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TECHLASH: WHO MAKES THE RULES IN THE DIGITAL GILDED AGE?

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PRESENTATION – BIG TECH WON. NOW WHAT?

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PANEL DISCUSSION

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WHEELER: Ladies and gentlemen, welcome to Brookings. I am Tom Wheeler, a visiting fellow here at Brookings. And we're pleased to have with us today a trio of participants who we're gonna have up here on stage in a second to discuss just how do we respond to the new realities of big tech. So we're going to be joined today by Senator Michael Bennet of Colorado, who has been a member of the Senate since 2009, right? And, and interestingly enough was — before he came to the Senate — was the superintendent of Denver Public Schools, and before that, the chief of staff to his now junior senator when he was — John Hickenlooper — when he was mayor of of Denver. And we're joined also by Peter Welch, who's — Senator Welch from Vermont — who's a new member of the United States Senate, but definitely not a new person, new member of Congress, having come to Congress as Vermont's sole representative in Congress in 2007. I had the great privilege of working with then Congressman, now Senator Welch, when I was chairman of the FCC. And he served on both the Commerce and Judiciary Committees in the House and was one of the more thoughtful — not more, most thoughtful — members. And lastly, but definitely not least, is Cecilia Kang, who is a technology reporter with The New York Times. And I have had the opportunity to be on multiple sides of the table with Cecilia over the years. But when I was chairman, I was the subject of some of the things that she would write. And in the afterlife, I am learning as I read what she writes, she's one of the most perceptive analysts of what's going on in technology policy today, and we're really grateful that she's joined us today to be the moderator for this session. Now, I also want to do a plug for Cecilia's book, "An Ugly Truth," an excellent book about Facebook and some of the experiences there. I have paid her the highest compliment I can, and that is, I quoted her in my book.

And so since we're in the middle of promoting books, let me do a segway here and talk about about this book, which has just been published by the Brookings Press, "Techlash: Who Makes the Rules in the Digital Gilded Age." You know, what was the Gilded Age? We get a quick history trip here. It was Mark Twain who coined the term the "Gilded Age" in this book that he co-wrote. And what is to gild? To gild is to paint with gold over something that isn't gold, to make it appear as though it isn't, what it isn't. And so Twain thought that was a great description of this period between the 1870s and the early 20th century. And the question I ask is, are we living through another Gilded Age, through the digital Gilded Age? Just take a look at a comparison of the things that we knew in the original Gilded Age and the things that we're seeing in the Digital Gilded Age. Yes, technology-driven change, driving new economic models, creating new products, low prices, accelerating the pace of life, destroying small businesses, creating wealth disparity, creating monopolies, creating consumer harm. And even in the original Gilded Age, there was an era of fake news. It was called yellow journalism then.

So the question is, what have we learned from drawing on the experience of the original Gilded Age? Well, what I suggest in the book is that one of the first things that we learned is that innovators and their investors make the rules. And this is good because it is the innovators who see where things are going. But-- and it is innovators and their new ideas that move us forward in terms of scientific ideas, in terms of breakthroughs in business and art and culture. But at some point in time in the economic world, when those innovators and their investors are making the rules, they run up against the rights of individuals and the public interest. And it's necessary for "we the people" to step in and act in the Gilded Age. There was a rebalancing that took place. Just-- this is just a limited number of examples of the kinds of things when governments step forward to rebalance how the new industrial reality related to the rights of consumers and the public interest.

And I suggest in "Techlash" that the time has come for a similar rebalancing today, but that we need to think about how we do it. Because when the Congress went to create the original oversight of industrial activity, they cloned the management techniques of the companies they were overseeing. And what were those management techniques? They were rigid, they were sclerotic, and it was micromanagement. Think about it. There was a guy on the shop floor — and he was a guy — there was a guy on the shop floor who was overseen by a supervisor who was overseen by another layer of management, all to make sure that each of them were following a set of very specific rules. And so we're surprised today if our government agencies are bureaucratic and rules-based? We shouldn't be. We were just cloning the management practices of the time, but those management practices have changed.

