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Never-ending International Telecommunication Union Reform

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INTRODUCTION³

Throughout his long and distinguished career, William Melody had a number of dealings with inter-governmental organisations, like the International Telecommunication Union (ITU). Melody worked for the ITU on a number of occasions, especially in seminars and workshops in developing countries and in providing training to students from those countries. One particular contribution, for which the membership of the ITU is eternally grateful, came in the work of the high-level committee on ITU Reform that sat in the late 1980s and early 1990s. For the high-level committee, which was headed by another Canadian, Gaby Warren, Poul Hansen and Melody (1989) contributed an analysis of ‘The changing telecommunication environment’. The report was influential in shaping the future of the ITU. Indeed, the phrase ‘changing telecommunication environment’ entered the lexicon of the ITU. Even to this day, its use is *de rigueur* when drafting an ITU report or resolution.

The history of the ITU stretches back to 17 May 1865 and it would not be inaccurate to say that the process of reform began the very next day. Getting agreement on a direction and a programme for reform is hard, especially in an inter-governmental organisation with a diverse membership of different countries. It is harder for one like the ITU where, uniquely, the private sector works in partnership with member governments. There have been a number of key moments in reform, notably in times of international crisis, such as in the early 1930s, when different component parts were brought together, and just after World War Two, when the ITU joined the United Nations system. In the absence of such external stimuli, it is hard to get the membership to agree upon much at all beyond bland statements, and even harder to get them to implement change.

SIGNIFICANCE OF THE 1989 REFORMS

It is all the more remarkable therefore that the 1989 reform (which was partially enacted at the Plenipotentiary Conference in Nice that year, and completed at an additional Plenipotentiary Conference in Geneva in 1992) achieved so much. Certainly, the subsequent attempts, in 1994, 1998 and in the build-up to the Marrakesh Plenipotentiary in 2002, have been nowhere near as radical or successful.

The main achievement of 1989, to which Melody contributed greatly, was to create a three-sector structure of the ITU: the ITU-T (Telecommunication Standardisation) sector took over from the former CCITT; the ITU-R (Radiocommunication) sector combining the CCIR and the International Frequency Regulation Board (IFRB); and a new ITU-D (Development) sector was created, giving the policy work on telecom development and, latterly, regulatory reform, the same status as the technical work of the other sectors.

The 1989 reform also tidied up some of the internal management of the ITU, which had become dominated by the five permanent members of the IFRB. With the new structure, each of the Directors of the Bureaux of the Sectors had one voice alongside the Secretary-General and the Deputy Secretary-General on the Coordination Committee of the ITU. The IFRB was converted into the Radio Regulations Board and separated from the management of the Union. Eventually, the full-time members became part-time members, though their number continues to be debated at every subsequent plenipotentiary conference.

To an outsider, these changes may appear cosmetic, but they marked the end of an era. Like much of the United Nations system during the Cold War, the ITU had become paralysed by the superpowers. Control of the radio frequency spectrum and of satellite orbital slots had many implications for defence, as well as for broadcasting and telecom. The superpowers used the IFRB to play out the different battles they were carrying out by proxy in their satellite states around the world. Views became polarised and the ITU itself was reduced to the status of a dumb secretariat, translating and photocopying the various bargaining positions. The international treaty that governs the use of the international frequency resource, the Radio Regulations, had become so full of footnotes and caveats that only a handful of people around the world could interpret it. They used this power to block anything they did not like.

One would expect that control of the ITU by the radio mafia would have been good for the radiocommunication industry. In fact, this was not really the case. New developments, such as the spread of privately owned satellite operators or the use of auctions to allocate spectrum, were fiercely contested. When the Europeans wanted to develop a common standard for digital mobile communication, they did not come to the ITU to draft the standards that make up GSM. It was during this period that the ITU lost much of its power on radio issues for the simple reason that the interesting, commercial developments were too threatening to the dominant state interests.

AN OUTSIDER'S ROLE IN INSTITUTIONAL CHANGE

What was Melody's role in the reform? Having worked with regulatory agencies around the world, from both the inside and the outside, Melody was familiar with the concept of regulatory capture. Although it usually takes place for commercial reasons, the techniques of regulatory capture for strategic and political reasons are just as easy to spot for someone with a trained eye. Melody was able to expose the true nature of the ITU at that time. He also had the persistence to press on where mere mortals would have become discouraged. He pushed the ITU to take an interest in policy, regulatory and market issues rather than in the purely technical work it had traditionally done and which remained one of the few areas where it could still make progress.

Melody's encyclopaedic knowledge of the industry, and his unique gift for interpreting and predicting trends, enabled him to alert ITU Members to the imminent changes facing the sector, notably in the form of privatisation and market liberalisation. Although, with the benefit of hindsight, such changes seem obvious and necessary, this was far from being the case in 1989. By drawing upon his experience in Canada and the United States, Melody was able to demonstrate the inevitability of change. Moreover, he was able to link the two aspects of market change and institutional change together.

RESULTS OF THE REFORMS

How do things stand, more than a decade later? The ITU's policy work is now on a firm footing, especially in the areas of sector reform and the collection and analysis of telecom indicators. The Standardisation Sector is now free to develop new ways of working in which the private sector plays the leading role; something which would have been impossible before 1989. Even the Radio Sector, under the energetic leadership of another Canadian, Robert Jones, has rediscovered its vitality in areas like 3G mobile communication and mobile satellite services. The ITU-R is now leading the way in terms of introducing cost recovery and rational operational planning – again something which would not have been possible before 1989 when the secretariat was held in such mistrust.

Progress is being made, but it is mainly in the corporate culture of the ITU, rather than in structural reform. Arguably, cultural change is itself part of the liberating experience of the 1989 reforms. But new challenges are on the horizon, notably the need to fully separate out regulatory and operational functions. This has been successfully achieved in most ITU Member States but not yet in the ITU itself, where the operators debate and decide upon regulatory issues like numbering policy, while Member States debate the minutiae of technical interface standards.

Perhaps Melody's biggest strength is that, when he speaks, people listen. Compelling arguments backed up by anecdotes and, where necessary, biting satire, reinforce the point. Of course, it would be inaccurate to give the impression that Melody was some kind of superman, single-handedly achieving change. Reform was a process that involved many gifted individuals. But Melody's leadership characteristics and his ability to say what needs saying were pivotal. It is a shame that there is no one with his stature among those assisting the ITU in its current reform process.