

By Hunter Newby



The Global Investment in Broadband Infrastructure

Fear of the unknown continues to plague the minds of many in the United States today. Some live in fear of 2012, the Mayan calendar prophesies and the supposed end of the world. Although a cataclysmic event for the entire Earth is not totally out of the question (on a limited basis just ask the people in Fukushima, Japan), there is something more probably realistic that will end and that is the end of a way of life.

Americans of the current and most recent generation have lived in a bubble of being the leader of the world as a superpower their entire lives and do not know what it is like to live any other way. Most have forgotten what it took to get the country to where it is as if it is all just boring history now. What the investment was back then is what we live off of now. We have reached a peak, and it is time to invest again. We should not be afraid of action, only inaction.

Russia, Germany, France, Spain, Italy (the Romans) and many more countries before them have held this position in the past, with the United States currently in the lead, but soon to be challenged by China for the top spot.

3. Transportation & Utilities – an absolute essential component of any great society and nation are its transportation and utilities systems. Everything that comprises transportation including roads, waterways, rail, and airlines as well as electrical power, water and natural gas all exist to support the gross domestic product. The economic output of a nation is hinged on its ability to conduct business like a well-oiled machine.

4. Communications and Technology – having the best communications and technology infrastructure has always been a strategic differentiator. In times of war and peace a well run communications operation is paramount to success. The United States enjoyed the top spot in the world for several

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To know the future just study the past. What investments were made by countries over the course of numerous years to create true world leaders?

There are four main components that apply to all great nations.

1. Currency – the strength and acceptance of a nation's currency in the world gives that country stability and power. The United States has been the reserve currency of the world for decades. This is being challenged every day and is on the brink of changing as it faces the new economic power and model of China and the Yuan.

2. Military – the size, and more so the technological capability, of a nation's military and its ability to defend its own country as well as those of its allies and trading partners has made certain nations in history world leaders. The United Kingdom,

decades due to its first-class telephone system (the PSTN) given the size and population of the country. The playing field has been leveled with the global adoption of standards such as DWDM, Ethernet and Internet protocol.

Within this framework a governmental system can exist and function. Depending on its charter and its constitution, it can either breed growth, innovation and prosperity for the many, or the few. The United States is the best example the world has ever seen in support of the many.

America is in the process of being taught a lesson though. It is a lesson learned by many great nations before it, and one that would have been best to avoid rather than repeat by learning from the mistakes of others. But it is seemingly unavoidable. It is the lesson of time itself.

Over time all things mature. In nature there is a process of self creation and destruction. The cycle of the seasons, spring, summer, winter and the fall, all bring with them change. Without change there would be stagnation. No one person, or persons, makes the seasons change. It is something we are all necessarily dealt and must deal with.

Change is rarely ever welcome by humans in life unless it is induced. Inducing change is the definition of control. When things are under control the outcome is usually predictable and optimal. The opposite is when change happens to you, and you must adapt. The outcome is not under control and not always optimal.

The United States would be well served if its leaders understood and acted upon this simple premise and applied it to the four main components listed above. These components of a world leader are not random and disassociated. They are in fact all connected and necessarily support each other.

When the United States' communications was operated by the Bell System and based on the PSTN, it was a national infrastructure and came with an engineering, operations and financial plan with a fixed return in exchange for sustainability and service for all. What we have now is not that. Today it is a profit-based system, and no gains are realized for those that do not fit in the new return profile. This is a weak link in the chain of the four components, as it has broken with a 100-plus year tradition and failed to communicate the consequences.

The unknown is what America will become and how its people will live and prosper if it is no longer the world leader. This is not to say that the uneven and sub-par distribution of the communications and technology platform will be the sole reason for the demotion, but at the current level it is certainly not helping the situation. What the United States needs is a new model that will meet the demands of the people as well as the financial interests.

Some people say that once you are at the top the only place to go is down. Others believe that once you are in the lead there is another way to go – farther ahead. Without a loss though there can be no comeback story. At this point, coming to the brink is enough of a fall from the top for a comeback to be heralded. Whatever happens, America will not disappear, but it will be changed and forced to adapt to a new position if it does not induce the change itself and soon.

It is important to note what investments other purported second and third world nations are making in their communications and technology supporting infrastructure. Many nations such as France and Spain were one time world leaders, and yet they obviously still exist and function not being in the

top spot. Investments are being made by them and others to improve their communications systems because this is what is required to function at the optimal level as a society today.

Below is a select list of highlighted news stories from the May 6, 2011, TeleGeography CommsUpdate. TeleGeography is a supplier of data-driven telecommunications research, analysis and consulting services to carriers, equipment makers, investors and regulators worldwide. The date was picked randomly as well as the countries selected. It is meant to show that investing in communications infrastructure is occurring, is necessary and is essential to even nations that are not considered as world leaders.

Ireland

3 inks EUR38m contract with BT to up broadband speeds to 100Mbps

Sri Lanka

Etisalat Sri Lanka launches DC-HSPA+ network; 'ready for LTE'

Malawi

Celcom awarded license to provide fixed, mobile services

Macedonia (FYROM)

MakTel launches free Wi-Fi service in over 300 nationwide hotspots

Turkey

Turkcell's Superonline unit launches 1Gbps broadband

South Korea

KT points to increased smartphone subs as 1Q revenues, profit rise

Brazil

Brazilian Internet users reached 43.2m in March, report says

The TeleGeography CommsUpdate is distributed five days a week and lists approximately 15 global communications news and developments each day. Clearly those on the list of nations developing first world communications infrastructure do not lack the knowledge as to why the investment is necessary. For those that lack the knowledge, or courage, the real fear should be in not making a proper investment for the future now. The paths are clear. Countries that invest with knowledge and confidence and without fear or ignorance serve their citizens well and will eventually be taking the top spots above those that let vested interests, inaction and stagnation rule. **IT**

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