

**REMARKS OF FCC CHAIRMAN AJIT PAI
TO THE INTERNATIONAL REGULATORS' FORUM 2020**

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Thank you to the International Institute of Communications and the Canadian Radio-television and Telecommunications Commission for inviting me to speak with you. Special thanks to our Canadian hosts for organizing this discussion. I know the online forum can be disorienting, but Dallas and Tampa Bay just played the Stanley Cup finals in Edmonton, so it could be worse. (I'm sorry, Ian!)

We've been asked to talk today about consumer protection in a market economy. When we think about how best to promote the public interest, regulators should avoid the trap of viewing consumer welfare and the private sector as being inherently at odds with one another. After all, it is good for consumers when the private sector invests, innovates, and competes. That's why we should encourage industry to do just that by embracing a light touch, market-based approach to regulation.

Our experience with the coronavirus in the United States offers a great example of what I'm talking about.

At the onset of the pandemic, it quickly became clear that social distancing was going to force huge segments of our economy and daily lives to move online, and that massive temporary job furloughs would put millions of Americans at risk of missing bill payments and having their Internet and telephone services cut off.

So we decided that our top priority was to make sure that as many Americans as possible would have Internet access and that that no American should lose service because of the disruptions caused by the COVID-19 pandemic.

Now, if you embrace command-and-control regulation, your first instinct would be to look for any lever you could find to compel private companies to carry out the government's goals. But at the FCC, we chose a different and more effective path.

Specifically, in mid-March we called on broadband and telephone service providers to sign onto what we called our Keep Americans Connected pledge. The pledge had three core commitments: no consumer would lose service over the next 60 days due to an inability to pay a bill because of the disruptions associated with the pandemic; no one would be charged late fees because of the pandemic; and Wi-Fi hotspots would be opened up to anyone who needed them. Ultimately, almost 800 companies agreed to pledge.

We also urged providers to go above and beyond the pledge, to do whatever they could to help Americans stay connected and expand connectivity. And many have. They've upgraded speeds at no charge, expanded low-cost programs, offered free service to low-income families and students, and donated connectivity to healthcare workers and facilities.

In other words: these private companies acted in the public interest. Why is that?

I think the biggest factor is that these decisions are made by people. And in trying times, most people want to do the right thing, not just for their company and customers, but for their fellow citizens and for their country.

But I also think that the market creates powerful incentives for companies to do the right thing in times of national crisis. If your company doesn't step up for you, or even worse, engages in bad behavior, you'll be much more likely to turn to the competition in the weeks, months, or years ahead.

To me, it's clear that working collaboratively with industry rather than solely relying on mandates resulted in more consumer-friendly policies than we would have achieved with more heavy-handed government intervention, and I certainly know that we were able to take these steps more quickly.

Of course, my belief that unleashing private investment and innovation is the best strategy for promoting the public interest long pre-dates the pandemic.

In fact, I would argue that the light-touch regulatory approach that we have applied to the broadband marketplace gave us much stronger infrastructure to handle the pandemic in the first place. In 2018 and then again in 2019, the United States set records for annual fiber deployment. And the number of new cell sites in the United States has skyrocketed. We added fewer than 7,000 cell sites from 2012 to 2016, but added over 87,000 from 2016 to 2019, with an increase of over 46,000 in 2019 alone. This infrastructure investment helped produce resilient, robust networks that could withstand unprecedented traffic, with consumers as the ultimate beneficiaries.

These positive results serve as a useful reminder about what regulators forego with a more heavy-handed approach. Remember: Risks don't have to be taken. Capital doesn't have to be spent. Work crews don't have to be active. And the more difficult government makes the business case for deployment, the less likely it is that broadband providers, big and small, will invest the many billions of dollars needed to connect consumers.

So when it comes to harnessing the power of private markets to promote the public interest, I humbly would suggest a few principles that I believe regulators should follow.

First: When dealing with new technologies, government should embrace regulatory humility. History tells us that emerging technologies will evolve in ways that people don't anticipate. This makes it foolish and counterproductive for government to micromanage—or more accurately, try to micromanage—their future.

Regulatory humility also means that government shouldn't pick winners and losers in the marketplace. The best way to maximize the benefits of new technologies is to promote a competitive marketplace and let market forces work.

Second: Government should facilitate, not frustrate, innovation and investment. Regulators should review the rules on the books and identify regulations that no longer make sense and need to be revised or repealed altogether. The government should be as nimble as the industry we oversee. That's easier to say than to achieve, but it must be the goal.

Third: When it comes to spectrum, we should recognize the historic results when we have made more airwaves available for flexible use and make more of them available for entrepreneurs and innovators to build upon. I would add that we should make more spectrum available for both licensed and unlicensed use.

The fourth and final principle I would highlight is that healthy respect for the free market doesn't mean that government should just get out of the way and do nothing. There are several areas in which we have an important role. Among other things, we have an obligation to promote public safety. And we must make sure that modern communications are accessible to all. For example, if the economics for private network investment don't work in certain sparsely populated areas, then government should step in to help connect places that otherwise would be on the wrong side of the digital divide.

Here's my bottom line. I believe history has shown us, without a doubt, that a competitive free market is the most powerful force we have for driving technological innovation and producing value for consumers. The public interest is best served when the private sector has the incentives and freedom to invest and create. Instead of imposing heavy-handed regulation, government should get rid of unnecessary barriers that can stifle new technologies and services.

Thank you, and I look forward to today's discussion!