IGF-USA 2015 Keynote "Connecting the World"

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VERBATIM TRANSCRIPT

(Applause)

>> CATHERINE NOVELLI: Well, thanks very much for that kind introduction. And I have to say I know it is the end of a long day. I hear it was a very productive day. And I'm really grateful to the IGF USA steering group, for both planning this event as well as George Washington University for hosting it, and also to all of you the multistakeholder community who are here today, because it's your energy, your dedication, your vigilance that's really critical to ensuring that the Internet remains vibrant and open.

And so, you know, we are very excited about the IGF that's going to be happening in Brazil. And over the last few years we've seen the IGF grow in stature, in participants, in diversity, and substance, and this is a very positive development, and we want to make sure it continues and it continues on the trajectory that it is on. Because the IGF has really demonstrated that it is the preeminent venue for the multistakeholder community to share opinions, ideas, and solutions to problems regarding the range of Internet governance issues. And so, you know, we believe very strongly and I believe personally that the continuation of the IGF and its growth are essential to the future of the Internet.

Here's some statistics that I think are amazing about how the Internet has grown since the IGF started. So since the first IGF ten years ago the number of Internet users has increased from 1 billion to 3 billion. Mobile phone subscriptions have increased from 40% of the world's population in 2005 to over 90% today, and that includes over 4 billion subscriptions in developing countries. And, the Internet's economic benefits are increasingly being felt in the developing world. Overall the

Internet economy contributes 5 to 9% to total economic growth in developed country markets, but in developing country markets the Internet economy is growing at 15 to 25% per year, which is just amazing.

And so what we want to do in Brazil is to continue to demonstrate to the world that the multistakeholder approach that brings together Government policymakers, businesses, NGOs, Internet experts, all on an equal footing, is the best way to effectively deal with the challenges that we face today. And so I am really happy to see that there is growing support and recognition among other country governments for this and I'm sure you noticed that just a few weeks ago the Communications Minister Prasad of India announced the Government of India Government's support for the multistakeholder approach, which was a huge change in the position that India has been taking. And one of the things that he stressed, with which I wholeheartedly agree, is that multistakeholderism needs to embrace all geographies and all societies. And I think that this is really the challenge that we have. How are we going to build out those who are participating in the IGF that are participating with their voices and their ideas into, into this whole melting pot of people.

And so this is, this is essential, that every country, and every citizen regardless of where they live, can contribute to the global decision making on how we manage this common resource. And that I think makes the Internet very unique. Because it is really grassroots just like the Internet. And, of course, it is not always neat. Sometimes it's messy, but we need to learn to live with that, and not try to restrict it in to this very narrow box. So I think one of the challenges that we have at the next IGF in Brazil is how do we continue to find ways to encourage and enhance global participation in multistakeholder bodies, not just at the IGF, but in ICANN, at the International Engineering Task Force and other kinds of bodies that are involved in the Internet.

And, as I travel the world and talk to technologists, experts, developers, entrepreneurs what I hear is that everybody is interested in this, and they want to participate. So the challenge for us is how do we make things accessible to them I

think to be able to participate. And so I think this is something we all need to work together to figure out, and it's a challenge that we have. And there are ways I think that we can include more people. One of them is to have more of these kind of meetings. To have more regional meetings and discussions inbetween the IGF, so that we can ensure that there is inclusive activity and vibrant activity that's going on, all along. The other thing that I think is very important is that we ensure that the IGF remains a respected and neutral convenor of the international multistakeholder community.

But, and this is, I think, going to be the challenge that we have to look at, the IGF has to do more than just convene. It can't just convene. It needs to also start being a forum where solutions to all of these thorny issues that are presented to us, like identity theft, preserving privacy, security of networks, all of these things that we are confronting every day as individuals, as governments, where some solutions can be put forward. The trick is not to mandate anything. And the trick is to keep an open discussion so that menus of solutions can be put forth. And for us at the U.S. Government, we fully support this kind of evolution of the IGF as things go forward.

