

BUSINESS INSIDER

Portugal hints at what the American internet could eventually look like without net neutrality



ROB PRICE
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Ajit Pai, the chairman of the Federal Communications Commission.

Reuters/Kevin Lamarque

- **The Federal Communications Commission has officially voted to ditch net neutrality, which requires internet providers to treat all data online equally.**
- **A Portuguese internet provider hints at what the American internet could eventually look like.**
- **The company charges people more for additional "zero-rated" data based on the kind of app they want to use, such as those for messaging or for video.**

On Thursday, the US Federal Communications Commission officially voted to roll back Obama-era rules governing net neutrality.

Simply put, net neutrality means that all data on the internet is treated equally. An internet service provider can't prioritize certain companies or types of data, charge users more to access certain websites and apps, or charge businesses for preferential access.

Advocates of net neutrality argue that it ensures a level playing field for everyone on the internet. Telecoms firms, however, are largely against it because of the additional restrictions it places on them.

Pro-net neutrality advocates have vowed to fight the FCC in the courts — but what might the American internet look like without net neutrality?

Take a look at Portugal. The country is bound by the European Union's net-neutrality rules, but it allows for certain kinds of pricing schemes that hint at what a net neutrality-less internet might look like.

The country's wireless carrier Meo offers a package where users pay for traditional "data" for their smartphones — and on top of that, they can pay for additional packages based on the kind of data and apps they want to use, "zero-rating" those services.

MEO

+ Smart Net

Offer of the 1st month of a Smart Net with 10GB / month additional ⁽¹⁾

MESSAGING	SOCIAL	VIDEO
<p>€ 4.99 / month € 6.99 / month 1 month free</p> <p>To join</p>	<p>€ 4.99 / month € 6.99 / month 1 month free</p> <p>To join</p>	<p>€ 4.99 / month € 6.99 / month 1 month free</p> <p>To join</p>
MUSIC	EMAIL & CLOUD	MEO
<p>€ 4.99 / month € 6.99 / month 1 month free</p> <p>To join</p>	<p>€ 4.99 / month € 6.99 / month 1 month free</p> <p>To join</p>	<p>Free traffic to MEO apps already included in your tariff</p>

English translation via Google Translate.

MEO

Really into messaging? Then pay €4.99 (\$5.86 or £4.43) a month and get more data for apps like WhatsApp, Skype, and FaceTime. Prefer social networks like Facebook, Instagram, Snapchat, Messenger, and so on? That'll be another €4.99 a month.

Zero-rating for video apps like Netflix and YouTube are available as another add-on, while music (Spotify, SoundCloud, Google Play Music, etc.) is another, as is email and cloud (Gmail, Yahoo Mail, iCloud, etc.).

Net-neutrality advocates argue that this kind of model is dangerous because it risks creating a two-tier system that harms competition — people will just use the big-name apps included in the bundles they pay for, while upstart challengers will be left out in the cold.

For example: If you love watching videos, and Netflix is included in the video bundle but Hulu isn't, you're likely to try to save money by using only Netflix, making it harder for its competitors. (Note: Hulu isn't available in Portugal, but you get the idea.)

And without net neutrality, big-name apps could theoretically even pay telecoms firms for preferential access, offering them money — and smaller companies just couldn't compete with that. (It's not clear whether any of the companies named above have paid for preferential access.)

An ISP could even refuse to grant customers access to an app *at all* unless they (or the app company) paid up.

Democratic Rep. Ro Khanna of California originally shared the Meo example [on Twitter in October](#), though he mischaracterised Portugal's net neutrality laws.

"In Portugal, with no net neutrality, internet providers are starting to split the net into packages," he wrote. "A huge advantage for entrenched companies, but it totally ices out startups trying to get in front of people which stifles innovation. This is what's at stake, and that's why we have to save net neutrality."

Yonatan Zunger, a former Google employee, [recently retweeted Khanna's tweet](#), adding: "This isn't even the worst part of ending net neutrality. The worst part happens when ISPs say 'we don't like this site's politics,' or 'this site competes with us,' and block or throttle it."



((Yonatan Zunger)) @yonatanzunger

21 Nov

Replying to @yonatanzunger

It means new "high-speed serving packages" for your small business, aka "pay us another \$400/mo if you want your website to stay up during the holidays."



((Yonatan Zunger))

@yonatanzunger

Basically, it's a huge giveaway to companies like Comcast and AT&T, who get to charge everyone else piles of money for nothing they aren't doing now.

That money comes from your business, and from every company you buy things from - which means it comes from you.

8:28 AM - Nov 21, 2017

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