

Desperately Seeking Default

Internet Policy Update

A Perspective from the Pacific

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Introduction

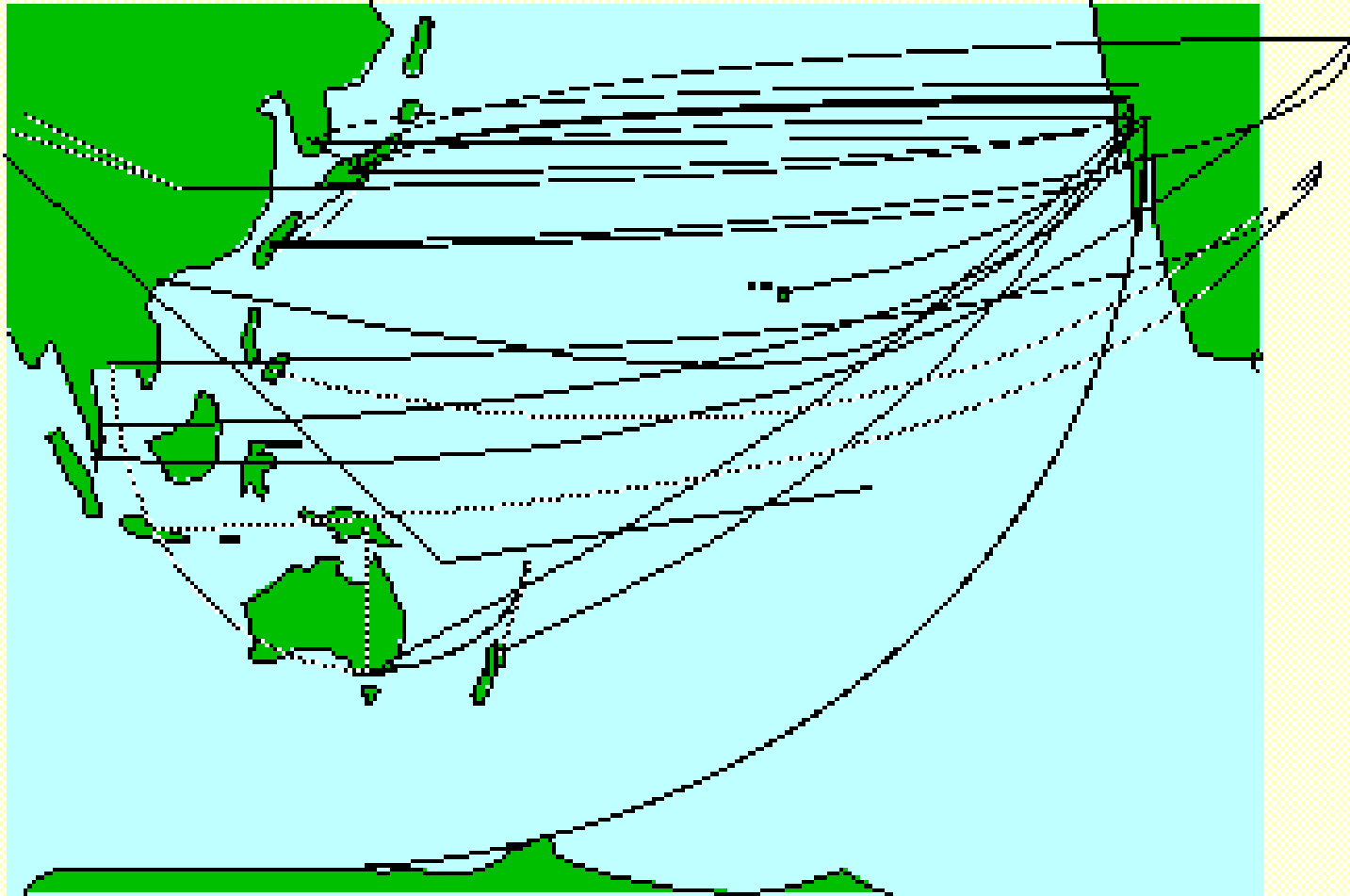
- **This presentation will not attempt to paint a detailed picture of the Internet within the Asia Pacific region**
- **Attempt to highlight major Internet policy issues from the perspective of a player from this region**



