"Historical Distortion: How Misuse of ‘Public Utility’ and ‘Natural Monopoly’ Misdirects U.S. Telecommunications Policy Development"

Monday, February 1, 2016
12:00 – 1:00 p.m.
Ostrom Workshop, 513 N. Park

“Public utility” and “natural monopoly” have been misused in U.S. telecommunications policy debates. Opponents of network neutrality mischaracterize common carriage regulation as “public utility” regulation and unnecessary given the absence of monopoly power. In its Open Internet Order (2015), the FCC classified commercial broadband Internet access service as a common carriage “telecommunications service,” relying on the analysis in a research paper by Cherry and Peha (2014).

Yet, the FCC’s Order may not be a politically stable outcome, as it is under appeal and subject to Congressional legislation; and there are continuing state and federal developments related to technology transitions. This paper is intended to inform ongoing policy debates by explaining how misuse of the public utility and natural monopoly concepts is driven by gaps in knowledge within and among the economic and legal professions, undermining the validity of ostensibly academic analyses and misinforming development of policy recommendations.

Barbara A. Cherry is professor in The Media School at Indiana University. Her research examines telecommunications deregulatory policies, governance structures, and comparative analyses of infrastructure industries. She integrates an interdisciplinary academic background with policymaking and industry experience in telecommunications, having held positions at the FCC, Ameritech, and AT&T. Dr. Cherry holds a PhD in Communication Studies, Northwestern University; JD, Harvard Law School; MA in Economics and Law, Harvard University; and BS in Economics, University of Michigan. Dr. Cherry is a Workshop Affiliated Faculty member and a Board Member of the International Telecommunications Society (website).

Presentations are open to the public and are live streamed (see our website for URL and papers). You are welcome to bring your lunch, and refreshments will be available. For questions, contact Allison Sturgeon (sturgeon@iu.edu; 812/855–3151).