

# INTERCONNECT

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INTERCONNECT



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## SPECIAL ITEMS OF INTEREST

- ICFC Conference Notice
- Award Winning Student Paper
- Info on *info* - the ITS online journal

## COMMUNICATIONS & STRATEGIES Becomes New ITS Print Journal

Jacques Arlandis, Editor of *COMMUNICATIONS & STRATEGIES (C&S)* and Erik Bohlin, ITS Vice Chair and Publications Committee Chair, have jointly announced an agreement whereby *C&S* becomes the official ITS print Journal. This is in addition to *info*, which will continue to be available to ITS members in electronic format (see story page 2).

Arlandis says the agreement with ITS is a cooperative initiative, whereby the primary goal is to distribute the Journal to ITS members. He also stated that this venture is among the most rewarding for *C&S*.

A number of events led to the development of *COMMUNICATIONS & STRATEGIES* in 1989.



Jacques Arlandis, Editor of *COMMUNICATIONS & STRATEGIES (C&S)*

Originally, a group of European researchers decided to create a review, edited by IDATE (institut de l'audiovisuel et des telecommunications en Europe), to focus on ICT issues; a review that would take a 'mild' approach to 'hard sciences' (such as economics) and a 'tough' approach to 'soft sciences' (such as sociology and political science). Telecommunications companies and media were the initial focus of the journal.

Later, the Internet and information technologies were tackled as well. From its inception, the review aimed to encompass ideas from academia, industry and policy makers.



Erik Bohlin, ITS Vice Chair and Publications Committee Chair

## Message from the Chair



Dear Members,  
Next year's ITS calendar is highlighted by the biennial conference in

Seoul, South Korea, planned for August 2002. This year we have three ITS regional conferences, all in different parts of the world, wherein you can choose to submit a research paper or volunteer to participate in quality programs and discussion panels.

Our choice of locations could hardly be more appealing: idyllic Perth in Western Australia, July 2nd and 3rd; exiting Hong Kong which is now part of China, July 5th to 7th; and Dublin, in the heart of green and friendly Ireland, September 2nd and 3rd. The incidental tourist is the seasoned ITS member who has learned to enjoy the perils and challenges of joining a truly "global" society of telecommunication professionals, including the very-long-

distance flight, the exotic food & scenery and what anthropologist Claude Levi Strauss described as the modern mythology of suddenly meeting face-to-face "a truly unknown native".

The conference themes and detailed information for each of these events are available on the respective conference websites, all of which are accessible from the main ITS site [www.itsworld.com](http://www.itsworld.com).

You will notice an additional bonus this year. Thanks to Erik Bohlin, our newly appointed ITS Vice Chairman and Chair of the Publications Committee, as well as to those who serve on the Publications Committee, ITS members will have the pleasure of reading not one but two journals: *info* and *COMMUNICATIONS & STRATEGIES*! This is the service to our membership, both individuals and corporate sponsors, of which David Cracknell would really have been proud.

Loretta Anania

## Strategic Planning Committee

The Strategic Planning Committee recently drafted a new ITS mission statement which was reviewed, revised and submitted to the Board for subsequent approval. The structure of the new mission statement includes a section entitled "ITS Areas of Interest" which contains topics that have major impacts on communications, computing, Internet, information content, and related industries. The new mission statement can be found at [www.itsworld.org](http://www.itsworld.org).

Due to the dynamic and rapid changes in these industries, ITS recognized the need to revisit and re-examine these areas of interest on a regular basis. As such matters are also intended to reflect ITS' strategic directions, and thus impact ITS conference programs, a current major role of the Strategic Planning Committee is to carefully review these areas of interest and make recommendations to the Board regarding changes. An example of an area likely to be added is "IP managed value-added and interconnection services" (e.g., peering, co-location, complex web hosting, bandwidth trading, caching, etc.) that may be offered at Internet Network Access Points.

## Finance Committee

The ITS Finance Committee has closed the financial books for the year 2000 on a preliminary basis. The preliminary closing involves balancing the monthly and year end bank statements and the ITS general ledger. Since the ITS operates on a "cash" basis, these two documents will correlate (even if we have to use a hammer). According to the preliminary closing, the ITS finds itself in a very favorable financial position.

