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For Immediate Release

**FCC CHAIRMAN PAI CONGRATULATES WINNERS OF
THE 2020 NOBEL PRIZE IN ECONOMICS**

***World-Leading Research Responsible for Huge Success of U.S. Spectrum Auctions
Bringing Ubiquitous Mobile Connectivity to Hundreds of Millions of Americans***

WASHINGTON, October 13, 2020—Federal Communications Commission Chairman Ajit Pai today congratulated the winners of the 2020 Nobel Prize in Economic Sciences, Paul Milgrom and Robert Wilson. Their work has made possible the extraordinary success of U.S. radiofrequency spectrum auctions, which have generated over \$100 billion for the U.S. Treasury and brought reliable, high-speed digital connectivity to hundreds of millions of Americans.

“Thanks to the brilliance of these extraordinarily talented economists, the United States has seen enormous benefits to society from the development of successful spectrum auctions,” Chairman Pai said. “It’s a proud moment for the FCC, which managed the first auction of radio frequencies based on the design that Professors Milgrom and Wilson developed. Building on their advances and over two decades of experience, the Commission since January 2017 has held four auctions of spectrum for 5G services and made available over five gigahertz of spectrum for commercial use through these increasingly complex auctions. Our nation owes a great debt of gratitude to these outstanding researchers.”

“The FCC could not have implemented the Nobel Prize-winning work by Milgrom and Wilson for the last quarter century without significant contributions from the agency’s economists, attorneys, project managers, and other talented staff,” Chairman Pai continued. “In particular, since before the agency’s first spectrum auction and continuing until today, Evan Kwerel has played a critical role as an economist who has linked the most innovative auction theory with the practical needs of the FCC. He wrote a white paper in 1985 that served as a blueprint for the first spectrum auctions and co-wrote another white paper in 2002 that outlined what became the broadcast incentive auction. Similarly, each and every member of the agency’s Auctions Division, under the leadership of Margaret Wiener for most of the last two decades, deserves recognition for their work conducting spectrum auctions that have brought billions of dollars into the U.S. Treasury and countless benefits to wireless users across the country.”

The Nobel committee [recognized](#) Milgrom and Wilson for their fundamental advances in auction theory and design including “new and better auction formats for complex situations in which existing formats cannot be used.” The committee noted that their “best-known contribution is the auction they designed” for the FCC that enabled bidding in simultaneous multiple rounds, which the FCC began using in 1994 to auction portions of the U.S. spectrum for commercial development. This design has since been used to auction spectrum all over the world.

Milgrom led the team that advised the FCC on the design of the broadcast incentive auction, which concluded in 2017. That auction reallocated 84 megahertz of television broadcast spectrum nationwide to meet the growing demand for mobile broadband services. In previous spectrum reallocations, the FCC determined the amount of spectrum to be reallocated administratively—that is prior to the auction. In the broadcast incentive auction, by contrast, the amount of spectrum repurposed was determined in a two-sided auction that matched the supply from television broadcasters with the demand by wireless carriers.

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*This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).*