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Remarks
at the

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It is a great pleasure and honor to have an opportunity, in my first year chairing the United States Federal Communications Commission, to join all of you at the second annual Global Symposium for Regulators. I think there is no better forum to be a participant in than this one – to be with my colleagues from around the world who are struggling with similar problems and challenges as I am. And it gives me an opportunity to interact with each of you as we develop work goals and practical solutions.

I want to personally compliment Mr. Toure for his untiring efforts to continue to drive this organization and for his efforts to provide the opportunity for each of us to spend time together.

Unique Circumstances but Common challenges

We each have different systems; at times we each have different priorities. But in many ways we wrestle with the same problems in each of our countries, as we attempt to affirm the welfare of our citizens through telecommunications development.

Though we are all unique, we struggle with three common challenges.

First, trying to continue or develop a solid and reliable telephone infrastructure.

Second, being called upon to try to be sure that the infrastructure is competitive; and

Third, finding ways to introduce new and advanced technology, broadband services and Internet services.

It is very difficult to juggle these challenges. And indeed all of us face the pressure, political or otherwise, to deliver results in our countries knowing that if we do well we may not receive the accolades, but that if we do poorly we'll be the first to be criticized. I

wanted to take this opportunity to talk with you about that third challenge: the technology challenge we all struggle with to bring advanced broadband services to our nations. I thought I would share with you the way we have begun to wrestle and conceptualize this challenge in the United States.

The Challenge of Broadband

Let me begin by talking about what broadband is. One would think that there was a uniform understanding of what this technology is that we are trying so aggressively to provide. First and foremost it's important to recognize that this service is unique; it is not a simple extension of the telephone system, nor is it simply a new version of wireless services. It is actually a fusion -- a coming together of three very central components.

The first we are very familiar with -- communications technology and communications power.

The second we are becoming increasingly familiar with -- computer power. And lastly, content. Broadband can best be seen as the coming together or fusion of these three things. If any one of them fails to materialize effectively, then the promise -- the digital opportunity afforded by broadband -- will not arise. In the United States, we struggle with how to conceptualize this new service.

Another important attribute of broadband technology is its power as a platform for innovation. With regard to the telephone system, we all understood and still understand what the key applications are: simply to communicate through our voices. The broadband platform is unique in this regard because there are many potential applications. And, more importantly, the innovation and development of them will come not just from governments, not just from institutions, but from individual citizens who can take advantage of this infrastructure -- and its power to innovate -- and can create applications and services with their fellow countrymen. Domestic regulatory regimes are not accustomed to a platform that has to constantly experiment and evolve in its efforts to find the key applications for consumers.

U.S. Principles for Broadband Development

In the United States we have begun to try to figure out and conceptualize the parameters and principles of government policy for broadband services.

First and foremost, we recognize that broadband deployment is an economic development issue. It is not simply a utility problem for regulatory authorities to consider. For it will

demand and require the effort of the entire government and all of our creativity in order to develop an environment in which this new service can flourish. We know that it has to be a system that can attract private investment in order to deploy these new and advanced infrastructures.

As telecommunications regulators, we do not control all of the pieces required for successful broadband deployment. But without all of the pieces we will not have broadband. Therefore, the key, as we see it as regulators in the United States both at the federal level and the state level, is to conceive of ourselves as ambassadors for broadband. And in this role we must do more than wrestle only with the problems that exist in the regulatory authorities, we must be a spokesperson with the legislature, and an advocate with the president and the ministers responsible for related areas such as finance and trade. We must help these political players see the importance of the economic development that will stem from this new service.

Secondly, we have made a commitment that broadband must exist on as many platforms as possible. We believe it is incorrect to conceive of broadband as a telephone infrastructure, or cable modem infrastructure, or a wireless infrastructure, or a satellite infrastructure. It is and must be all of these things, and we hope to develop policies that are neutral as to each of them, and to promote each of them.