All outstanding obligations of the ITS have been paid, including the initial payment for distribution of academic journals to the ITS membership during

## Connections



the year 2001. The next step is to have the entire Finance Committee review the financial papers, after which these documents will be presented to the ITS Officers, Executive Committee and the Board of Directors as the final financial report for the year 2000. The next major activity is to file the ITS tax report with the U.S. Internal Revenue Service (since the ITS is incorporated in the U.S.). This report is due even though the ITS is a non-profit organization.

## Membership and Nominations Committee

The newly reconstituted Membership & Nominations Committee is made up of Stanford Levin (chairman) and Dan Furman, Lorenzo Pupillo David Allen, Robert Olley, Jim Alleman, and Susan Simon. The new committee is beginning to "meet" by e-mail. The two important tasks that the committee will address initially are to reduce the time it takes to act on nominations to the ITS Board and to develop strategies to increase the ITS membership and to increase the membership renewal rate. Any questions about the committee or ITS membership can be addressed to the chairman, Stanford Levin <[slevin@siue.edu](mailto:slevin@siue.edu)>.

## Marketing Committee

The Marketing Committee has been extremely active continuing and expanding upon the features it provides

to ITS. The most work has been with a sub-committee which is dedicated to the new web-site, which has been significantly updated in recent months, thanks primarily to Sandy Levin and the Marketing Committee team. Although Sandy will now have to focus on his appointment as Membership and Nominations Chair, he will remain on the editorial board of Interconnect, along with Pete Desrochers, Irene Bonifacio, Publications Chair - Erik Bohlin and Marketing Chair - Don Romaniuk.

The Marketing Committee has also submitted to the Executive a preliminary draft proposal for a new ITS brochure. This new brochure will contain much of the information from the previous one; however, it will focus more on future and prospective new members, and less on the past. The final version of the brochure should be ready this spring and will be available at the ITS regional conferences in Dublin, Hong Kong and Perth.

## Conference Committee

The Conference Committee is keeping in touch with the organizing committees of three regional conferences planned on July 5-7 in Hong Kong and July 2-3, in Perth, Australia, and September 1-3 in Dublin. The 14th Biennial Conference to be held in Seoul, South Korea, is the focus of the Committee's activities. It is also time to prepare for the 15th Biennial Conference. Ideas and proposals from all the members of ITS are welcome.

## info online journal for ITS members

One of the benefits of ITS membership is free online access to **info** (the journal of policy, regulation and strategy for telecommunications, information and media). **info**, edited by Colin Blackman and published by Camford Publishing, is published six times a year. If you have not already done so, please register for online access at:

<http://www.camfordpublishing.com/info>

Should you wish to receive the print version of **info**, ITS has negotiated discounted rates for its members and their organizations. Camford Publishing will be contacting all members to explain these offers.

For further information, contact: Katherine Macdivitt <[katherine@camford.demon.co.uk](mailto:katherine@camford.demon.co.uk)>

**info**  
the journal of policy, regulation and strategy  
of telecommunications, information and media.

## COMMUNICATIONS & STRATEGIES Becomes New ITS Print Journal continued

As one of the founding collaborators, Arlandis was entrusted with managing the editorial line. The review's original style naturally evolved without sudden or drastic changes, as its subscribers, readership and expert contributors constantly grew.

The review has a relatively strong following in Europe, and

Arlandis hopes that the agreement with ITS will serve to enhance the publication's international scope. He is also convinced that this agreement will have a positive influence on both the quality and innovation of the content. This view is shared by Erik Bohlin.

**COMMUNICATIONS  
& STRATEGIES**

"The mortar and click phenomenon of the Internet age will no doubt become a focus of our future strategy and communications," stated Arlandis, "It is a challenge that will willingly be met by *C&S*."

Jacques Arlandis is also the Director of the European Network for Communication & Perspectives (ENCIP), [www.encip.org](http://www.encip.org), and the Scientific Director of IDATE,

[www.idate.fr](http://www.idate.fr).

Under the *C&S* / ITS agreement, *C&S* also becomes the medium whereby Interconnect is delivered to ITS members. *C&S* will be sent to ITS members quarterly. Interconnect will still be published three times per year.

**19th Annual ICFC Conference**  
**co-sponsored by ITS**  
**An International Communications**  
**Conference for Marketing, Forecasting**  
**and Demand Analysis**

*The Digital Economy: Forecasting, Economics and Marketing Challenges for the Communications Industry*

Washington, D.C. USA  
 Doubletree Hotel  
 June 26-29, 2001

The ICFC is an international communications conference for marketing, forecasting and demand analysis. The ICFC is a professional forum for telecommunications forecasters, demand analysts, market researchers, product managers and planners. The ICFC provides the opportunity to hear and present state of the art information and analysis of existing and emerging issues as they pertain to telecommunications forecasting and planning, demand analysis, market research and cost analysis.

