

We need more competition in high speed Internet don't just giveaway USF funds in Connect America Fund to big broadband providers to subsidize anti competitive businesses. If we had more competition Network Neutrality and the Open Internet wouldn't be in the danger it is in and Net Neutrality rules would not be required.

I'd like to share this article with regulators on the topic of broadband.

Verizon CEO's Broadband Bunk

A letter to the editor of the New York Times from Verizon CEO Ivan Seidenberg had us scratching our heads at Free Press today.

Seidenberg wrote to rebut an Op-Ed written by former White House technology adviser Susan Crawford, in which she states that the United States high-speed Internet marketplace suffers from a lack of competition, a problem that drives up broadband prices for American Internet users.

“Over the last 10 years, we have deregulated high-speed Internet access in the hope that competition among providers would protect consumers,” Crawford wrote. “The result? We now have neither a functioning competitive market for high-speed wired Internet access nor government oversight.”

Broadband Backwater

Indeed. It's gotten so bad the U.S. has gone from number one in broadband penetration at the close of the 20th century down to ? depending on the survey ? 18th, 22nd or 25th in the world. And Americans continue to pay a whole lot more and get a whole lot less of the Internet speeds that we deserve.

Compare our circumstances to those in Japan, for example, where Internet users are accustomed to surfing the Web at speeds of 100 Mbps (or megabits per second) at the same prices Americans pay for dial-up. In Hong Kong, one provider now offers a \$20 a month “triple play” package that includes a blistering 1,000 Mbps data service.

Despite all this, Verizon's Seidenberg says that Crawford got it wrong and the U.S. Internet is the best.

“America has a very good broadband story; someone just has to be willing to tell it,” Seidenberg claims in his letter. As evidence he cites a 2011 World Economic Forum global survey, which in the words of Seidenberg “ranks the United States first in Internet competition.”

Say what? We had to see that for ourselves.

The most recent WEF "Global Competitiveness" report (pdf) features its U.S. rankings on page 363. The good news is that America ranked first in the world for available airline seats. But our Internet rankings are terrible. We're 18th in the availability of the latest technology, 18th in Internet users per capita and 26th in Internet bandwidth per capita.

We figured Seidenberg's evidence was buried elsewhere. On page 294 of another WEF report (pdf) we found an Internet and telephone sector competition index in a section on "political and regulatory environments." This is likely his source.

The report allegedly looks at the level of competition for "retail Internet access services, for international long-distance calls, and for digital cellular mobile services," placing countries on a 0 (worst) to 6 (best) scale.

The report doesn't actually measure market competition beyond determining whether these three separate fields remain state-sanctioned monopolies.

Well, U.S. telecommunications isn't a monopoly anymore (at least not yet). So on retail Internet access we get a 2; on international long distance we get a 2; and on digital cellular mobile services we get a 2. Our cumulative score is a 6, according to the report, the best possible ranking "or" "first in Internet competition" in Seidenberg's profoundly dishonest interpretation.

Want to know who else came in "first"?

Sixty other countries, including Angola, Burundi, the Kyrgyz Republic, Venezuela and Vietnam.

We're all Number One!

So if you are proud that the U.S. offers an Internet environment on a level that's competitive with, er? Angola, stand beside Seidenberg and wave the flag.

But if you agree with Crawford that the lack of competition in the U.S. has put us on a perilous path, demand that we do more to guarantee universal and affordable access in a marketplace with real choices.