

Overview

In the process of determining our value(s) in 2025, it is important to look at our tools of communication. The interactions, platforms, and economies through which we disseminate and consume information affects how that information shapes us. One lens through which we can better understand these dynamics is regulation—both by governments and other actors—which both influences and reflects the values of those it controls.

This summary of the control of media and communications tools investigates the benefits and disadvantages of regulation, particularly in the context of the internet. It follows the current framework of regulation from its origin as it has responded to and affected companies and consumers in the industry, ultimately pointing to the question, should there be more or less regulation of our primary communications tool, the internet?

History of Telecommunications Regulation

In order to approach current regulations in the U.S., we first have to go back to the 1934 Communications Act, which established the frameworks that still govern telecommunications today. Signed by Franklin D. Roosevelt, the law established three main structures and ideas:

- The Federal Communications Commission (FCC), the primary federal overseer of communications services
- Universal service, the idea that fast and affordable communications technologies should be available and the means through which it can be implemented
- Common carrier, a company designated to provide goods or services to the public without discrimination.

To achieve the principle of universal service, the act named Bell/AT&T, already a monopoly in phone systems throughout the U.S., a common carrier service. The government would support the company in its control and expansion of telephone infrastructure, and AT&T would have to submit to regulation. It would function as a natural monopoly, a result of the high cost and infrastructural challenges of creating a telephone network.

In the decades following 1934, the company not only maintained control of the local phone service it had been tasked to provide, but it also expanded its control into adjacent markets, including the long-distance market and physical handsets (at one point, every AT&T customer got a phone from the AT&T subsidiary, Western Electric). There were a few notable exceptions to the company's unhindered control; in 1968, for example, after Thomas Carter pursued his right to plug his cordless Carterfone into the AT&T system in court, the FCC ruled that the company had to allow third-party technologies onto its network. This paved the way for later devices, including the modems that later brought internet into U.S. homes. Finally, in 1984, the

government forced AT&T to break up into seven regional “baby bells,” allowing competitors to enter the market, also as common carriers.

In 1996, when Bill Clinton signed the Telecommunications Act that overhauled the 1934 law, the government promoted competition by favoring relaxed regulation. The internet—present for the first time in a major communications act—developed against this backdrop as an “information service,” a service that provides data and information.

Internet Regulation (or Lack Thereof)

According to Tim Berners-Lee, the Internet “offered a new way forward” (Lee, *National Affairs*). Without heavy regulation, the internet developed in a structure that kept the companies responsible for delivering it to the public in check. It is comprised of internet service providers (ISPs) on one end, the companies that provide internet access to consumers (mostly cable and phone companies); content providers on the other end that deliver the media we consume on the internet; and the internet “backbone”—the physical networks that transport data—in between. With enough competition in each sector, the internet grew with little government intervention.

The structure, though, has expanded and consolidated on the both ends. On the ISP side, most of the Baby Bells that came out of the 1984 ruling to break up AT&T have reconsolidated, and the Justice Department’s suit to block AT&T’s merger with Time Warner, another cable and internet giant, has just gone to trial (four years after a similar deal between Comcast and Time Warner fell through).

In 2014, the potential dangers of this power imbalance emerged when many Netflix users, accounting for about 30% of internet traffic at certain times, noticed slower streaming. Comcast, tasked with delivering this high-bandwidth content on its network—content that competed with its own cable services—demanded direct payment from Netflix for the added strain. Netflix, faced with Comcast’s huge share of internet customers (56% of the broadband market by early 2015, according to Ars Technica), struck a deal. Many opposed this new dynamic, believing that it violated the principle of network neutrality, that ISPs treat all content on the internet the same, which the FCC had adopted as a standard starting in 2005 to “preserve and promote the vibrant and open character of the Internet” (Federal Communications Commission, *FCC 05-151*).