The ICFC 2001 features numerous, internationally-known speakers in the areas of telecommunications marketing, forecasting and Internet and wireless technology. This year's outstanding line-up of plenary session speakers includes the following.

- **Alan Pearce** is the President of Information Age Economics Inc., a Washington D.C.-based research and consulting firm. A well known writer and speaker on the policies and politics of the telecommunications-information-entertainment industry, both domestically and globally, Dr. Pearce has been described as "one of the industry's true visionaries" by Senator Larry Pressler, a prime architect of the 1996 Telecom Act

when he was Chairman of the U.S. Senate Commerce Committee.

- **Joseph Bailey** is an Assistant Professor at The Robert H. Smith School of Business, University of Maryland. Dr. Bailey has numerous publications including "Internet Economics," a book he co-edited with Lee McKnight.
- **Hans Levenbach** is the founder and President of Delphus, Inc, a software development and consulting firm specializing in demand forecasting and replenishment planning applications for manufacturers, distributors and retailers. Dr. Levenbach is the co-author of several forecasting books based on his extensive experience as practitioner and researcher while employed at AT&T and Bell Laboratories.
- **Walter D. Strack** has been the Chief Economist of the Wireless Telecommunications Bureau, U.S. Federal Communications Commission, since July 1996. Dr. Strack is responsible for analysis of economic policy issues related to the wireless telecommunications industry and the Commission's program of auctioning spectrum licenses.

The 2001 ICFC is hosted by Illinois State University. Illinois State University, the first public institution of higher education in the state, is a student-centered, multi-purpose institution committed to providing undergraduate and graduate programs which are of the highest quality. The Department of Economics offers a Master's Degree in Applied Economics in Electricity, Natural Gas, and Telecommunication.

The ICFC is designed by industry experts specifically for Telecommunications Professionals. The challenge for telecommunications forecasters, planners, and analysts is to respond to the dynamics of our industry by integrating marketing, technology and consumer behavior into companies' tactical and strategic decision making processes. As technological advances and worldwide economic integration render international borders virtually irrelevant for telecommunications end users, we are faced with unprecedented new challenges. Both wireline and wireless service areas now extend beyond familiar regional and national boundaries and most large telcos have become multinational corporations. Nevertheless, business planning requirements must still be based on knowledge of customers, competitors and markets as well as assessments of internal costs and efficiencies. How can customer behavior be understood in an environment of reduced regulation, increasing bypass opportunities, offshore competition and blurring of the distinction among services? The 2001 ICFC is the premier forum for discussion of the forecasting and demand analysis challenges of the 90's and beyond. If you want one cost-effective conference targeted to your needs - this is it!

For more information, visit our website at: <http://www.icfc.ilstu.edu>, or contact:

Dr. David Loomis  
 Illinois State University  
 Campus Box 4200  
 Normal, IL 61790-4200  
 dloomis@ilstu.edu  
 (309) 438-2106

**Seoul Conference Infrastructure In Place For 2002**

**Seoul Conference Infrastructure In Place For 2002**



Dr. Nakil Sung

The Organizing Committee for ITS 2002 has been now been formed. It includes 18 national and 23 international members dedicated to making the 14th ITS Biennial Conference a total success.

Currently, the Organizing Committee operates a steering sub-committee and a scientific sub-committee. Other sub-committees may be added as required.

In addition, two staff members are now in place working for ITS2002 within the conference secretariat. The Secretariat e-mail address is [sec@its2002.or.kr](mailto:sec@its2002.or.kr) or [its2002secret@hanmir.com](mailto:its2002secret@hanmir.com). In addition, ITS2002 is negotiating a contract with a professional congress organizer who will be in charge of conference administration.

The ITS 2002 webpage ([www.its2002.or.kr](http://www.its2002.or.kr)) was officially launched in February, and the pre-conference schedule was announced, highlighted by the following key dates.

- Deadline for submission of abstracts: October 31, 2001
- Official communication on selection of papers: December 31, 2001
- Deadline for receipt of final papers: March 31, 2002

The Call for Papers (see page 6) focuses on more controversial global issues that affect not only telecommunications, but also the foundations of the so-called "new economy" based on technology. Already the Seoul program promises to be one of the most lively in recent times.

