Keynote Speech of
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UNLEASHING THE POTENTIAL:
Telecommunications Development
in Southern Africa

Thank you, TRASA Chairman Eddie Funde, for that generous introduction. And let me also thank Mr. Lekaukau, Chairman of the Botswana Telecommunications Authority, for hosting this dinner.

I also want to thank all the members of TRASA for inviting me to this conference. The FCC participated in your inaugural meeting in Dar Es Salaam in 1997, so we know firsthand the good work that you do.

And this visit has allowed me to meet one of the most dedicated public servants serving today: Ambassador Robert Krueger. He has shown tremendous dedication to his home state of Texas, having represented it in the U.S. Congress, and has ably represented the United States abroad here in Botswana, to the Southern African Development Community (SADC), and indeed, to the entire region. This is a man who cares deeply about Africa, and very much wants to see it achieve its true potential. Ambassador Krueger and his staff have provided tremendous support and hospitality to us during our visit. And for that we thank them.

I would also like to thank USAID, and especially my old friend Ed Spriggs and Brian Goulden, for their tremendous efforts at promoting telecom development in this region.
Now, when my wife found out that I was traveling to Botswana for this meeting she was very excited. I thought perhaps she heard about the animal preserves at Moremi or the lush beauty of the Okavengo Delta. But I should have known better. She knew about Botswana's other main attraction: diamonds. I think souvenirs on this trip could get costly.

For me, I am honored to be here in Botswana, for it gives me an opportunity to see so many of my colleagues together in one place. One of the frustrations of my job is that the FCC is deluged with many requests to offer assistance and work with our counterparts all over the globe, but we have limited time and resources. So to come to one place and be able to see and work with friends and colleagues from all over Southern Africa is a golden - or diamond - opportunity.

As I was flying here earlier this week, I had plenty of time to think - almost 20 hours in fact. And as we flew over the Atlantic, I thought about the first attempt to link the New World to the Old - the effort to lay the first trans-Atlantic cables a little over 130 years ago.

Arthur C. Clarke, the futurist and science fiction writer, called the laying of the first trans-Atlantic cable the "Victorian equivalent of the Apollo project," the project that put the first man on the moon. And in many ways it was.

Like sending a man to the moon, it required millions of dollars of investment. It required new technologies in fields as diverse as shipping and wire insulation. It required people to venture out into the vast expanse that is the Atlantic Ocean with only their wits to survive on if something went wrong. And, like the first voyage to the moon, the laying of the first trans-oceanic cable also succeeded, in its own way, in bridging two worlds.

Commerce became easier between North America and Europe. Then, cables were laid across the Pacific, stimulating trade and interaction between North America and Asia. And then eventually, over time, telegraph links were extended to Africa. But Africa was not the focus of communications development. Some ignored the continent out of close-mindedness. Some bypassed it out of ignorance. And for too many years, these two attitudes predominated among too many people. But now we realize the price of this decision. We realize the untapped potential of Africa. We realize that we cannot continue our own prosperity if we do not lift the level of prosperity of the entire world.

This is why I am here -- because Africa is poised to take advantage of the Information Revolution. Africa is the next great frontier in that revolution. There is an urgency in this task. Our challenge is like no other in history. As regulators, we will be judged on the basis of whether we had the courage to make the tough decisions required to usher in this new information era. The FCC stands ready to assist you in unleashing this potential.
The great American president Franklin Roosevelt told a crowd in Chicago over 60 years ago, "There is a solidarity, an interdependence about the modern world, both technically and morally."

If this was the case in 1937, it is even more so in 1999. No country - not the United States or any other -- can hope to prosper in the Information Age by shutting itself off from the world, by hoarding technological know-how, by thinking that its concerns end at its borders. Just as in the Industrial Age the key to development was the telegraph, in the Information Age it's the Internet. The communications networks that all of us oversee are the foundations upon which all of our countries' economies will grow.

Now, as we leave the 20th century and cross the digital frontier, we in the U.S. see that our global commitment must be redoubled. And that it should not be focused just on our past partners, but also on the sites of tomorrow's promise. In a world where mail circumnavigates the globe in the time it took Christopher Columbus just to sharpen his quill, we can ill afford to leave any nation behind. In a world where resources and markets know no boundaries, it would be unfair for all of us to leave any country on the outside looking into these new networks of information and opportunity.

That is why almost five years ago in Buenos Aires, Vice President Gore laid out his vision for a Global Information Infrastructure built on private investment, competition, a flexible regulatory environment, and open access that would link the nations of the world in a way that the trade routes of yesteryear never could.

That is why last year, President Clinton made his historic trip to Africa -- the first of any American President - so that he could - as he said, "see for myself what America can learn from Africa and how we can work with you as partners to build a better future for all our children." As an African-American -- as an American -- I could not have been prouder.

