

***Internet Policy and Economics: Challenges and Perspectives***

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A Book Review by

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*Internet Policy and Economics: Challenges and Perspectives* is the second edition of *Cyber Policy and Economics in an Internet Age* published in 2002. This 2009 second edition uses chapters from the first edition, updated chapters from the first edition and includes entirely new chapters. As the title indicates *Internet Policy and Economics* examines the political and economic impact of the Internet, a relatively new communication technology. This book requires substantial background knowledge in media law, policy and economics to understand and is therefore more suited for seasoned scholars and graduate level students. This text is not recommended for undergraduate students unless they have the prerequisite experience with media law, policy and economics. The references used by the chapter authors are a good guide to media policy and economic theories making the chapter references a good guide to learn and understand the concepts discussed in each chapter.

Many of the challenges brought about by the Internet and digital forms of telecommunications technology presented in the first edition of the book remain unresolved challenges today. The first edition of the book remains relevant, but the past seven years have seen accelerated development in computer and communication technology. Chapter eight brings up the classic French cliché, “Plus ça change, plus c’est la même chose” (the more things change, the more they stay the same). However this is the running theme throughout *Internet Policy and Economics*. The players in the legal, political and economic systems are obsessed with maintaining the status quo by attempting to merely contain the threats of the Internet instead of embracing the opportunities of the Internet. The book also illustrates how the players involved in the various telecommunication industries cannot agree on the best way to move forward. *Internet Policy and Economics* attempts to apply media policy and economic theory to explain the current state of affairs in the telecommunications industries.

*Internet Policy and Economics* is divided into four sections after the introduction: the policy challenge, the development challenge, the privacy challenge and the economic challenge. The policy challenge section examines different theoretical perspectives used to regulate the infrastructure and content of the Internet. The first chapter in this section examines the European Union framework employed to bring all its countries in line under one telecommunications regulatory formation. The next two chapters use the subject of net neutrality to explain differing

visions of Internet content regulation. The development challenge section analyzes the advances in broadband expansion. Recommendations are made as to whether developing countries should focus on universal access to basic Internet services or improving broadband connections in urban areas. This section also looks at the difficulties with intellectual property rights in developing countries. The privacy challenge section offers unconventional solutions for personal privacy over the Internet. Personal information is viewed as a commodity worth monetary compensation to the individuals offering personal information. The economic challenge section reviews e-commerce transaction taxes, wireless spectrum management and digital distribution of media content. Each of these issues is applied to larger economic theories, which offer unique perspectives to long-argued subjects in media economics.

The challenges posed in *Internet Policy and Economics* are presented as complicated issues with many sides colliding to resolve them. For instance, net neutrality is caught between the market forces of consumer freedom and utility of Internet users and the profitability of technological investment and content. Internet privacy is also wedged between individual rights to self-information protection and improved consumer utility function in the commerce process. Each side of the contentious issues has compelling arguments for policy resolutions presented in the book.

*Internet Policy and Economics* attempts to have a global perspective, but the majority of the content of the book focuses on American policy and economics. One chapter is devoted to the European Union struggle to unite all of its countries under similar telecommunication regulations and two chapters focus on developing countries, but the rest of the chapters tend to rely on American cases to make the points. Even though the majority of the chapters focus on American examples the global nature of the Internet and the international challenges brought about by the Internet are highlighted throughout the book. It is made clear that Internet policy and economic issues will not be solved by and for any one country as the Internet knows neither geographic boundaries nor national legal restrictions. The people that use the technology can easily traverse both with little limitation. This appears to be the overarching challenge of the Internet presented in the book.

Some of the examples used in the chapters are outdated. For instance, two chapters refer to the shift from 2G to 3G wireless technology, which seems antiquated as we have just entered the era of 4G wireless technology in 2010. Although the concepts and challenges discussed are still relevant to today's technological landscape some of the issues discussed are not problems anymore, but could easily be replaced with other current issues. This seeming flaw is but another example of how the technology is moving faster than media policy and economic solutions. The book presents other old problems such as spectrum management and digital media distribution, which use past examples that are still very relevant today. However, the examples are not the most valuable points of the book; it is how the examples are applied to media policy and economic theories that makes this book useful to present and future media scholars. This is the challenge of a book centered on a very dynamic technological topic. It is impossible to predict the future changes and remain relevant in time as Internet technology keeps changing at faster rates. It is striking how the theories and concepts presented seem timeless bringing us back to the French quote above: Plus ça change, plus c'est la même chose.

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**About the Reviewer**

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