

Michigan House Bill 4314: Selling Out the Consumer

I, like most other Libertarians, believe that the least government is the best government.

There is no question that Michigan businesses are over-regulated that some reform is needed. I have testified often before the Michigan Legislature over the past six years in support of deregulatory regulation.

However, I also recognize that some regulation is necessary. There has to be a cop on the beat to protect the public from predators. And I keep telling my fellow Libertarians that we must be as diligent in combatting CORPORATE infringements on freedom as we are about GOVERNMENT abuses.

Libertarians by and large have been tone-deaf when it comes to cracking down on corporate abuses, because of our belief in the free market and laissez faire capitalism.

This morning, I was reviewing my e-mail and spotted an item from the Mackinac Center referencing a new telecommunications deregulatory bill now pending in the Michigan House. Michigan Capitol Confidential reported:

"The Michigan House is looking at how much regulation of [old landline phones](#) is needed in the age of wireless devices."

Well, I clicked on the hyperlink and started reviewing Michigan House Bill 4314, introduced by Republican Rep. Ken Horn of Frankenmuth. And after reading the bill, I am shocked. This bill is a total sell-out of consumer protection and will allow large corporations to ride rough-shod over the public, while contributing to a significant deterioration of the quality of telephone service available to individuals and businesses in this state.

This bill has little to do with deregulating landline phones. What it does is boost corporate profits and removes checks and balances on corporate power.

I also note with great interest that Horn is one of the Legislature's largest recipients of telephone industry political contributions.

The bill can be found

here: [http://www.legislature.mi.gov/\(S\(xpckcwmeqiww0wfi5q0ihau0\)\)/mileg.aspx?page=GetObject&objectname=2011-HB-4314](http://www.legislature.mi.gov/(S(xpckcwmeqiww0wfi5q0ihau0))/mileg.aspx?page=GetObject&objectname=2011-HB-4314)

An excellent, independent analysis of the bill can be found here:

<http://stopthecap.com/2011/03/08/att-pushing-michigan-towards-telecom-reform-that-is-bad-for-consumers/>

Other comments can be found here:

<http://michigantelephone.wordpress.com/2011/03/02/proposed-michigan-legislation-would-make-sweeping-changes-to-michigan-telecommunications-act-%E2%80%94-and-telephone-customers-would-be-the-losers/>

A hearing on this bill will be held on Tuesday, March 22. I plan to testify against this bill. While there are some thing in this bill that I support, like eliminating a useless advisory committee, overall this is a terrible bill.

I will, of course, be testifying in my personal capacity and not on behalf of the Michigan LP.

I know from my past experiences as the owner of an Internet company and a Washington journalist covering the FCC and telecommunications industry on a daily basis for seven years that the large phone companies are anti-competitive and threats to the economic competitiveness of America. They have acted as a tremendous brake on economic progress in this country in order to goose up profits from their monopolies. Anyone who has travelled or done business in Asia or Europe, as I have, knows that America's telecom infrastructure now greatly lags behind much of the rest of the world because of the lethargy and greediness of these companies and their relentless and ruthless efforts to quash competition. I honestly believe that the greediness of these companies now poses a threat to America's national security.

One of the things I have also learned is that unfettered corporate power is just as damaging to freedom as is unfettered government power.

I encourage my fellow Libertarians to being pondering the idea of how we should be combatting corporate abuses that undermine liberty and damage the public, instead of just focusing on government misconduct. I suggest that if we begin broadening our horizons, then we will see more people join our party.

Your thoughts and comments are encouraged.

Regards,

Pat Clawson 810-730-5110 patrickclawson@comcast.net