

Political, Policy, and Business Issues in IXes

LACNIX / Isla Margarita

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The 'Punch Line'

- Cost of International Fiber
- Cost of Local Circuits
- Control by Local or Colonial Monopoly PTT
- Regulation and Market Control
- Otherwise, it's Just Business

Why is Traffic Local?

- Language
 - Japan high locality
 - ALyC is one 'country' in this sense
- Content, Content, and Content
- Societal/Political/Business Necessity
 - Customs clearing in Kenya

Why all the Experts Wearing Suits?

- People trying to 'encourage' IXes are well meaning
- Is there need for regulation or marketing support in network-rich environments?
- If it is good for the networks, it will happen naturally

One Exception

- ISPs in Monopoly Positions (e.g. PTT) can damage other players by refusing to play
- So Regulation that any ISP (with international) links must peer at the IX may be helpful

Where are the IXes?

- IXes in ALyC since 1996 (Panama)
- Which countries in South America do not have IXes today?
- Why do they hard?
 - Lack of perception of business case?
 - Lack of regulatory incentive?
 - Lack of ISP cooperation?
 - Cost of Access and/or Equipment (upgrade routing of whole network)

How Helpful on an Island?

- What are the real financial impacts in the Caribbean?
- Is the benefit as high when there is (often) smaller local population?
- How much are wire costs higher due to Monopoly and Colonial legacy?
- Do the neo-colonialists exploit the international IX marketing effort to gain leverage in the small markets?

Local Policy Issues

- May hosting services use IX, or only transit providers?
- Does the IX provide colocation?
- Multi-site IX?
- Multi-city IX?
- Do these compete with ISPs?
- Do International providers exchange only local prefixes, or all?

The Bottom Line

- It's Just Business and Regulation
- Cost of Intl Fiber and IP Transit
- Cost of Getting to IX
- Cost of Supporting Monopoly PTTs
- Capital Costs - bloodsucking vendors 😊
- Cost of Clueful Engineering
- Perception of Income Gain for providing better performance
- Perception of Cost Savings