Following up on the President's trip, my country's Overseas Private Investment Corporation established a $350 million New Africa Infrastructure Fund and entered into 14 new bilateral agreements with African nations.

Also, four months ago in Washington, the President, the Secretary of State, eight other Cabinet members, and four agency heads - including myself -- joined 83 ministers from 46 African nations in the first ever USA-Africa ministerial to draw up a blueprint for American-African relations in the 21st century.

Moreover, because of the President's leadership, the House of Representatives just last month passed the Africa Growth and Opportunity Act to foster trade and business development in sub-Saharan Africa.

And last month, Vice President Al Gore announced the President's Internet for Economic Development Initiative to help spread Internet and electronic commerce to developing countries. Of the 11 countries selected by the President to first participate in this initiative, six are in Africa, and they include all three of the African countries I have selected to participate in the FCC's development initiative. We hope to provide technical assistance in areas of policy reform so that the critical foundation for infrastructure investment and development can be laid to support the Internet, e-commerce, telemedicine, and distance-learning applications envisioned in the President's initiative.

This is a new era in American-African relations - an era that recognizes the promise of this continent and the realities of the global economy.

Lately, I have been reading a book by Thomas Friedman, a columnist for the *New York Times*. In this best-selling book, he draws on his years as a foreign correspondent to describe the realities of globalization and what it means for America and the world. He does this by comparing the world of 1999 to the world pre-1989 - the Cold War world. He writes that if, "the defining perspective of the Cold War was 'division,' the defining perspective of globalization is 'integration.' The symbol of the Cold War system was the Wall, which divided everyone. The symbol of the globalization system is a World Wide Web which unites everyone."

The challenge for us all is to make globalization work. We must make sure that all nations can upgrade their infrastructure, plug into this network, integrate into the global economy, and bring its prosperity to all their people.

How do you do this? Friedman gives an answer that we as regulators know well. He writes that to attract capital and investment, a country needs transparent, non-discriminatory regulatory regimes. It needs to abide by established technical and business standards. It needs to stamp out corruption, by establishing the rule of law.

These criteria are crucial for telecommunications because telecommunications is so vital to success in the global economy. A strong, independent, impartial regulatory agency can lay the foundation for a burgeoning, competitive market; investment; and economic growth.

Establishing this foundation is hard work. I know this because we in the US wrestle everyday with how to successfully monitor an ever-changing industry. Knowing the challenges that developing countries face in establishing these regulatory regimes, I began the Chairman's Development Initiative. With this effort, I committed the FCC to working with developing nations to help them achieve the goals of the WTO Basic Telecom Services Agreement: the promotion of competition, the liberalization of markets, and the adoption of transparent, pro-competitive regulatory policies. I am here today as part of that initiative.

I hope to work with developing countries here in southern Africa and around the world that are moving toward regulatory reform and competitive telecom marketplaces. I want to share not only pro-competitive principles, but also the lessons that the FCC has learned in implementing them.

For instance, I want regulators here in Africa and around the world to be able to draw on the experiences that we've had with universal access in the U.S. to find innovative ways - whether through wireline, terrestrial wireless or satellite - to bring phone service to all their citizens no matter where they live. And as we constantly work on our own system, I eagerly await to learn from you as you approach this challenge.

Overall, we hope to provide nations with: technical assistance; expert guidance, training, and consultation on how to develop and implement pro-competitive, transparent regulatory regimes; and support for the full integration of all nations into the Global Information Infrastructure.

For we cannot have a Global Information Infrastructure without an African Information Infrastructure, an Asian Information Infrastructure, a Caribbean, a South American, an Eastern European Information Infrastructure.
Part of this initiative involved the development of an FCC manual called, "Connecting the Globe: A Guide to Building the Global Information Community." It is my hope that this handbook will serve as a valuable resource for regulators around the world.
The other part of the initiative is formulating work plans with partners in Eastern Europe, South America, the Caribbean, Asia, and Africa.

When I unveiled the Development Initiative earlier this summer at AFCOM '99, I announced that the first of these work plans would be signed later this year. I am happy to report that this coming week I will be in South Africa meeting with representatives from SATRA to sign a work plan that will outline the steps that the FCC can take to assist that country.

And I hope that in the coming months we can sign work plans with Uganda and Ghana. From there, I hope to extend these efforts across the developing world.

Now, some may ask, why Africa? After all, I didn't have to fly 20 hours to meet a colleague who has asked for regulatory advice. Well, we're beginning this development initiative in Africa for one simple reason: it has the most promise.

There are 739 million people in Africa and approximately 14 million phone lines -- 80 percent of which are in six countries. Africa has 12 percent of the world's population, but only two percent of its phone lines.

In central and sub-Saharan Africa, there is less than one Internet host per 100,000 people. There are only about one million users of the Internet on the entire continent.
There is much to be done. But I don't need to tell you this because you've already begun to do it.

