 million. Since 2001, the price of broadband has been cut in half while speeds have increased, enabling consumers to purchase service that is over 10 times faster than offered previously. The FCC's own data show that high-speed Internet has increased 1,600 percent.

The mere dream that consumers once had of cross-platform competition for a bundle of services including voice, video and data is now a reality. As Comcast President Stephen Burke noted, it is hard to believe, but in just a few short years, cable has become the third-largest phone company in the U.S. Verizon and AT&T are investing \$70 billion to roll out more video offerings. Satellite companies such as WildBlue and Clearwire seek to provide an entire new "pipe," and other technologies Wi-Fi, WiMax and LTE are ensuring we remain on the cutting edge of technological innovation.

Tennesseans also have seen great benefits since our legislature passed its 1995 Telecommunications Act. Consumers have seen better prices, more options and new services, and our state has attracted new technology and investment. Last year, the General Assembly again advanced consumer choice with passage of the Cable and Video Services Act of 2008, which has led to hundreds of millions of dollars in investment, new jobs and even more competition.

Just last week, the FCC opened a rulemaking to receive public comments to develop a nationwide broadband plan for America. More than \$7 billion will be available to provide broadband to unserved areas, especially to rural areas. Acting FCC Chairman Michael Copps suggested that "instead of trying to resolve every contentious issue that has fueled so many years of seemingly endless debates over telecommunications — debates that have too often deflected us from the progress we should have been making" — we should all be working to "respond to the economic and many other challenges facing us."

Policymakers and regulators must do everything possible to encourage, foster and allow investment and innovation to occur, to continue this dynamic and explosive growth for individual consumers, for our nation's competitiveness and most of all to help support and stabilize all sectors of our national economy.

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