And we need now to think about how do we do the same thing and clone the management practices of the digital era into oversight of those activities, because digital management, as it says here, is transparent. It's risk-based and it's agile. How do we come up with an approach in government that follows those kinds of concepts? And so one of the things that "Techlash" suggests is that every-- that the digital has changed everything except government oversight and that we continue to be in a situation where we define 21st-century challenges in 20th-century terms and propose 19th-century solutions. And how do we break out of that? Because it is having an impact today. Industrial-style regulation in today's world not only fails to fully protect consumers and competition, but also it can be anti-innovative.

And the challenge becomes, how do we rebalance the public interest with innovation while encouraging innovation? And that's what these two senators have done in a piece of legislation that they have proposed for a digital platform commission. The headline is, "Creation of a New Federal Agency: A Digital Platform Commission. But I would offer — and I'd be interested in the two senators' reaction — that the most important thing that they propose is a new structure for how that agency should work. That, in place

of rigid rules, to have agile behavioral codes that are capable of dealing with shifts, the rapid shifts in technology in the marketplace. And in place of the micro-management that we've seen before, risk management. Where are the specific issues that we ought to be talking about and addressing? And that we need to reassert the public interest through that kind of a structure to address the issues that we have ignored thus far in the digital era about privacy, competition, truth, and trust. That we need to have a structure that is so flexible that it can deal with the unknown unknowns like AI and what AI is and will be delivering, and that it is operating in such a way that it not only rebalances rights and responsibilities but also encourages innovation.

So, as I say, the entrepreneurs and investors have driven innovation and made the rules historically until a point. We are at that point. I believe in the original Gilded Age, the Congress addressed the reality that you had never-before-seen challenges, industrial challenges, that required never-before-seen solutions. We were at that same point today with the digital challenges we face. And our challenge is: how do we become as innovative in the way we oversee the marketplace as the innovators are in creating that marketplace in the first place? So, with that as a background and commercial for the book, it's my privilege — and believe me, that's the right word — it's my privilege to invite Senator Bennet, Senator Welch, and Cecilia Kang up to the stage for a discussion. So, Cecilia, over to you. Thank you.

KANG: Okay, that's a hard act to follow. Hello, good morning. Thank you for joining us. And we have a large online audience. So let me ask those who are watching via stream: if you'd like to submit a question online, please do so at events@brookings.edu, so by email. Or if you are on X, formerly known as Twitter, you can also address a question to [@BrookingsGov](https://twitter.com/BrookingsGov) or, and/or to the hashtag [TechlashBook](https://twitter.com/TechlashBook). Thank you so much, Chairman Wheeler. And thank you so much, Senator-- Senator Bennet and Senator Wel-- for Senator Welch for joining on this really important topic. And what incredible timing. Yesterday I was at the White House. Who was at the White House yesterday? Everybody was watching--.

WHEELER: President Biden.

KANG: Yes, the president. So President Biden signed an executive order — I don't think I need to go too deeply into the details, I'm you're sure you've all been paying attention — on artificial intelligence. It was broad, sweeping— there's about 111 pages, I believe. So I think that's, it is incredible timing because this is very much what the senators here, as well as Chairman Wheeler, have been focused on for quite some time. So let me start off by asking, what were your impressions? What's the most important thing that came from the EO in your mind? And what's the most important thing that was missing? Who would like to start? I will-- looks like Senator Bennet is looking at me, so I'm gonna start with you.

BENNET: That was my first mistake. I was just trying to be polite. I mean, I guess I would say that I, I thought it was fascinating that they used the Defense Production Act to — which I would not have expected — to say that, you know, as these guys test these models, that they're gonna have to tell the government that they're doing that and show, demonstrate, or reveal what the threat stress tests are. That's a piece of the transparency Tom is talking about. I would say that's a small piece of the transparency, but it's the least we can do when we need to have some assurance that they're actually not going to blow us up or create a bioweapon of some kind that we can't manage. So I think from that vantage point, I think it's good. I think that it was ambitious, but not the same as passing legislation.