Seoul has long been esteemed as one of the great travel destinations for both business and pleasure, offering the classics

of a great culture and long history, while maintaining its status as a key commercial and industrial global center.

For more information on the conference, please check <contact us> at the ITS 2002 web page.





**ITS 12th European  
Regional Conference**  
September 2-3, 2001  
Dublin, Ireland

Hosted by Trinity College, Dublin  
(in association with the 28th EARIE  
Conference, Aug. 30-Sept. 2, 2001)

We warmly invite you to participate in  
the 12th ITS Regional Conference on  
September 2-3, 2001 in Dublin, Ireland  
and encourage research papers in the  
following areas.

#### Regulation

- Regulation at the National and EU Level:  
What Should Be the  
Division of Labor?
- Political Economy of  
Telecoms Regulation,  
Universal Service  
Obligations: What Is It?
- Effects of Regulation  
on Innovation  
and Productivity
- Antitrust Tools versus  
Sector Specific Regulation
- Open Network Architecture: Pricing  
and Other Access Issues, Standards  
and Intellectual Property Rights
- Competition in Local Markets: CATV,  
Narrow Band and Cellular Services



#### Industrial Policy Issues

- Privatization of Existing Carriers  
or Restructuring through Mergers  
or Demergers
- Business Strategies / International  
Alliances in Converging or Colliding  
Markets
- Assessing the Effects of Liberalization  
and Industry Restructuring
- Trade and Regulation of International  
Telecommunications: The Role of the  
WTO and ITU
- Competition and Privatization of  
International Facilities (Intelsat, Inmarsat)

#### Role of Telecommunications Infrastructure

- Impact of Infrastructure on Regional and  
General Economic Developments
- Role of FDI / Foreign Operators and Local  
Governments in Transition Countries  
(Case Studies)
- Information Infrastructure -  
Implications for "Have" and "Have-not"  
Nations
- Measuring Technical Progress and  
Productivity in Telecom Services:  
Productivity, Quality, etc.

- Broadband CATV Networks and their  
Upgrade

#### Changes in the Structure of the Telecommunications Industry

- Globalization of Telecom Service  
Providers, International Alliances and  
the Effect on Competition
- Market Cooperation and Co-existence of  
Different Telecom Services
- Costs and Benefits of Vertical Separation:  
Lessons From the Recent US Turnaround
- Market Studies and Determinants of  
Market Change

#### Convergence Among Telecommunications, Broadcasting and Computing

- Strategies in the Multimedia Business,  
Horizontal and Vertical Integration
- Convergence in the Information Highway  
to the Home, Interactive Analogue and  
Digital Broadcasting,
- Globalization of Mass Media Markets,  
Copyright Issues, IPP and Media Asset  
Management
- Digitalized Broadcasting (DBB), Video on  
Demand, Digitalized Cinema,  
Multimedia Home Platform  
(MHP)

- Integration of Various  
Transmission Platforms  
(Internet, DVB, GSM)
- Internet TV and TV on the  
Internet

#### Telecommunication Services

- Methodologies for Forecasting  
Telecommunications Product / Service  
Developments / Market Studies
- Usage Patterns of Services / Monitoring  
Product and Service Developments
- Telecommunications and Mass Media  
Markets, Home Shopping, On Line  
Learning
- The Internet: A New Paradigm for the  
Telecom Market (convergence, pricing,  
Internet and consequences, virtual  
market places)
- Corporate and Private Networks
- New Services on the Net (ASP u a )
- Mobile Telecom Services
- New UMTS Services

For further details please check our  
homepage at  
<<http://userpage.fu-berlin.de/~jmueller/ist.html>>  
or contact Juergen Mueller directly at  
[jmueller@fhw-berlin.de](mailto:jmueller@fhw-berlin.de).

