Desperately Seeking Default

Internet Policy Update
A Perspective from the Pacific
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Introduction

• This presentation will not attempt to paint a detailed picture of the Internet within the Asia Pacific region

• Attempt to highlight major Internet policy issues from the perspective of a player from this region
The Pacific Perspective

• National Network Structure
• Sparse International Connections:
  – Leased Links - no mesh services
  – Poor satellite and cable infrastructure
  – International circuit costs dominate
The Resultant Pacific Picture
The Pacific View of the Internet

- Providers operating a single international link
  - Minimize tariff
  - Maximize utility
  - Maximize connectivity
The Other End of the Link

- Working together
  - the transit problem
  - the routing problem
  - the policy problem
Policies and the Internet

• Policies must be effective within the context of the Internet itself

• To understand the changing requirements for policy determination it is first necessary to observe the changing characterisation of the Internet
The 1980's

• Predominate characteristic of an academic and research community activity

• Collaborative community characterisation of the Internet
  – Policies derived through processes of consensus decision making
  – Collaborative determination of policy agenda
  – Homogenous community of usage
The Environment of the 1980's

- Outcomes of the Internet as a collaborative community:
  - no formal regulation
  - self moderated facility
  - high level of adaptability within constraints of collaborative community expectation
The 1990's

- Growth within the collaborative community
  - increasing role of the Internet within the worldwide academic and research community
  - more A&R programs using the Internet as a key communications resource
  - consequent higher level of investment in the Internet by the community
The 1990's

- Outcome of A & R Internet community growth
  - decreasing levels of policy adaptability within the Internet
  - increasing reliance on policy outcomes to create a stable service environment (rather than continuous refinement of the service within a small collaborative community)
Policies and the Internet

• Outgrowth of the collaborative community
• Increasing:
  – use of the Internet by other sectors
  – number and diversity of Internet Service Providers
The Current Policy Environment

Collaborative Community

The Internet

Public Resource

Free Market Commodity
The Collaborative Community

• The community of research and academia with fellow travellers
• Implicit (and explicit) "appropriate use" policies
• Decision making through consensus seeking
• Motivation for common solution through cooperation
The Free Market Commodity

- Deregulation of the Value Added Reseller role within the communications industry
- The Internet viewed as a value added service
  - as distinct from a basic carriage service
- Implicit decision making process through market forces
- Service and infrastructure roles through competitive pricing environment
The Public Resource

- Acknowledged public benefit through access to service
- Public Resource management structures to ensure
  - equity of access
  - sanity of infrastructure services
  - non-monopoly position over information flow
Internet Policy Issues

- Address Space Management
- Routing Table Management
- Connectivity Management
- Administrative Infrastructure (NICs)
- Transit policies
- Inter-Provider Settlement
- End-to-End service level management
Policy Directions

• Cooperative / Collaborative Community?
  – Unlikely to scale within the context of growth of the Internet:
    • diversity of community
    • differing scale of growth
    • competitive pressures for access to finite resources
  – BUT - Highly effective in responding to technical evolutionary pressures
Policy Directions

- Public Resource Management
  - Public role
  - Regulation of Service Providers?
    - License conditions for ISPs
    - Service Definition / Limitation
    - Market access regulation
    - Service Provider Interaction conditions
  - Regulation of Network Infrastructure?
    - Address Allocation / Registration Services
    - Routing Registry Services
    - Name Registry Services
Policy Directions

• Public Resource Management
  – Potentially valuable role
  – BUT
    • Quality of public resource management is questionable
    • Limited resultant technical flexibility - static definition of Internet role and services
Policy Directions

• Free Market Commodity
  – Risks of market domination
  – Opportunities of new information markets
  – Regulation only through national trading practice regulations
Likely Direction

- Continued sense of cooperative community for some years yet
- But increasing skew between market driven expansion and current community objectives
- Minimal levels of introduced Public Regulation to preserve integrity of the Internet as exploitable resource is a possibility
- Greater levels of public regulation is unlikely
For the Pacific

- The learning curve for new players gets steeper
- The entry price for Internet service provision rises
- Issues of national management vs foreign investment programs in national Internet Service Provision
- National public regulation may be a mechanism to ensure national management and national determination of key domestic information infrastructures