I also want to commend this, the IGF's multistakeholder advisory group for selecting the theme: Policy Options for Connecting the Next Billion, as its intersessional work at the global IGF in Brazil. I think it is great that the IGF USA selected this same theme Because if we want to really fulfill the Internet's promise then, we all have to redouble development efforts to expand Internet access to everyone, as Cheryl said in the introduction, and unfortunately the benefits of economic development, access to education, medicine, information, and global markets that are fostered by the Internet, aren't shared by everybody yet. And so today, what you have is a situation where three out of every five people in the world remain without Internet access. And in the poorest countries that figure can top 95%.

So, you know, sort of, what do we do about that? Part of what we have to do about that is help countries to um, think about policy. Because, you know, there is a reason why, access is high in Colombia but low in Venezuela, high in Malaysia but low in

North Korea, high in Kenya, low in Ethiopia, and part of it is government resources, and part of it is we need to have clear and comprehensive national broadband plans. We need to have one here, which we do. But we need to help other countries as they are thinking about this, how do plans get built out, that encourage private investment, competition, remove bureaucratic obstacles, and take advantage of shared Internet services at schools, libraries, community centers and cafes. So we in the U.S. Government have also looked at this problem and we are looking for ways to partner with this whole community, with countries, regional development banks, network engineers, industry leaders, so that we can actually substantially increase broadband access in the developing world, and simultaneously sponsor, foster sound policy development so that we can keep the Internet strong. Because just building it out isn't going to work if the policy isn't there to make sure that competition and vibrancy can be maintained. And so we are really, we are looking at how we can develop an initiative that's going to connect several billion people in a short amount of time, in partnership with everybody sitting here.

Interestingly, there was a recent report of the Alliance for Affordable Internet, which talked about four critical success factors for any government that wants to extend its Internet connectivity. And they had the four things, which I think are a good basis for what we have to look at from a policy perspective, are driving broadband infrastructure, expansion through increased private investment and removal of barriers which I have already referred to, secondly to intensify competition and level the playing field to increase access, to reduce cost and stimulate demand. Thirdly, open access and infrastructure sharing. And fourth to enable access to spectrum. And these are things all of you in the room, I'm sure, you know in your sleep, and they seem so self evident, but getting from where we are today to these is not always so easy, and I think that's where we really need to join forces.

So I think, you know, it is great that we have this meeting of the IGF USA, that's got a diverse multistakeholder working group that's going to discuss and formulate what are the high level policy options that reflect this report. And I'm really looking forward to continuing this discussion as we go in to Brazil and

how do we take what you guys are figuring out here and discuss it even in a wider partnership. So just in conclusion, I would just say, you know, the Internet which we all think about every day because all of us in this room wouldn't be here if we didn't care about it, it really offers unprecedented opportunities for economic growth in developing countries. Of the developing world 1.4 billion extremely poor people, 70% live in rural areas, and think about how people's lives can be transformed by connecting village schools to the web, or bringing telemedicine to far flung rural health centers, or providing accurate weather information to farmers and fishermen, and supplying up to date market information to producers, to farmers, et cetera.

One of the things that I think is so amazing is that it has now been documented that for every 10% increase in a country's Internet penetration, its total economic growth expands by 1 to 2%. So the Internet is really something that we all need to think of as foundational for creating shared prosperity, and also to think about it as, fundamental for economic growth as important as other things that we think of as traditional infrastructure, highways, power grids, ports. And I think it's very important that we work together to get that recognition into the lexicon of those who are busy doing that kind of infrastructure development, the multilateral development banks, our aid, our respective aid organizations in all of our countries, et cetera. But, the Internet can only be an engine for inclusive growth if it's available, accessible and affordable for everyone. And so, we are going to need your help if we are going to successfully connect the rest of the world.

And so I'm really looking forward, over the next few months, to working with you, to hearing your ideas, and to actually mobilizing action. So, thank you very much.