The Pacific Perspective

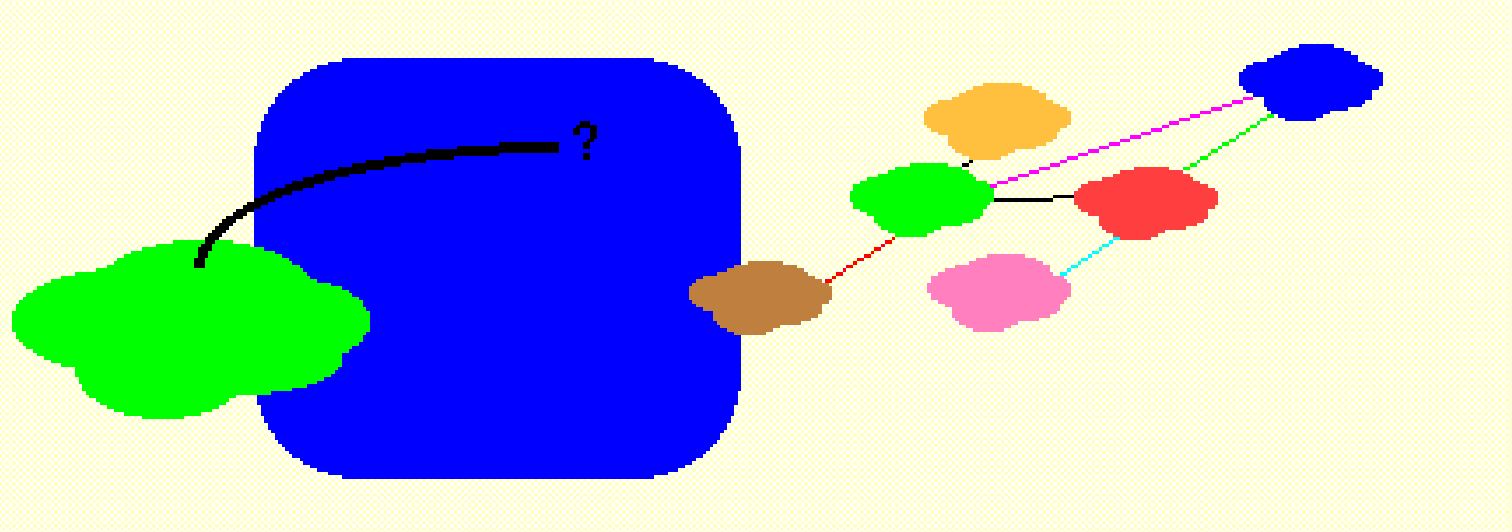
- **National Network Structure**
- **Sparse International Connections:**
 - **Leased Links - no mesh services**
 - **Poor satellite and cable infrastructure**
 - **International circuit costs dominate**

The Resultant Pacific Picture



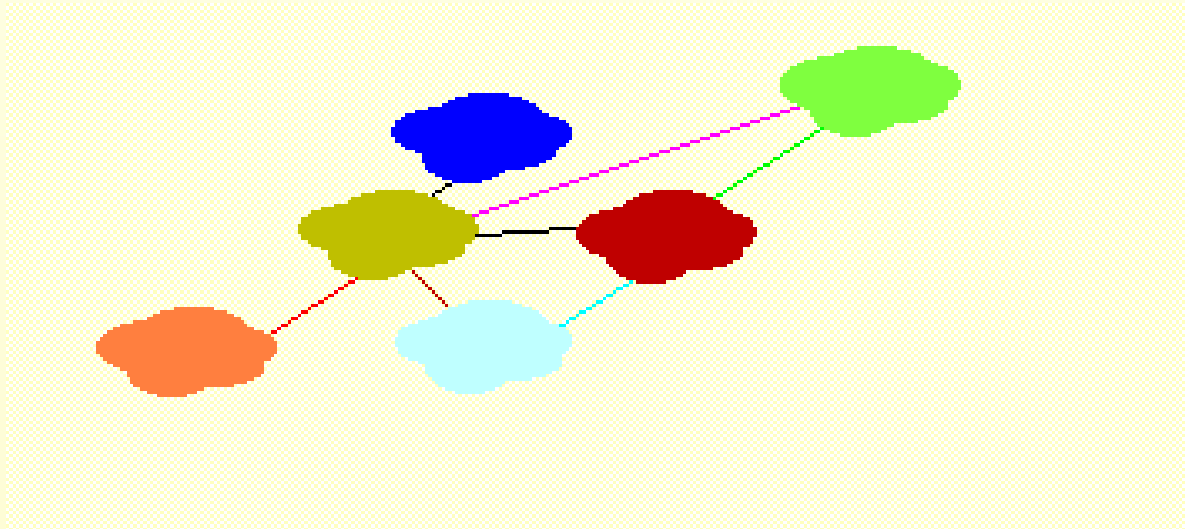
The Pacific View of the Internet


- 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 world wide 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





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**