

## **The Social Embeddedness of Transnational Markets**

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### **Abstract 6**

Olga Batura

#### **Commodification of universal telecommunications service in the liberalisation framework of the WTO and the EC**

In the course of the most 20<sup>th</sup> century telecommunications services were not considered tradable and there were no international markets for them. The 1980s saw liberalisation efforts at all levels what in Polanyian terms meant that a disembedding process was in place and telecommunications services were commodified.

However, the commodification of telecommunications services was not complete as some of them – called universal telecommunications services – still enjoy special treatment under liberalisation frameworks of the WTO and the EC. The concept of universal telecommunications service in its today's form emerged in the time of monopolistic markets. The social adjustment of universal service served as a reservation for the states to protect their national markets from foreign newcomers. The developing countries adopted the universal service concept as they realised the possibility to protect their markets under WTO framework. In the EC, where creation of the Single European market was aspired, one tried to preserve national monopolies using universal service argumentation.

While analysing the attempts to keep telecommunications services socially embedded by the regulatory frameworks of the EC and the WTO, the paper argues that gradual commodification of all kinds of telecommunications services will not contradict, but on the contrary, contribute to the achievement of social objectives.