Yesterday, the International Center for Law and Economics and TechFreedom jointly filed comments [pdf] with the FCC on the Verizon SpectrumCo deal. In the comments, ICLE Executive Director Geoffrey Manne and TechFreedom President Berin Szoka counter the primary arguments against the deal:

Critics lament the concentration of spectrum in the hands of one of the industry's biggest players, but the assumption that concentration will harm to consumers is unsupported and misplaced. Concentration of spectrum has not slowed the growth of the market; rather, the problem is that growth in demand has dramatically outpaced capacity. What's more: prices have plummeted even as the industry has become more concentrated.

While the FCC undeniably has authority to review the license transfers, the argument that the separate but related commercial agreements would reduce competition is properly the province of the Department of Justice. That argument is best measured under the antitrust laws, not by the FCC under its vague "public interest" standard. Indeed, if the FCC can assert jurisdiction over the commercial agreements as part of its public interest review, its authority over license transfers will become a license to regulate all aspects of business. This is a recipe for certain mischief.

The need for all competitors, including Verizon, to obtain sufficient spectrum to meet increasing demand demonstrates that the deal is in the public interest and should be approved.

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