

**REMARKS OF FCC CHAIRMAN AJIT PAI
AT THE U.S. – INDIA BUSINESS COUNCIL**

WASHINGTON, DC

MARCH 29, 2017

Good morning! Thank you for inviting me here today. And for those of you who are celebrating, happy Ugadi or Gudi Padwa! It does make me wish that we could mark the occasion with what we Konkanis call ubbati, or what you might call puran poli or holige. (Nothing against Western breakfasts, but it's hard to beat a chapati stuffed with sugar and soaked in ghee.) I'll have to settle for my low-fat coffee, I suppose.

At any rate, it's an honor to be here. Thank you to the U.S.-India Business Council, and in particular its distinguished president, Dr. Mukesh Aghi, for the invitation and for your friendship. In a way, it mirrors the warm relationship that I see, and foresee, between the United States and India.

In recent years, it has become fashionable to say that the partnership between the United States and India will be the defining one of the 21st century. This is hardly surprising when you consider that it involves the world's oldest democracy and its largest, as well as the world's largest economy and one of the fastest-growing.

Just look at the two most important issues our nations face: our economy and our security. On these matters, among others, our strategic interests are closely aligned. Accordingly, our governments and industries have been working closely together to promote mutual growth and prosperity.

Today, we have more than \$110 billion in bilateral trade between our two nations, more than triple the figure from a decade ago. And I know that the U.S.-India Business Council and its 350-plus member companies have been instrumental in building the momentum that will lead to even greater expansion of job-creating commerce between the United States and India in the years ahead.

Our countries have also worked closely together to promote stability and security in the Indo-Pacific region, with the Indian military conducting more joint exercises with the U.S. than with any other nation. Additionally, we have collaborated extensively to combat terrorism and emerging cyber threats.

And from an individual perspective, Americans and Indians share core values: a desire for freedom borne of a struggle for independence; pluralism; community and family; entrepreneurship; and a strong work ethic.

We are two peoples as close in spirit as we are separated by geography.

On this topic, I speak from experience. My mother grew up in Bangalore, and my father was raised in Hyderabad. In 1971, they came to the United States with just a radio and ten dollars in their pockets. Like so many immigrants, they sacrificed to give me opportunities not available to them as children. And it was my grandparents who instilled in them the value of hard work and the vision to dream big. Forty-six years after my parents' journey from India, here I am, the grandson of a spare auto parts salesman and a file clerk, tapped by the President of the United States to be the nation's chief communications regulator.

In this Administration, my story is not unique. One daughter of Indian immigrants, Nikki Haley, is now the U.S. Ambassador to the United Nations—in many ways, our envoy to the world. And another, Seema Verma, is now the Administrator of the Centers for Medicare and Medicaid Services, running our nation's largest health care programs.

Many hear these stories as quintessential tales of the Indian spirit. To others, they are the American Dream manifest. I would say that they're both right.

Looking ahead, I'm optimistic about the future of our countries. A big reason why is the forward-looking approach that both are taking when it comes to technology and innovation.

As the country that invented the Internet and that's home to the world's most powerful and popular technology companies, the United States is an indispensable driver and beneficiary of the digital revolution. And it is worth noting that many Indians and Indian-Americans are playing a prominent role in our high-tech success story. Multiple American technology companies now feature Indian or Indian-American CEOs, and nearly one in four Silicon Valley startups is founded by an Indian or Indian-American.

Under the leadership of Prime Minister Modi, India too is embracing the digital revolution. In a September 2015 speech in Silicon Valley, he discussed his signature "Digital India" initiative. He described it as "an enterprise for India's transformation on a scale that is, perhaps, unmatched in human history. Not just to touch the lives of the weakest, farthest and the poorest citizen of India, but change the way our nation will live and work." As USIBC Chairman John Chambers, who has spoken eloquently about the power of digital technology to transform a country, has said, "No leader in the world understands this more than Prime Minister Modi."

As part of Digital India, the country has launched efforts to deploy fiber backbone to 600,000 Indian villages, to dramatically expand public Wi-Fi hotspots in urban areas, and to connect every school and college with broadband.

Digital India is creating opportunities not just for Indian consumers, but also for U.S. businesses. Google (led, incidentally, by an Indian-American from Chennai) hopes to deploy WiFi hotspots at more than 500 train stations. And one of the goals of Digital India is to build more than 100 smart cities, with smart transportation systems and more efficient energy grids. U.S. firms like Cisco, IBM, and GE are helping to design and deploy these systems.

A key part of this digital future is entrepreneurship. During his June 2016 remarks to this organization, Prime Minister Modi observed, "[India] needs to learn much from America's tradition of entrepreneurship and innovation." I've had a chance to see this risk-taking spirit for myself. Not long ago, I visited technology startups in Bengaluru and Mumbai, one of which had just been acquired by Facebook. And I was inspired to witness poor women, eager to start businesses, getting their first microloans from Grameen Koota. It's clear that Indian innovators of all kinds are following up on the Prime Minister's message.

