

## Speed Matters: CWA's Policy Proposal for Universal High Speed Internet

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*( - promoted by Matt Stoller)*

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Senator Durbin's leadership in developing and promoting this innovative exchange of ideas will help America create a road map to a return to leadership in the deployment of high speed Internet access, and I am pleased to be able to participate.

Ensuring that all Americans have access to affordable, high speed Internet connections is critical for our future, yet the United States is the only advanced industrial national without a high-speed broadband policy. As a result, we have fallen to 16th in the world in broadband penetration, behind Canada, Japan, South Korea, and France. That's according to the International Telecommunications Union. Other surveys, such as the recent report by the Organization for Economic Cooperation and Development, place us at 15th.

Even more disturbing, the average speed of U.S. Internet connections is much slower than in other countries. In Japan, 80 percent of households have fiber connections, capable of delivering 100 megabits per second (mbps). Yet, here in the U.S., the average DSL or cable modem download speed is 1.9 mbps. That's based on [self-reported data of 110,000 Internet users](#) collected at SpeedMatters.org, a project of the Communications Workers of America (CWA). The average upload speed was only 371 kbps. Compare the U.S. speed to 45 mbps in South Korea, 21 mbps in Finland, 18 mbps in Sweden and 7.6 mbps in Canada.

[As Senator Durbin pointed out in his video post](#), Japanese Internet users connect at 30 times the average speed in the U.S., but pay about the same amount we do.

And most troubling, we have a significant digital divide in America based on income and geography. The most recent Pew Internet survey finds that rural Americans are half as likely to have access to broadband, and only 43 percent of those earning less than \$30,000 have broadband, compared to 76% among those earning over \$75,000 a year.

Why does this matter? Because the Internet is the critical infrastructure for job growth, access to information, and democratic communications in the 21st century. Speed and price of connection determine what is possible.

Just yesterday, I heard a resident of rural southwestern Virginia testify at a public hearing before the Virginia Corporation Commission with these words: "We don't have broadband in my area. How can a child in southwestern Virginia on dial-up compete with a child in northern Virginia who has FiOS (Verizon's fiber to the home product)?" And he went on to say: "There are 3 pharmacists in my town who are trying to stay current with the latest literature on a dial-up connection."

A farmer in Iowa told me he's now marketing hogs directly to Japan at double the price over the Internet, because he finally got a high-speed connection. A teenager in rural New England reports that he can't take a distance learning class because he doesn't have high-speed Internet. And several weeks ago, I couldn't watch a video conference from Iowa because my

Internet connection was too slow.

Speed Matters on the Internet.

So what can we do to reverse these troubling trends, and restore the U.S. -- the country that invented the commercial Internet -- to world leadership? The Communications Workers of America, the union whose members build, maintain, service, and develop the content on our communications networks, has developed [a specific high-speed Internet for America program](#). I outline it here, and am eager to continue the discussion. We need a mass movement to demand affordable, high-speed Internet for America.

We need to set a national goal. CWA advocates a goal of building networks capable of delivering 10 mbps downstream, 1 upstream to all U.S. homes and businesses by 2010.

We need to join together to make sure that the jobs building and maintaining this network are good paying ones. Employers must respect workers' rights and invest in training so workers can provide quality service.

We need to create a broadband map of America, and collect good data on actual Internet speeds, prices, penetration, and deployment so we know where we are, target policy solutions, and measure progress toward our goals. The Broadband Data Improvement Act (S.1492) moving through the Senate and a soon-to-be-introduced companion bill in the House will move us toward this important step.

We need to adopt a menu of public policies to stimulate investment in truly high-speed networks. Building those networks is expensive. I've seen estimates that Verizon's fiber-to-the-home network (capable of 100 mbps downstream) costs somewhere around \$1,000 to \$1,500 per household, and that AT&T's U-Verse deployment (capable of 25 mbps downstream) which squeezes more data over the existing copper lines with improved compression technology costs about \$800 per home. This is not small change.

So we need a range of policies to get us from here to there. How did Japan build its high-speed network? The government created tax incentives, provided low-interest loans, and subsidies for rural areas. This reduced the cost of capital so Japan's phone company, NTT, was able to build the fiber network out, now reaching about 80% of households.

Similarly, we need to pursue public/private partnerships in America. I'm intrigued with the Connect Kentucky model, which not only created the first broadband map in any state, but also created local technology planning teams to aggregate demand and demonstrate to local providers there was a market for high-speed Internet. Build-out increased by 17% in just two years.

But we must do more. We need to reform our Universal Service Fund to support investment in high-speed Internet, and to increase affordability. We need to make computers more affordable. Why not include a low-cost computer if a household signs up for a two-year high-speed Internet contract, the way wireless companies do with cell phones?

We need to improve low-interest loans and subsidies in high-cost rural areas. The current reform of the Rural Utilities Service (RUS) program currently moving through the Farm Bill is a positive step. We need to follow Japan's lead, and look at accelerated depreciation tax

incentives for investment in high-speed networks.

I know that there will be further discussion tomorrow night on how we must preserve an open internet. Let me just say here that we absolutely must preserve the openness of the Internet. Consumers must be able to go where they want and upload what they want when they want -- no restrictions, no blocking of websites. Period.

The most important thing is to focus on build-out of truly high-speed networks. Once we have enough bandwidth, there will be no capacity squeeze. So the focus must be on how carriers -- with public support -- will raise the revenues to pay for the build-out. Network providers must be allowed to reserve bandwidth to provide a video service in order to finance the build-out of high speed networks.

CWA is excited about the growing movement of workers, teachers, librarians, health care professionals, businesses, farmers, policy makers, advocates for people with disabilities and consumers who are coming together in our Speed Matters campaign to support affordable, high-speed Internet for America. You can join us at [SpeedMatters.org](http://SpeedMatters.org).