



BCAP
 60th Anniversary

NewsClips

May 22, 2017

Consumer Reports

[Free Over-the-Air TV Is Going to Get Better](#)

[Light Reading Comcast Appears to Soft Launch First 4K DVR?](#)

[The Guardian Revealed: Facebook's internal rulebook on sex, terrorism and violence](#)

[Allentown Morning Call Gov. Wolf rebounds in polls following change in tone](#)

[pennlive.com Charlie Gerow column: Here's what Primary 2017](#)

Protesters from the far-left group Popular Resistance have swarmed the Arlington, Va., street where Ajit Pai lives, placing pamphlets with his face on his neighbors' front doors. "Have you seen this man?" the flyers ask, stating that Mr. Pai—"Age 44 / Height 6'1" / Weight 200"—is "trying to destroy net neutrality."

Mr. Pai is chairman of the Federal Communications Commission, and the activists, not without perverse humor, describe their picketing of his home as "Ajit-ation." "They were there yesterday," Mr. Pai tells me Monday in his office at the FCC, in uncool Southwest Washington. "I understand they'll be there today. They'll be there tomorrow and the day after. It's a hassle, especially for my wife and my two young children." The activists, he adds, "come up to our front windows and take photographs of the inside of the house. My kids are 5 and 3. It's not pleasant."

Few phrases in the English language are more dowdy than "net neutrality." Yet the passions the two words arouse are so intense that the earnest, nerdy Mr. Pai—his hair crew-cut, his smile somewhat goofy—is among the Trump officials most loathed by the left. That hatred was consolidated Thursday, when Mr. Pai's FCC voted 2-1 to begin the process to scrap the Obama administration's net-neutrality regulations.

Coined in 2003 by legal scholar Tim Wu, net neutrality has come to mean government oversight of the internet aimed at protecting the consumer from exploitation by internet service providers. In February 2015, under the incongruously named Open Internet Order, the Obama FCC overturned nearly two decades of precedent for treating the internet as a largely unregulated "information service." Instead the FCC reclassified it as a "telecommunication service." Having done so, the commission asserted the authority to regulate the internet as a "utility" under Title II of the Communications Act of 1934, which was enacted, Mr. Pai never tires of saying, "to deal with Ma Bell," the telephone monopoly.

I ask Mr. Pai whether it would make sense for those who oppose net neutrality to choose different language and push back against the phrase. He chuckles and says, "I haven't tended to use it much." In an April speech at the Newseum laying out his plans, Mr. Pai did not utter the term even once. "It's certainly one of the more seductive marketing slogans that's ever been attached to a public policy issue," he says. "There's no question that seeming to be against 'neutrality' is a very difficult default position."

tells us about Campaign 2018

Scranton Times-Tribune Rep. Kevin Haggerty's wife seeks protection-from-abuse order

Philadelphia Inquirer Cohen on DNC bonuses: I would have quashed them

Pittsburgh Post-Gazette Cong. Mike Kelly (R-3rd) nixes run for Gov., still thinking about Senate

New York Times Bob Casey was an understated senator. Then along came Trump.

ARMSTRONG® HEALING HEROES

HEALING HEROES IS A PARTNERSHIP WITH GUARDIAN ANGELS TO PROVIDE QUALIFYING DISABLED VETERANS IN OUR COMMUNITIES WITH HIGHLY TRAINED SERVICE DOGS.



CHECK DONATION

Make payable to Guardian Angels Medical Service Dogs, Inc.
Mail to: Armstrong c/o Healing Heroes
One Armstrong Place • Butler, PA 16001

ONLINE DONATION

www.medicalservicedogs.org
Choose **Armstrong** as your designation



VISIT US ON FACEBOOK FOR MORE INFORMATION
[FACEBOOK.COM/ARMSTRONGONEWIRE](https://www.facebook.com/armstrongonewire)

1977.

I ask Mr. Pai about his school days and wonder—succumbing briefly to stereotype—if he won any spelling bees. “I did, as a matter of fact,” he says jauntily. “I won a grade-school spelling bee. And then I was in the county bee and lost on the word ‘discord.’ I was very upset, because I’d just read Norton Juster’s ‘The Phantom Tollbooth,’ and there’s a character called Dr. Dischord.” (Mr. Pai refers to Kakofonous A. Dischord, who loves unpleasant sounds.) “Having just read the book, I thought, ‘Oh, that must be the way it’s spelled in real life,’ not realizing it was a play on words.” It’s amusing, I observe, given this little bit of history, that Mr. Pai is today the source of so much discord. He responds with a poker face. “I did eventually recover, and my career wasn’t forever sullied by my failure to spell that word.”

As Mr. Pai travels around the country, he is greeted with the same refrain. “The No. 1 issue that I hear about is that people want better, faster, cheaper internet access,” he says. “They want access, period. To me at least, that’s the question the FCC should be squarely focused on: What is the regulatory framework that will maximize the incentives of every company to deploy the next generation of networks?”

So how would he explain the idea? “A more accurate way to call it, I think, is ‘internet regulation,’” he replies, “because the essential question is whether we want it to be governed by technologists and engineers and businesspeople, as it was under the light-touch approach during the Clinton administration, or by government lawyers and bureaucrats here in Washington.” In Mr. Pai’s view, the choice is “a free and open internet versus Title II.”

