

On the face of things, the proposed Spectrum Bill and the Spectrum Management Commission it recommends to govern the management, pricing and allocation of spectrum is an idea long overdue. And, given how the government has gone to town with its zero-loss theory and how low-pricing of spectrum is essential for low-priced telecom services, it suggests the government is getting around to the view that market-pricing and allocation is the best way to go. Two, an independent Spectrum Management Commission suggests the government is agreeable to a solution which keeps it out of the day-to-day management of the sector.

What's worrying, however, is the impact of this move. In the telecom sector, it means a plethora of regulatory/supervisory bodies, each of which will probably be stepping on each other's toes. So there's a telecom regulator, a wireless planning cell and the proposed Spectrum Management Commission, apart from of course the telecom ministry itself. Pretty much the same will happen in other sectors where the Ashok Chawla committee had recommended auctions as the best policy—basically sectors like mining where scarce natural resources are concerned. That's a lot of jobs for the boys—the Spectrum Management Commission has to have 10 members!—but why not just tag on this job to the current regulator which, in the case of telecom, is Trai? After all, if the spectrum is to be auctioned, what's really there to manage on a full-time basis? Any firm that has paid good money for spectrum will ensure it manages it well, won't it? The fact that a separate commission is being considered for management suggests some part of the old control mindset. More important, much of this is redundant under the new plan the Prime Minister outlined the other day, of empowered regulators who would take over the licensing/monitoring function from the ministry and would report directly to Parliament. Or is that being reconsidered?