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Low Income Cell Phone Customers Can Think for Themselves

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http://www.huffingtonpost.com/david-honig/low-income-cell-phone-cus_b_821882.html

February 14, 2011

Do you buy food? How would you like it if the Department of Agriculture required you to buy bean curd and steak, cheese wiz and caviar, as well as liquor and green tea so you wouldn't be denied the "full grocery experience?"

Do you drive? How would you like it if the Department of Transportation required you to buy an Escalade and banned bicycles, buses and carpools, so you wouldn't miss out on the "full transportation experience?"

Do you live in an apartment? How would you like it if the Department of Housing and Urban Development banned the sale of anything other than single family homes with a fenced-in yard so that everyone would get a "full housing experience?"

Do you subscribe to cable television? How would you like it if the Federal Communications Commission (FCC) insisted that you pay for every premium channel, including the adult channels, so that you (and your kids) would have the "full television experience?"

Now consider this:

Do you have a cell phone? How would you like it if the FCC required you to pay an extra \$20 a month to get movie downloads, whether you want them not, or to allow your kids to access violent video games or adult content, whether you want them to or not, just so everyone would get what the government considers to be "the full Internet experience?" What if you're low income, and you'd rather spend that \$20 on books? Or warm clothes? Or food?

My friend Malkia Cyril of the Center for Media Justice doesn't want low income people to have that choice [http://www.huffingtonpost.com/malkia-a-cyril/in-defense-of-substandard_b_820028.html]. She says it's "un-American to give low-income communities substandard Internet service that creates barriers to economic opportunity and democratic engagement."

So what is this "un-American" consumer offering?

One of the wireless carriers is offering three packages, all of VOIP-enabled (so they can get services like Skype) with free access to any lawful website, and all of them clearly labeled

<http://www.metropcs.com/ZipCode.aspx?referringpage=plans>:

- Plan A: \$40, with no multimedia streaming (that is, no movie downloads such as Netflix, porn, etc.).
- Plan B: \$50, with metered multimedia streaming.
- Plan C: \$60, with unlimited multimedia streaming.

Could you decide which of these three packages meets your needs?

Or is all this just too confusing? Cyril thinks so.

She writes that Plan A "will confuse low-income consumers" into buying this carrier's cell phones because they won't be able to figure out that "if you want the WHOLE Internet, you just have to pay more."

Well, actually you don't have to pay more. The most expensive option – Plan C – costs \$40 less than the least expensive offering of any of the other carriers. And if you later discover you don't like Plan A, you can upgrade to Plan B or Plan C with no penalty, or you can pay the \$100 it would cost to get service similar to Plan C from competing carriers. And you can do that immediately, since none of these plans has an early termination fee. What's wrong with paying less for the particular services you want?

Cyril is making a common mistake among us lefties when it comes to low income people – she is being paternalistic. Those poor poor people. They can't think for themselves, so the government has to make decisions for them. In this case, Cyril argues, the FCC should outlaw Plan A (and maybe Plan B) and require every carrier to offer only full-menu service like Plan C. All this in the name of "net neutrality."

If I've learned anything from my 45 years working with low income folks, it's this: they're intelligent and they're resourceful. They have to be in order to survive. They don't appreciate condescension or sloganeering in their name. And they have sense enough to know whether they'd rather use an extra \$20 a month for movie downloads or for movie tickets – and would rather get discounts for services they do not want or need.

Affordability is a huge barrier keeping minorities and low income people offline **http://www.jointcenter.org/publications_recent_publications/media_and_technology/national_minority_broadband_adoption**. This week, the Pew Hispanic Center released a report that found that 85 percent of whites have cell phones – compared to 79 percent of African Americans and 76 percent of Latinos. Barely half - only 58% - of those earning less than \$30,000 a year have cell phones **<http://pewhispanic.org/reports/report.php?ReportID=134>**.

Access to cell phones is part of a huge digital divide. Bridging it will take more than big adjectives and name-calling. It will take companies who see low income people as respected customers who can make good decisions - not, as Cyril portrays them, "confused" ignoramus who need the FCC to make decisions for them.

Not that there's no role for the FCC. It needs to prevent carriers from blocking lawful content. It needs to promote transparency. It needs to foster competition,

innovation and job creation. And as MMTC has pointed out time and again, the FCC sure as hell needs to do much more to promote minority and women business ownership and equal employment opportunities in broadband

[<http://mmtconline.org/lp-pdf/Natl%20Orgs%20Comments%20Underdeveloped%20Issues.101210.pdf>].

What the FCC doesn't need to do is increase costs for those who can least afford it. As long as there's full transparency, low income people ought to be able to choose Plan A, B or C. Low income people – the underserved - don't need the FCC to decide, for them, how they can spend their money.