Information about EARIE can  
be found at [http://econserv2.bess.tcd.ie/  
ppwalsh/EARIE.html](http://econserv2.bess.tcd.ie/ppwalsh/EARIE.html)



## Student Award Paper

Paper presented at the  
13th Biennial Conference  
of the International  
Telecommunications Society, Buenos  
Aires, July 2-5, 2000

*Bargaining: A Decentralized  
Mechanism for Setting Interconnection  
Tariffs in Network Industries*

Alvaro Gonzalez Staffa,  
Telcordia, New Jersey

The issue of interconnection pricing  
between networks is particularly  
perplexing to regulators. One of many  
problems complicating the regulation of  
interconnection tariffs is the case of a  
network monopolist, outside a regulatory  
body's jurisdiction, charging monopoly  
prices for network interconnection  
services that local service customers  
purchase. Cross-jurisdictional rent-shifting  
substantially lowers consumers' welfare  
everywhere. The issue of lowering  
monopolies' interconnection charges  
across jurisdictions will soon be important  
to regulators in countries that recently  
privatized their telecommunications  
sectors. Some recent privatizations of  
telecommunications companies conceded  
temporary regional monopolies to  
winning bidders. These concessions will  
soon expire, and monopolists will have  
to compete in each other's regions. By  
forcing cross-regional competition, the  
goal was to create pluralistic, competitive  
and interconnected networks of networks.  
However, creating competitive and  
pluralistic networks of networks  
requires the resolution of interconnec-  
tion agreements across many  
jurisdictions. It will be difficult for  
regulators to resolve all of the intercon-  
nection issues in a timely manner, and  
even more difficult to resolve them so  
as to achieve the maximum economic  
efficiency in all cases.

The author argues that a decentralized  
market-oriented mechanism is required  
to settle interconnection tariffs efficiently.  
A decentralized bargaining mechanism  
is proposed that allows firms to negotiate  
reductions in interconnection tariffs  
down from monopoly levels to levels  
where tariffs are set equal to the  
marginal cost of interconnection. The  
role of the regulator is to set incentives  
compatible with this outcome and to  
set rational bargaining rules that guide  
network monopolists to agree to more  
efficient interconnection pricing.

An important finding in the paper is  
that bargaining, sequentially or  
simultaneously, with more than two  
firms of almost any comparative size  
results in the fully efficient outcome  
under the efficient component pricing  
rule (ECPR). However, this last result  
does not hold when there are extreme  
size asymmetries between monopolists.

*Telecommunications and E-Commerce:  
Trade and Development in a  
Knowledge-Based Economy*

The 21st Century heralds a new era of transformation and growth on a scale unprecedented in human history. Unencumbered by a legacy of old economy telecommunications infrastructure, the economies of the Asia-Indian Ocean region are ideally placed to reap the benefits of the Internet age. New industry, yet to be conceived, offers Asia-Indian Ocean nations the opportunity to embark on a stunning transformation.

The Asia-Indian Ocean ITS Regional Conference offers a rare opportunity for conference delegates from academic, private sector and government to discuss and analyze the issues unique to the region. This event will focus on e-commerce, information technology, the Internet and telecommunications with particular emphasis on the impact, risks, barriers and opportunities therein.

Authors of selected papers will be invited to submit their research for publication in the conference volume to be published by Edward Elgar Publishers. The editors of *Info*, *Information Economics and Policy* and *Prometheus* welcome submissions from ITS conference authors.

CHECK OUT THE  
PRELIMINARY  
CONFERENCE  
PROGRAM AND  
REGISTRATION DETAILS AT  
[http://www.cbs.curtin.edu.au/research/  
its\\_conference\\_details.cfm](http://www.cbs.curtin.edu.au/research/its_conference_details.cfm)  
or link to us through [www.itsworld.org](http://www.itsworld.org)

**Invited Speakers**

**Kamlesh Bajaj** is Deputy Director General in the Indian National Informatics Centre (NIC). He coordinates electronic commerce activity over NICNET. Kamlesh's experience spans information systems planning, artificial intelligence, expert systems and e-commerce. Dr Bajaj's primary responsibility has been developing IT systems in the financial sector and Indian Customs EDI.

**Hanspeter Gassman** is the former head of the OECD's Industry Division and has substantial experience in international technology and industrial policy. Hanspeter's current work focuses on mobile telephony, intangible corporate investment and governance issues.

**Stuart Macdonald** is Professor of Information and Organizations at the University of Sheffield. Stuart is a prolific author and his recent work includes *Information for Innovation: Managing Change from an Information Perspective* (Oxford University Press, 1998).

**Phil Malone** is acting General Manager of the E-Commerce division, in the Commonwealth of Australia agency, National Office for the Information Economy. Recent major work includes assessing the impact of e-commerce in Australia.



**Paul Schapper** is Chief Executive Officer of the Western Australia Department of Contract and Management Services. He is also an Adjunct Professor at Curtin University, Perth. Paul has provided advice to Heads of Procurement in the South African and Mozambique governments.

