

# Technology Policy Organizations Session 10

Deregulation

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# Deregulation in Five Industries

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Please see:

*[http://www.consumerreports.org/main/detailv2.jsp?CONTENT%3C%3Ecnt\\_id=157017&FOLDER%3C%3Efolder\\_id=18151](http://www.consumerreports.org/main/detailv2.jsp?CONTENT%3C%3Ecnt_id=157017&FOLDER%3C%3Efolder_id=18151)*

# Policy Recommendation from Consumer Reports

## RECOMMENDATIONS

- **Elected officials need to reassert their authority.** Here's how:
  - Regulation of monopoly markets. When there isn't enough true competition, regulators must protect consumers from monopoly-like power.
  - Vigorous antitrust enforcement. This has been a known antidote to market abuses since the 1890s.
  - Strong consumer protections. These safeguards are needed:
    - A truth-in-airfares disclosure and a passengers bill of rights.
    - Protection from unreasonable and capricious bank fees.
    - Mandatory cable and telephone customer-service standards with meaningful dollar penalties to encourage compliance.
    - Electric-service-reliability standards and tough financial penalties for failing to maintain sufficient generating-capacity margins.
- **Help from the states.** We like legislation introduced in 2000 by U.S. Rep. Tom Tancredo, R-Colo., which would help regulators enforce federal consumer protections by allowing state attorneys to initiate enforcement action under those regulations. Tancredo's bill never got out of committee. It should be reintroduced.
- **Deregulation should never be no regulation.** Free markets are ever changing, and players are always devising new mischief. Government must remain vigilant of abuses and respond swiftly.

# Deregulation Exercise

- You will be assigned to one of five industries:
  - Airlines
  - Telecommunications – local/long distance
  - Telecommunications – cable TV
  - Banking
  - Electricity
- In each case, the decision to deregulate the industry involved relatively little formal consideration of organizational factors
- To what degree, however, do organizational factors explain the outcomes for consumers and other key stakeholders?