

Discussant comments for Session 2: Policy, regulation & evidence

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Maropeng, September 2014



Carol Weiss on research → policy

- “If you mean that research causes a specific piece of legislation to get passed, that’s not very common. . . . But by and large you don't see so much direct influence on policy — at least not immediately. What happens more often is that a research project contributes to what I have called “enlightenment.” It punctures old myths, offers new perspectives, and changes the priority of issues. Research also helps to build capability. This is a longer-term influence where the research capabilities of researchers, or institutions, or whole countries are increased.”

What do the papers seek to do

- “Move away from just voice” wants NRAs to change reporting requirements by telecom operators so that prices can be better compared and regulated
 - Direct policy influence; short term
- “Regionalizing reform” wants to educate decision makers on the potential gains from the EU regional regulatory approach
 - In between policy enlightenment & direct influence; medium term
- “Mobile network big data” seeks to educate decision makers on potential and challenges of big data
 - Policy enlightenment; medium term

“Move away from just voice”

- The fact that different services are being bundled together can be explained either as
 - A reasonable marketing practice that is attractive to customers, or
 - Some kind of obfuscating device intended to fool both customers and regulators
 - It appears that the authors tend to lean toward the latter explanation : “have . . . purpose of retaining customers on one network by tying them in with one good value product . . . to prevent them using multiple network providers”
 - No evidence presented to support the above claim

What the paper does not do

- Those who give primacy to regulation over competition, as was necessary in the monopoly days, tend to impose requirements on operators that make regulation easy, irrespective of how they affect customers
 - To their credit, the authors do not go that far to demand that bundling cease
- What are the harms of bundles in workably competitive markets?
 - Assume case of one monopoly market & several workably competitive markets that are being cross-subsidized does not exist in African mobile markets
 - Does not distinguish between bundling of services and bundling of “minutes” (“bucket pricing”)

Policy recommendation

- NRAs should demand additional information
 - Quarterly prepaid/postpaid data/voice/SMS ARPUs
 - Quarterly prepaid/postpaid “Minutes of Use” [or equivalents]
 - Traffic data

Purpose is to construct new mobile service baskets → increase price transparency & develop new forms of tariff regulation

What more could be done

- Make a stronger case for the need for additional reporting requirements
- Assess likelihood of additional information being provided
- Even with hypothetical numbers, show what the resulting baskets and indices would look like and what good they will do

“Regionalizing reform”

- Central design element -- the positioning of the EU and the EAC are comparable entities – is flawed
 - Resulting policy recommendations are also substantially flawed
- Barendse work on regional regulatory frameworks relevant to Africa in 2001-05 included, but was not limited, to EU
 - Eastern Caribbean
 - SADC
 - [ASEAN]

Unanswered questions

- Why Europe?
 - Why a jurisdiction that depends on extremely high skills levels among officials, and high outlays on a phalanx of consultants?
 - Why EU which has questionable outcomes in terms of a sustainable and innovative ICT sector (apparently, the operators are in financial trouble)?
- How, in practical terms, can European regulatory practices be replicated in East Africa?

What can be done

- 20 years ago, Brian Levy & Pablo Spiller* showed that the most appropriate regulatory solution was that which best fitted the specific circumstances of countries/regions → build on this insight

* <http://www.jstor.org/discover/10.2307/764966?uid=2&uid=4&sid=21104597255267>

“Mobile network big data”

- The paper does not pose nor answer a research question
 - Essentially a compilation of information on an extremely topical and highly salient subject
 - Cannot be judged by standard criteria used for research papers
- Evident it has been written by researchers engaged with the subject, which makes the synthesis attractive to any editor/reader
 - If objective is policy enlightenment, it is useful

Improvements

- Refocus around a central proposition that would be embodied in a more informative title
- Think through the audiences and restructure for them