Why is this important? First of all, it allows multiple solutions for different parts of a given country. There is a very different challenge in the rural parts of our nations for broadband than there is in the urban centers of our nations. Satellite unquestionably will be the most important and viable broadband platform in the rural parts of our countries. In more dense populations and urban centers wireline solutions will be more valuable. And wireless networks will play a critical part. If we don't have an environment that fosters and develops each of these platforms, we run the risk that major parts of our populations will remain unserved or underserved.

Multiple platforms are also important because they promote competition in distribution. For many, many years we have regulated a monopoly infrastructure in which a single institutional player or small number of players controlled assets to users. The more platforms there are, the more competitive choices there will be for distribution and the less need there will be for heavy and onerous regulation.

Finally multiple platforms are important because we do not know where this technology ride ends. We need to make sure we have an environment that allows for constant change and migration as these new technologies evolve.

The third area in which we are dedicating government energy is the promotion of partnerships between communities and the government in order to aggregate demand for these new services. We all understand that infrastructure does not get built unless there are markets and users prepared to operate on them. Not only is government a central customer to produce demand for the infrastructure itself, but in the United States we have begun to form partnerships, or promote partnerships in communities so they can collect their resources and create the demand that will allow those services to be brought to their communities.

Finally, and very importantly, we recognize that we must facilitate content availability over the infrastructure. Our citizens do not buy network lines. They do not buy satellite dishes. They buy what is delivered to them over those infrastructures. That content will not materialize for broadband if our laws are too onerous. In the United States we struggle with copyright – and to what degree it is an impediment to content provision. The result of this struggle will be a critical and third piece to broadband.

How should it be regulated? In our view, the broadband environment should be one of minimal regulation. The reasons are simple. First of all, as I mentioned earlier, we recognize that broadband is a new and unique service. We do not accept automatically that the assumptions of our regulatory choices in the telephone or telecommunications arena automatically apply to this new service. We fear that we run the risk of making mistakes by assuming characteristics from the past that are not necessarily true with regard to the future.

We also recognize that we are trying to build an infrastructure as opposed to regulating a mature infrastructure. Thus, we need a regulatory environment that provides the incentives necessary to deploy new services on the part of the private sector. The more onerous the regulatory environment, the costs of deployment become higher and riskier and more difficult.

And most importantly, we believe in a minimally regulated environment because the services have yet to take shape. We don't know what it is that our consumers are waiting to do with this new broadband infrastructure, and we are fearful of intervening prematurely

in a way that frustrates experimentation and creativity on that platform. Perhaps one of the most notorious examples is IP telephony. In the United States we have yet to choose to regulate IP telephony and are confident of that decision. We do not assume it is simply a new form of an old friend. Indeed, what is IP telephony? Certainly, at its most basic it is a replication of existing communications.

But remember that it need not be. While with telephone service I may speak to my friend and have my voice come out the other end, IP telephony offers the promise that I may speak in English and my voice will come out in French. Or, I speak about a news event and data associated with those events will be delivered at the same time. It is a mistake, I believe, to see IP telephony in only its most basic form. The real possibility of IP telephony is that it rides as an application on other data networks. We believe that there is much to be learned from our example in this regard, and are happy to be engaged with many countries as they struggle with the question of how to treat this new service.

Finally, we all have the challenge that we must act on universal service. We are committed to ensuring that all Americans in our nation have access to the new technologies, and at affordable rates. But we also recognize that the old solutions of direct subsidies or other forms of service may not be the best way to do it. We are committed to the goals of universal service but we continue to be open-minded as to the solutions and approaches to achieve it.

In conclusion, broadband and digital technologies are great inventions that hold out great promise for our economies and for the lives and welfare of our citizens. But only if we give these technologies an environment that is nurturing and will allow them to blossom and develop into the great platform that we envision. If a third of us in this room get that right, we will have presented a digital opportunity for our citizens that would be unparalleled in world history. I look forward to working with you as a friend and colleague as we attempt to work through that challenge. Thank you very much.