**Tom Spacek** is Executive Director of the Internet and Global Information Infrastructure Initiatives Department, which is part of the Information and Computer Sciences Laboratory at Telcordia Technologies (formerly Bell Laboratories). Tom's research concerns the development of economic indicators for the new digital economy and the forecasting of Internet growth trends.

**J.P. Singh** is a Professor in the Communications, Culture and Technology Program at Georgetown University, Washington, DC. He is author of *Leapfrogging Development: The Political Economy of Telecommunications Restructuring* (SUNY, 1999) and co-editor (with James Rosenau) of *Information Technologies and Global Politics: The Changing Scope of Power and Governance* (SUNY, forthcoming).

**Student Prize**

Prizes for the best student papers presented at the conference are:

- First Place: AUD 1,000
- Second Place: AUD 500
- Third Place: AUD 250

**Sponsors / Organizers**

- Western Australian Department of Commerce and Trade
- National Office for the Information Economy
- Telcordia Technologies
- Communication Economics and Electronic Markets Research Centre Curtin Business School Curtin University of Technology
- Murdoch Business School Murdoch University
- Australian Telecommunications User Group

**Conference Social Highlights**

The Organizing Committee is currently seeking to arrange post-Conference tours. An opportunity exists in Western Australia to look at aspects of 19th Century telecommunications and the linking of Australia into the global economy. An alternative tour examines the Western Australian contribution to the growth of the Australian viticulture industry. Winery visits can be scheduled in the Swan Valley, Margaret River, Fox River and Pemberton regions.

After eight years, ITS is again in the Asia Pacific - a region with impressive growth in telecommunications since the early 1990s. On its tenth anniversary, the School of Business and Management of Hong Kong University of Science and Technology will host the 6th Asian Pacific Regional Conference of ITS from July 5th to 7th.

This event has strong support from the Office of Telecommunications Authority (OFTA) of Hong Kong, the Internet and Telecom Association of Hong Kong, as well as the newly established Center of E-commerce of Hong Kong University of Science and Technology.

The theme of this conference is "Information Infrastructure and Sustainable Development: Challenges to Government Policy and Corporate Strategies". This is taken in the context that sustainable development has increasingly become a critical issue facing both developing and developed countries.

The emerging information-based economy has raised the attention of policy-makers in almost all countries. To guarantee the sustainable development of the information infrastructure and henceforth the sustainable development of the society and economy, appropriate policy and strategy are extremely critical.

Although the Call for Papers deadline has passed, especially distinguished papers and presentations are still welcome, and might be fast-tracked in an edited book or special issues of related academic journals.

An electronic version of an abstract of 300-400 words with affiliation and details for correspondence should be submitted to Dr. Xu Yan or Dr. Karl Lang via [its2001@ust.hk](mailto:its2001@ust.hk) or via Department of Information and Systems Management, Hong Kong University of Science and Technology, Clearwater Bay, Kowloon, Hong Kong.

Various social programs are being organized, including a conference reception, a traditional dinner in a very fine and highly reputed local restaurant and a fantastic overview of Hong Kong from Victoria Peak.

You are warmly invited to join this conference in Hong Kong - an exciting city of which you will never tire.

For details of this conference, please visit <http://www.its2001.ust.hk> or browse through [www.itsworld.org](http://www.itsworld.org).

We are looking forward to seeing you in Hong Kong.



## ITS EXECUTIVE COMMITTEE

Interconnect  
5308 - 103A Ave.  
Edmonton, Alberta  
Canada, T6A 0W6  
Tel (780) 466-7227  
Fax (780) 466-7200  
email <cartel@planet.eon.net>  
Editors: Pete Desrochers  
Irene Bonifacio

Loretta Anania, Chair <Loretta.Anania@cec.eu.int>  
Erik Bohlin, Vice Chair <erbo@indorg.chalmers.se>  
Leland Schmidt, Treasurer <lschmidt@gte.net>  
Susan Simon, Secretary <ssimonesq@aol.com>  
Hidenori Fuke <fuke@icr.co.jp>  
Stanford Levin <slevin@siue.edu>  
Don Romaniuk <don.romaniuk@telus.com>

Editorial Board  
Don Romaniuk (Chair)  
Pete Desrochers  
Irene Bonifacio  
Stanford Levin  
Erik Bohlin

## Call For Papers

### ITS 14th Biennial Conference August 18-21, 2002 in Seoul, South Korea Hosted by Korea Telecom and SK Telecom, in collaboration with the Korea Association for Telecommunications Policies

Many seemingly prosperous dotcom companies no longer even exist. Competition sometimes creates more problems than it solves. Regulators are now working on new regulatory measures for fair competition. Globalization faces bitter protest by activist groups against Neo-liberalism. The digital divide poses a serious threat to the sustainable information society.

