

**STATEMENT OF COMMISSIONER**  
**MICHAEL J. COPPS**

October 8, 2003

*RE: Global Crossing Ltd. (Debtor-in-Possession), Transferor, and, GC Acquisition Limited, Transferee, Application for Consent to Transfer Control of Submarine Cable Landing Licenses, International and Domestic Section 214 Authorizations, and Common Carrier and Non-Common Carrier Radio Licenses, and Petition for Declaratory Ruling Pursuant to Section 310(b)(4) of the Communications Act.*

Today the FCC grants control of an important U.S. telecommunications license to a company controlled by a foreign government. The Commission professes its faith in free market forces and competition in the telecommunications market. Yet, at the same time, it allows a company controlled by a foreign government, which also controls the dominant provider in Singapore, to compete with American private sector companies that must react to market forces. In addition, it allows other foreign government controlled companies, presumably including Hutchison Whampoa, to acquire up to an additional 25% of the company, at any time in the future, without any FCC review. How can this serve the public interest?

So Global Crossing will now be acquired by a company called ST Telemedia. This company, through a complicated set of holding companies, is wholly owned by the government of Singapore. I have no problem with reasonable foreign ownership of U.S. telecommunications companies. But there is a fundamental difference between companies that operate in a free market and state-run industries that may act counter to free market forces. I believe that the public interest is served by continuation of the global trend toward telecommunications industry privatization. Privatization brings choices for consumers, competition for providers, and incentives for technology development. Approval of this transaction flies in the face of the historic transition to privatization that has done so much to transform global business in recent years.