(Applause.)

>> CHERYL MILLER: Thank you guys. We have five minutes for questions. So if you want to start to queue up, there is a microphone right there in the front of the room, and there's one in the back.

Lunch was that good, huh? (Laughter).

- >> ANDREW MACK: Hi Cheryl.
- >> CHERYL MILLER: Hi.
- >> ANDREW MACK: Hi. Andrew Mack from AMGlobal. I wanted to pick up on something that you were just talking about. I was last week speaking at the Africa DNS Forum in Nairobi, and one of the biggest questions that came out as they are, as, as, this equivalent of the African IGFs and other things, very business focused, they are trying to make the DNS into a real driver of economic growth. Which is terrific. It is not rhetorical for them, it's very real. One of the biggest challenges that everyone faces though, is that there is not a huge amount of knowledge of policy on the government level, on the one hand. And on the other hand, you have different policies across different jurisdictions. So, even in East Africa, which is a pretty well integrated economic area, they still have different ICT policies. They still have different policies around IP, different policies around the way that the, the pipe is governed, and all that type of thing. Can you talk a little bit about what you see in the future for that, and ways that we as industry can help push toward harmonization, which will in theory will raise all boats? Thanks.
- >> CATHERINE NOVELLI: Well. You know. I think you are absolutely right in all respects. Kenya is an amazing place in terms of just how vibrant their community is, and I think in understanding of everything that I was talking about in terms of how foundational this can be, it is not clear that that recognition has spread completely throughout East Africa yet, and even in some surprising places like South Africa, where policies are, haven't really kept up with the pace of change. And so I think one of the things that that's very important is that we try as best we can to give a voice to those who are the entrepreneurs and the developers in those communities, to sort of demonstrate, because every government wants developers, they want a sort of modern economy. They want this peace. But I think the question of how you get from wherever you are today to that place, really needs to be informed by your own citizens in terms of what they need in order for it to get there. And I think there's a big divide sometimes between those who are doing and those who are making policy and I think it is important for all

of us to try to help bridge that divide and find those voices. I also think organizing discussions like the IGF and like these regional things and really participating in those, is also extremely important, as is providing technical assistance where requested on how do you develop the policy basis for this and what's the plan. So I think there's sort of uh, layers of approaches and we need to address all of them simultaneously if we really want to see things move forward.

>> MIKE NELSON: Hi. Mike Nelson with Cloudflare. Back in 1998 I wrote an Article for the Aspen Institute called Sovereignty in the Networked World, And and I explained how it seemed to me that, governments were going to lose control of their networks, their content, their media. And we've seen a lot of that happen, but we are now about to to go to the next phase, where we're going to have drones flying over territory, and low earth orbiting satellites, they are going to allow anybody anywhere to connect to the cloud. And it's going to be an even bigger challenge to sovereignty. So my question is, without naming names, can you tell us a little bit about the one-on-one discussions you have with your counterparts, particularly in Asia, in Russia, and in France, about the future of sovereignty? Because, this isn't going to be a, it's a very different world, and governments, it seemed to me, have a very hard time understanding what the world will be like in just five or ten years, when their citizens really are able to just bypass a lot of the controls that define what sovereignty is.

>> CATHERINE NOVELLI: No, I think that's, that's right. And I think, the thing that's very uncomfortable, if you think about where did all this start, it started in the telecom space, in a sense, and you think about telecom, a highly regulated place. And, so you have a mindset that it is your job to control things. And then you have this Internet, which is sort of the antithesis of a central control, and I think, for a very long time, there was a reluctance to intervene because everybody thought this was the whiz bang thing. Nobody kind of understood it. And they were afraid they were going to break it if they did something. I think we are in a different phase now which is, people are very nervous about how fast all of these things are growing, they are not in their control, and they want to like, assert control, and I think the difficulty of that is that