We know little of the turmoil we face. If we truly see this socio-economic confusion creeping up on us, the ideal of the new economy may have to be re-examined, as well as our own respective positions. The ITS 2002 Biennial Conference in Seoul will be a lively forum for sharing and discussing ideas on these conflicting issues in telecommunications technology, services, markets, and government regulations.

We are now inviting submissions on all topics. Suggested topics of interest include, but are not limited to, the following.

- *Regulation and Public Policy:* local competition, interconnection, unbundling

and resale, Internet access, universal service, competition and deregulation, privatization, etc.

- *Competition and Emerging Market Structure:* evolution of market structure, antitrust vs. sector regulation, new entrants and incumbent strategies, mobile market dynamics, etc.
- *Management and Business Strategy:* strategy for network planning, service success and failure analysis, global management decisions, knowledge management, etc.
- *International and Regional Issues:* global competition, global venture, global roaming, settlement issues, country studies, etc.
- *Services:* network and technology evolution, demand forecasting, mobile telecommunications services including 3G, on line journalism, health applications of telecommunications, etc.
- *Convergence, Technology and Innovation:* digital convergence, broadband access, wireless local loop, technology planning and forecasting, network architectures and standards, etc.
- *Internet and e-Business:* mobile

commerce, electronic cash, loyalty in e-business, web marketing, Internet advertisement, cyber banking, Internet business models, etc.

- *Globalization and Information Society:* sustainability of an information society, cyberspace and cultural change, informatics, digital divide, digital economy, cyber crime etc



Conference Chair  
Jae-Cheol Kim  
President of the KATP

Authors who wish to present original papers are invited to submit a 300-500 word abstract. Submissions should be received via <http://www.its2002.or.kr> no later than October 31, 2001. Authors will be informed of the committee's decision by the conference chair before December 31, 2001. Also, we are now soliciting session proposals for presentations at the conference. If you have any suggestions, please contact us at [oc@its2002.or.kr](mailto:oc@its2002.or.kr).

For details of this conference, please visit our official website at <http://www.its2002.or.kr>. If you have any other questions, please e-mail us at [sec@its2002.or.kr](mailto:sec@its2002.or.kr) or link through [www.itsworld.org](http://www.itsworld.org).

## Leading Edge

*Paper presented at the 11th European Regional Conference of the International Telecommunications Society, Lausanne, September 9-11, 2000*

*Employment Effects of the Liberalization of the German Telecommunications Market*

*Martin Distelkamp, Dieter Elixmann, Ulrike Schimmel, WIK, Bad Honnef, Germany*

The purpose of this paper is to estimate empirically the employment effects on the German economy resulting from the liberalization of the provision of telecommunications infrastructure and voice telephony that began in Germany in the mid-1990s. The paper provides quantitative estimates of the effects of liberalization on the German labor market, building upon a sectoral and disaggregated macro-economic forecasting model of the German economy. The time period covered in the model is 1995-2005.



The paper shows that the liberalization of German telecommunications had an unambiguously positive effect on overall German employment. In comparison to a "world without liberalization of the telecom market," the authors expect an additional 150,000 employees at the end of 2005 in the German economy as a result of telecommunications liberalization. Price competition and the increasing private demand for innovative telecommunications products and services will especially contribute to this increased employment. In contrast, though, the telecommunications sector itself will be negatively affected by liberalization in the long run. By 2005, the employment in telecommunications will have declined by 12,000 employees. The two main factors causing this decline in telecommunications employment are lower prices for telecommunications

services and greater efficiency in telecom-

munications resulting from increased investment in plant and equipment.

The overall model results are a consequence of the following aspects of liberalization.

- reduction of prices for telecommunications services
- changes in investment policies of incumbents and entrants
- changes in the consumption behavior of private households for telecommunications services and products
- changes in the prices of banking services due to the increasing use of on-line banking
- investments in plant and equipment to improve the use of new telecommunications services
- purchase of new capital inputs due to product innovations in the telecommunications sector

The paper is available from the authors at [www.wik.org](http://www.wik.org).