Mr. Pai was born in Buffalo, N.Y., in 1973 to two physicians from the Konkani community of southwestern India who’d had an arranged marriage and moved to the U.S. “My dad was a resident urologist at a Bombay hospital,” he says, “and one of his patients was my mom’s aunt, who was the matchmaker.” From Buffalo they moved to Canada, and thence to Parsons, Kan., a town of 10,000 whose county hospital had vacancies for both a urologist and an anesthesiologist (his mother’s specialty). They’ve lived and practiced there since

In his speech at the Newseum, Mr. Pai noted that Title II regulation was weighing down investment in broadband. “Among our nation’s 12 largest internet service providers,” he told the audience, “domestic broadband capital expenditures decreased by 5.6%, or \$3.6 billion, between 2014 and 2016.” I ask him to elaborate. “As I’ve seen it and heard it,” he says, “Title II regulations have stood in the way of investment. Just last week, for instance, we heard from 19 municipal broadband providers. These are small, government-owned ISPs who told us that ‘even though we lack a profit motive, Title II has affected the way we do business.’ ”

The small ISPs reported that Title II was preventing them from rolling out new services and deepening their networks. “These are the kinds of companies that we want to provide a competitive alternative in the marketplace,” Mr. Pai says. “It seems to me they’re the canaries in the coal mine. If the smaller companies are telling us that the regulatory overhang is too much, that it hangs like a black cloud over our businesses—as 22 separate ISPs told us three weeks ago—then it seems to me there’s a problem here that needs to be solved.”

This gets at the fundamental reason, in Mr. Pai’s view, why treating the internet as a utility is so harmful. “We need massive investment in networks going forward,” he says. “The infrastructure of the internet isn’t like slow-moving utilities. It’s not a water company. There are a number of ISPs, big and small—4,400 of them.”

Besides, Americans weren’t living in a digital dystopia before the FCC imposed net-neutrality rules. “There’s a reason why, in the Clinton administration, the Bush administration, and the first six years of the Obama administration, we had this light-touch approach,” Mr. Pai says. “It was thought that was the best way to calibrate the public interest. I think they were proven right by the digital economy that we had up to that point.”

One of the “fundamental misunderstandings” of applying Title II regulation to the internet, he says, “is the belief that there’s a dichotomy between the market and the consumer. To me, at least, markets and market-oriented policies have delivered far more value to the consumer than pre-emptive regulation ever has. There’s a reason why we had an internet economy that was the envy of the world for the better part of 20 years.”

Slapping on pre-emptive Depression-era regulations creates “serious unintended consequences.” Rather than treat every ISP as a presumptive monopolist and declare the entire market anticompetitive, Mr. Pai says the government should “let the marketplace develop, unfettered by federal and state regulation, and take action against anticompetitive conduct as the facts and laws warrant.” Net neutrality advocates want to reverse that. “The entire predicate of government regulation should be that there is, or is highly likely to be, a fundamental market failure that warrants pre-emptive regulation. That’s a sine qua non,” he adds. “But there was no evidence of that in 2015. The hypothetical harms that were discussed were exactly that: hypothetical.”

Where does the political impulse to treat the internet as a utility come from? Mr. Pai pauses before responding. “I think there are two different impulses at play,” he says. “First, some people see a market that isn’t heavily regulated as one that’s effectively the Wild West, in which consumers are at the mercy of any company that offers services in that space.” The second reason flows from the psychology of language: “People have a tendency to conflate the importance of something in their lives with the actual word ‘utility.’ ”

As an undergraduate at Harvard, Mr. Pai majored in social studies, immersing himself in Durkheim, Freud, Marx, and—his favorite—Tocqueville. It was in college that he got his first taste of economics. “I had the pleasure,” he says, “of studying under Martin Feldstein, who taught the basic economics course.” At the same time he decided he was a Republican: “Throughout high school, I was a fairly determined Democrat. But studying economics played a big part in my change. It seemed to me that the Republicans had the better of the argument on economic matters.”

Then it was on to law school at the University of Chicago. Mr. Pai learned a great deal from the decidedly liberal Cass Sunstein, who taught administrative law. “I found him fascinating,” Mr. Pai recalls, “because even though he and I disagreed—and disagree—on the merits of a particular kind of regulatory philosophy, I loved the way he teased out what the administrative process was designed to do, and whether it makes sense to have expert agencies that are given deference, or whether we want the courts second-guessing their decisions.” Mr. Pai stresses that the FCC’s pending decision to scrap Title II ought to receive judicial deference—known in the business as “*Chevron* deference,” after a 1984 Supreme Court decision that held courts should defer to regulators’ reasonable interpretations of ambiguous statutes.

For the next three months, however, the FCC’s proposed net-neutrality reversal is open to public comment. If recent events offer any taste of the future, Mr. Pai can expect a great deal of turbulence.

The news-comedian John Oliver pilloried him mercilessly in a recent segment, calling on his millions of viewers to express their discontent on the FCC's website. The site crashed.

I ask whether another public outcry could make his job hell—with sites crashing, social media pouring forth abuse (one tweeter demanded he “go back to Africa”), and even more activists picketing him at home and work. Can the FCC chairman live with all the hullabaloo? “I suppose that’s a risk,” Mr. Pai says, “but it’s a risk I’m willing to take. At the end of the day, I’m not going to be intimidated. No one is going to sway me away from the course that I truly believe is the right one for the American people.” – *Wall Street Journal*



**Broadband
Cable Association
of Pennsylvania**

127 State Street, Harrisburg, PA 17101
717-214-2000 (f) 717-214-2020
bcapa.com

First in Broadband.
The Future of Broadband.®