Universal Service and Broadband
Durga Vaishnavi - University of Strathclyde

“In many countries, today’s broadband missing link is the regulatory framework”
Hamadoun I. Toure

The term ‘universal service’ has undergone a sea change, since 1907 when it was first coined by Theodore Vail. From the provision of basic voice telephony in 1995, to the provision of various advanced telecommunication services in 2002, the concept has witnessed massive technological developments. The European Commission enacted a Universal Service Directive in 2002 to specifically address the issue of implementing universal services in the European context.

A set of basic services, affordability and peripheral areas are the key words of a universal service. The current debate is whether ‘Broadband’ services should be included within the scope of universal service? In 2005, both the European Commission and the OFCOM (Office of Communications) dismissed the possibility of including broadband in universal service obligations, noting that it was premature to make such an amendment. However, both the authorities foresee a possibility of change in the near future, on grounds of market and technological developments. The i2010 Agenda of the European Commission, to invest in broadband services and the ‘innovative agenda’ of President George W. Bush, to ensure universal availability of broadband in the United States by 2007, can be seen as forward steps in that direction.

This paper examines the scope of extending universal service obligations to broadband services in Europe and the United Kingdom. A comparison is made between the old and new regulatory frameworks to find out the ‘missing link’ for such inclusion. The United States has included broadband as part of its universal service definition. However, it continues to adopt its light regulatory touch towards the broadband market. Despite changes in factors of efficiency, cost and demand for publicly available services, it appears that authorities are waiting for the market to mature. Also, Internet services are slowly taking over the traditional telecommunication systems creating a massive competition in the market. With convergence they might be a one stop point for all means of communication.

The Global Symposium for Regulators in 2004, emphasised the need for regulatory reform in the promotion of low-cost broadband and internet connectivity to achieve universal access. This paper, finally concludes with a suggestion that it is indeed time for regulators to include broadband within the scope of universal service. Also, with the right set of regulations and pricing strategy, universal service can soon be a reality for every citizen of the country.

University of Strathclyde, The Law School, Stenhouse Building, Room 1.13, 173 Cathedral Street, Glasgow, G4 0RQ UK Email: durga.siyasubramanian@strath.ac.uk