Of course, America's example is no substitute for engagement. I'm therefore pleased to report that I have already begun working directly with my Indian counterpart. On my first international trip as Chairman to the Mobile World Congress in Barcelona last month, I met with R.S. Sharma, Chairman of the Telecom Regulatory Authority of India. I had the great pleasure of getting to know Chairman Sharma through meetings in Washington and Hong Kong in 2015, and am privileged to call him a friend.

In Barcelona, we signed a Letter of Intent between our two agencies and our governments. This agreement establishes a cooperative framework for exchanging ideas on topics of shared interest, such as accelerating broadband deployment and spectrum policy. And it envisions sharing best practices on these issues through bilateral workshops and digital videoconferences. I'm hopeful that this joint effort will help promote digital opportunity for the people of both nations.

More generally, I'm impressed by Chairman Sharma's vision for modernizing India's telecom sector. One part of that vision is TRAI's recent consultation on promoting the "ease of doing telecom business in India." TRAI seeks to simplify telecom licensing and adopt market-based spectrum management. It also recommends the removal of regulatory and commercial constraints that hinder the growth of ubiquitous public Wi-Fi in India. These are good examples of how light touch, pro-competitive policies can promote business opportunities and further innovation, and I'll be watching them closely.

I'd like to spend the remainder of my remarks outlining the FCC's approach to infrastructure investment and broadband deployment, much of which will be relevant to India.

For starters, our philosophy and policies are very much in line with Digital India. Like Prime Minister Modi, we don't see the state of our digital infrastructure as a simple telecommunications issue. It is an economic issue, a jobs issue, a competitiveness issues, an education issue, and a healthcare issue.

Accordingly, we are committed to the principle of online opportunity for all. Every American who wants to participate in our digital economy should be able to do so. We can't allow technological innovation and the benefits that flow from it to be confined to the areas identified as hotbeds of innovation—in the U.S., the Silicon Valleys, Silicon Alleys, and Route 128s.

Just last week, I traveled through our country's industrial heartland: Pittsburgh, Youngstown, Cleveland, and Detroit. I also stopped along the way in some smaller towns like Zelienople, Pennsylvania. Now, many Americans associate these places with our fading past, not our digital future. But at every stop, I met people with big ambitions who need broadband connectivity to achieve them.

That's why I've said our top priority so long as I serve as Chairman of the FCC is to close what I've called the digital divide—the gap between those with access to next-generation technologies and those without. We will work bring the benefits of the digital age to all Americans, no matter who they are or where they live.

How do we do that?

We believe the most powerful tool for unleashing investment and innovation is a competitive free market—and are thus focused on rules that promote it.

That's why—consistent with decades of bipartisan tradition—we are pursuing a light-touch regulatory approach. This approach suggests that the Internet should be free from heavy-handed government regulation. It seeks to eliminate unnecessary barriers to infrastructure investment that could stifle broadband deployment. It aims to minimize regulatory uncertainty, which can deter long-term investment decisions. It favors facilities-based competition—that is, creating an incentive to build one's own network instead of relying on another's (which depresses the deployment incentives of each). It encourages competition among companies using any technology and from any sector—cable, telco, fixed wireless, mobile, and satellite. It embraces regulatory humility, knowing that this marketplace is dynamic and that preemptive regulation may have serious unintended consequences. And it places demands on the FCC itself—to be responsive to the public and to act as quickly as the industry it regulates. This regulatory approach, not the command-and-control rules of the 20th century, is most likely to promote digital infrastructure and opportunity.

Aside from the substance of our regulations, the process reforms I've pushed are matters I thought you might be interested in. The USIBC identified as its number-one advocacy issue for 2017 the need for increased transparency and predictability in the regulatory process. And consistent with that goal, I'm working to make the FCC more open and transparent to the American people.

Here's just one example. The FCC is required by law to have a public meeting at least once a month. At those meetings, it votes on various proposals and orders suggested by the Chairman. Now, when a U.S. Senator or Representative introduces a bill, that legislation is soon thereafter made available to the general public. Before any debate begins about the bill, anyone, anywhere can read it. But that's not how things used to work at the FCC. The text of documents that the FCC voted on at its monthly meetings would be sent to Commissioners at least three weeks before the vote, but it wasn't released publicly until *after* the vote took place. This was the very opposite of transparency.

For years, I was told that this couldn't or shouldn't change. But in just my second week as Chairman, I changed it. We now make these proposals publicly available on the Internet three weeks before FCC meetings. We have received overwhelmingly positive feedback on this change. Before, only

high-priced lawyers and lobbyists in Washington with connections could figure out what the FCC was proposing to do. Now, anyone in America can see—for free. As we move forward, we'll continue to look for ways to increase transparency and make the FCC an agency of the people, by the people, and for the people.

In closing, not every policy that we pursue in the United States will necessarily make sense for India or any other country. Each nation must forge its own path based on its own unique characteristics. But I do believe that the United States and India share certain key principles when it comes to communications regulation. Most importantly, we want all our citizens to enjoy digital opportunity.

I look forward to continuing a healthy dialogue with my counterparts in India and with the USIBC on how we can establish a regulatory framework that will achieve that goal. If we do that, we can empower future generations with the ancient spirit of Ugadi—which, as you might recall, is a combination of the Sanskrit words “yuga” and “adi,” or “the beginning of a new age.”