You've established TRASA and committed your countries to forward-looking, pro-competitive principles that will attract private investment and benefit your citizens. Many of you have established new communications regulators, a move which quite simply will prepare you for further growth. These are important steps, and you should all be commended for them.

These are important, for when the regulatory house is in order, ordinary people benefit. Teledensity has steadily climbed in several countries in Africa and has done so because of telecom reform. In Ghana and the Cote D'Ivoire, for example, the number of lines have nearly quadrupled since they began reform.

Cellular phone service is available in more than 35 African countries. And here in Botswana, liberalization of regulations and a commitment to grant licenses quickly has produced a cellular presence in the country in a little more than a year's time.

In fact, some of the world's most sophisticated national networks are here in Botswana where 100 percent of its main lines are digital, compared to just less than 50 percent in the United States.

And because regulators in Africa have been working with their counterparts through the ITU, we have developed a regulatory framework that will ensure users can access global satellite service without interruption. To date, 16 countries in Africa have taken the lead and signed the GMPCS Memorandum of Understanding in order to ensure the free flow of satellite phones and other satellite terminals across national borders.

Finally, as recent statistics only corroborate, there has been tremendous growth in the number of Internet hosts. The number of Internet hosts in Africa is growing at a rate almost double the world average.

I believe that we can build on this growth. I believe that we can bring phones to areas that never had them before. I believe that we can make Africa the "connected continent."
I believe that we can do this because I know the commitment that all of you have to build the regulatory structures that undergird this growth -- and because you know as well as I the real effects that these advances have on the lives of the people of Africa.

Competition has drastically brought the price of a cell phone down all over the continent. And with cell phones reaching places more cheaply and easily than copper wires, more and more ordinary Africans from towns to rural villages can be connected.

One company installing these type of community cell phones in South Africa said that they have had a "profound" impact on life there. For some, it's an entrepreneurial spark allowing people to open small businesses. For others, it's the opportunity to call relatives in different towns or countries.

Internet access has had an equally deep impact. In Kenya, doctors at rural clinics are able to use HealthNet to consult with experts in Nairobi and as far away as Boston, giving families in remote areas better healthcare.

And at a women's craft cooperative also in Kenya, they were able to go on the Internet and learn that they should be charging 15 times more than what they previously had been charging. They became better businesswomen because they had access to that most precious of resources: information.

Working together, we can connect southern Africa and all of Africa to the opportunity and prosperity of the next century.

While a good deal of the job of connecting the globe is sharing regulatory know-how, another part is ensuring that scare spectrum resources are put to the best possible use. We are less than a year away from the next World Radiocommunication Conference, which will address a number of issues important to Africa. We in the United States want to work with you before and during the conference to ensure that Africa reaps the benefits that satellite and wireless systems can provide.

And we want to work with you to connect southern Africa and all the nations of the world through the forum of the World Trade Organization. I urge all of you in TRASA to sign the WTO Telecoms Agreement during the next round of negotiations in 2000.

Connecting the globe also requires that we act responsibly to ensure the reliability of our networks. This means working together to meet the challenges presented by Y2K. All of us are extremely dependent on any number of networks and devices that are affected by this glitch.

We need to share information and assist each other so we can make it through this New Year's eve and embrace the coming millennium.

Cooperation is key to this future. Realizing that we are all indispensable partners in one global network is the mindset that we all must have. In Silicon Valley, they talk about Metcalfe's Law, which states that the more people that are connected to the network, the more valuable it becomes.

I couldn't agree more. That's why I am happy to be here at TRASA to see the countries of this region working together toward a common goal. That's why I began this Development Initiative. I want to see an Africa that has its markets, businessmen, teachers, thinkers, doctors, students, and children linked together and connected to the entire community of nations.

The SADC region has a gross domestic product of about $180 billion and 187 million people. Your challenge is to harness the synergies of the region to create an integrated regional marketplace. I know that this is the vision of SADC, and when you make this vision a reality, you will greatly improve the lives of every citizen in the region.

A few decades ago in a different context, the great American civil rights leader Martin Luther King, wrote that we are all tied into an "inescapable network of mutuality." As globalization takes root, as commerce and trade among all regions becomes easier, and as the problems that we all face affect us all, this could not be more true.

That's why I am here today -- to make sure that these networks built on the technologies of tomorrow reach not only Manhattan and Madrid, but also Malawi and Mozambique. To join with you to ensure that the opportunities found in these phones, wires, and webpages are there for the children of Norway and Singapore as well as the children of Namibia and Seychelles. That's the challenge for us all. We cannot wait a decade to get this done. We must bring to this task dedication and a sense of urgency.

The time is now for all of us to step up to this challenge. And if we go forward together, I am confident that we can and we will succeed.
Thank you.