technology just keeps moving at an exponential pace, and governments do just don't move that fast. So, by the time a government gets its arms around something, the next thing is there. And so I think it's really important to think about this in terms of principles. And, you know, what is it that we stand for in terms of privacy, what is it that we stand for in terms of security. And not try to micro manage the individual technology because you will always be catching up if you try to do that. But, you know, I think that transition is very hard when the locus of it is situated with people who are used to, who think their job is regulating, on the one hand, as well as, um, a lot of policymakers who, because, because it takes a while, if you look at the sort of the age divide, and I'm not trying to be ageist here, I think a lot of folks who are, you know, over a certain age didn't grow up with the Internet. So they are very uncomfortable with all of this, and you see a desire to think about it differently than you do with folks who did grow up with it. And so, I think you also have that huge challenge, um, that has to be dealt with. I don't know that there's one solution, but I think we absolutely need to think about it in a broader way, and also to understand. And this is why in my view the IGF is so essential. That we have to be comfortable with a certain level of chaos, if we don't want to really cabin in the Internet to such an extant that we are choking it. Um, but, governments aren't comfortable with chaos. So I think, you know, that we are in a transition fix. Absolutely.

- >> MIKE NELSON: Thank you very much.
- >> CATHYNOVELLI: Sure.
- >> CHERYL MILLER: So I think we have time for one last question. Yeah?
- >> ALI AKBAR MOUSAVI: My name's Ali Akbar Mousavi. I am working on ICT diffusion in countries, like so-called ICT averse countries, like Iran, Sudan, North Korea and so on. You talked about affordable access, Internet, affordable Internet. I have two obstacles in that regard in such a country, and just talking about these kinds of countries. One is sanctions. You still have sanctions on for North Korean people. 20 million, I don't know how many people are Korean people, cannot buy or get access

officially from U.S., you know, companies. You have this license for Iranians. There are licenses that you issued recently for Sudanese also, but the companies are not implementing these kinds of licenses. So, people in these countries cannot officially get access to these items. This is a big obstacle that I think the State Department and the Administration can resolve it very easily, but I don't know why it didn't work on that. And the second issue is that why, the State Department and U.S. aid doesn't work on spend, invest on the Internet, expanding Internet, affordable access to Internet in such countries, in rural areas, in villages, that can be partnered with other countries like China, or many countries, or private sectors, that can be a partner of the U.S. aid, for example, and expand Internet in these countries. For example, in Iran you have, right now, a good environment, better environment than three days ago even. After this agreement, I think, this is my question.

>> CATHERINE NOVELLI: Well, I guess what I would say is that I think that, um, you know, there 's always other foreign policy issues besides just open Internet access that we have to deal with. And these are tough issues that we confront, with respect to the countries that you named, and the judgment of many, many successive administrations, as well as, with respect to some of these countries, pretty much the entire UN, is that it is appropriate to have sanctions on these countries. And so, the Internet is a piece of that larger structure, and I think we can't just sort of take that out and say it is completely different somehow from every other kind of commerce that goes on. Um, and, in terms of building out the Internet in rural areas writ large, not with countries with whom we have economic sanctions, that is exactly what we want to do. We want to find a way as a Government to help catalyze buildout to those who don't have, don't have Internet in the developing world. And so that's why we are asking for, you know, ideas, partnership, et cetera, both of other countries as well as other companies.

>> CHERYL MILLER: Thank you. (Applause.)

>> SHANE TEWS: Thank you very much. Cathy to put you on the spot Will your comments be available? Something we can link to?

Because they were so pragmatic, and they made so much sense. I would love to know if we could put a link up on our website.

- >> CATHERINE NOVELLI: Yes. Absolutely. Although I did not read them. But my. my written remarks are absolutely available. And we'll put them up on the Web.
- >> SHANE TEWS: Once that is available we will link to that on the IGF USA. Thank you so much. We really appreciate it.
- >> CATHERINE NOVELLI: Sure.