The content delivery side has followed a similar trajectory. As Matthew Prince, the CEO of the content delivery and security company Cloudflare, pointed out after his company terminated the service of neo-Nazi site The Daily Stormer, there are increasingly fewer (and bigger) choices for how people can put content online. “Without a clear framework as a guide for content regulation, a small number of companies will largely determine what can and cannot be online,” he wrote (Prince, Cloudflare blog).

Regulation Today

The U.S. has adopted no clear or lasting framework for either ISPs or content deliverers since the 1996 Telecommunications Act. In 2015, the FCC under Obama released an Open Internet Order reclassifying the internet as a common carrier in order to protect net neutrality and promote “increased consumer choice, freedom of expression, and innovation (FCC, FCC 15-24). Though many of the regulations in Title II of the 1934 Communications Act would not apply, the order barred ISPs from throttling or blocking service, or giving better service for payment. Last year, Trump’s FCC repealed the order, supposedly to foster competition. FCC Chairman Ajit Pai said in his statement after the repeal, “What is responsible for the phenomenal development of the Internet? It certainly wasn’t heavy-handed government regulation” (Pai, The Verge). The law is currently in litigation, but the new rules will start to go into effect on April 23.

In addition to the regulation of access to internet service highlighted in the net neutrality fight and the regulation of internet content demonstrated in the Daily Stormer controversy, the internet also invites questions about our rights as users, including how much privacy we should expect. Across the Atlantic, the EU is adopting stricter privacy laws with the passage of the General Data Protection Regulation that will take effect in May. Following the news that firm Cambridge Analytica accessed and sold the data of millions of Facebook users, the demand for regulation in this domain has intensified in the U.S. Even Facebook founder and CEO Mark Zuckerberg has conceded, “The question is more, ‘What is the right regulation’ rather than ‘Yes or no, should it be regulated?’” (Zuckerberg, CNN).

Resources

Many sources guided this summary. Tim Berners-Lee’s [“Keeping the Internet Competitive”](#) offered a good starting point. Government documents include the [Communications Act of 1934](#), the [Telecommunications Act of 1996](#), the [2010](#) and [2015](#) Open Internet Orders, as well as material from the FCC website ([universal service](#) and [1996 Telecommunications Act](#)) and the [archive of the Obama White House](#). Research from private institutions includes the [Progressive Policy Institute](#), the [Pew Research Center](#), [Brookings](#), the [World Wide Web Consortium](#), and [Freedom House](#). News and opinion articles that informed the summary include: [“Will the Telecommunications Act get a much-needed update as it turns 21?”](#) (Recode); [“Why We Terminated the Daily Stormer”](#) (Cloudflare Blog); [“Comcast and Netflix Reach a Deal on Service”](#) (New York Times); [“Netflix vs. Comcast ‘Net Neutrality’ Spat Erupts After Traffic Deal”](#) (Time); [“Comcast now has more than half of all US broadband customers”](#) (Ars Technica); [“50 million US homes have only one 25Mbps Internet provider or none at all”](#) (Ars Technica); [“Inside the huge, low-profile alliance fighting to save the FCC’s net neutrality rules”](#) (Washington Post); [“Ex FCC Boss: Gut Net Neutrality and You Gut Internet Freedom”](#) (Wired); [“Read FCC chairman Ajit Pai’s statement on killing net neutrality”](#) (The Verge); [“Google fined \\$2.7BN for EU antitrust violations over shopping searches”](#) (TechCrunch); [“China’s Censors Ban Winnie the Pooh and the Letter ‘N’ After Xi’s Power Grab”](#) (New York Times); [“What Would Regulating Facebook Look Like?”](#) (Wired); [“Mark Zuckerberg in his own words: The CNN interview”](#) (CNN); [“Comcast, the largest broadband company in the U.S., is getting even bigger”](#) (Recode); [“AT&T Would Use Time Warner as a ‘Weapon,’ Justice Dept. Says”](#) (New York Times).