And we live in a world where, I would argue, that you can't regulate banks, you know, two years at a time. We can't deal with climate change two years at a time. You know, we're one administration at a time. We need Congress to legislate so that we can have predictable rules of the road, so we can have, you know, preserve the innovation that Tom talked about that's so important in our economy while still preserving and protecting our civil rights and our civil liberties. And I don't think we're going to be able to do that by executive order. I think we're going to need Congress to act but act in a way that creates a nimble administrative response, which is what Chairman Wheeler was talking about and what I've been working on with my partner here, who-- to whom I will turn over the-- your question.

WELCH: Thank you, Michael. You know, for me, the big interesting point is that as we're hearing about AI and worry about what the implications are, there's an active decision, at least in the executive department, and with Senator Schumer, of course, in the Senate, to try to have government play a role in setting guardrails so that you don't get a lot of the bad stuff. Now, that is in contrast to what happened as the internet was exploding. And what we essentially did with Section 230 was give a carte blanche to this new industry. And this specific goal was to try to really encourage growth here in the United States and have us be the center of the of that universe. So with 230, we got that part. We got these big companies that have been extraordinarily successful — more important than many countries, probably — and with more wealth in many countries.

But we've also got all these things right now that are just freaking everybody out. You know, parents are so terrified about the mental health of their kids, business are getting crushed because they don't have a way to compete, and the list goes on and on. So what I found so interesting about the Senate effort that Senator Schumer is leading and the executive order of the president, is that it is reacting, in my view, in some ways to the carte blanche that we gave with Section 230, and saying, "Hey, we got to be involved from the beginning and be very mindful." And there is a public interest that's at stake, and the public interest can't be just delegated to the players that are going to be developing AI.

KANG: Chairman Wheeler.

WHEELER: Well, I agree totally with both of these gentlemen. And I guess I would also say, God bless Joe Biden for stepping up and doing something about this rather than just talking about it. I agree with Senator Bennet that the use of the Defense Production Act is innovative and essential because it puts enforceable teeth in. Everything else in the EO tends to be aspirational because it doesn't have enforceable teeth in it. And if you go to what Senator Welch was just saying, the reality that we have been ignoring the basic issues of the digital era and have not had the ability to have enforceable oversight, and my question that I ask in the book is, "Can we get to dealing with the challenges of AI — which are humongous — without dealing with the challenges that we've been sweeping under the rug for the last two decades about privacy, competition, truth and trust, etc.?" Because those issues are only-- they do two things. One, they feed AI, and two, AI makes them even worse. And so I agree with these gentlemen, and hooray for the president for stepping up and using the limited authorities that he does have to, to step out.

KANG: Well, one thing that was, was not included was your idea that's in your legislation, which is to create an independent agency that is an expert agency for social platforms, for platforms as well as for AI. Can you talk a little bit about why there, in your mind, there is a need for an agency that's focused on this? As opposed to, say, putting more funding into NIST, which the EO talked a little bit about, as well as maybe putting more funding in expanding the regulatory authority of the FTC. Why an independent agency? Why is that important?

WELCH: The reason I think it's important is that Congress simply can't keep up with what the changes are in the various components of the attack on privacy, about the mental health of kids, about the competition, and how small businesses are being affected, how communities, as a result, are being hollowed out when they can't sustain the local businesses that are so much a part of building a community. Where, you know, we, Marsha Blackburn and I, we share two things. One is, I love Nashville and country music, and the other is, we started a privacy working group in 2013. And she came at it from the perspective of what was happening to kids, which I shared, and I came at it from it also with competition issues. And she's continuing to work on that and become a leader. But you see various members of Congress talking about privacy, talking about kids, talking about competition, and then we get into in Congress real debate about what are the consequences to competition, how will it affect our position with the big Internet companies. And then you get into the politics of of of who has influence and who doesn't. And the reality is — and it reminds me of what Tom points out — after you had-- in the Gilded Age, there was a need not for one-off legislation, there was really a need for ongoing, focused attention with well-staffed, well-resourced experts who were going to be pursuing the public interest side of what is happening. And that's what we need. So my

preference is not to just give additional authority to an existing agency, it's to acknowledge that the world is totally changed as a result of the tech revolution. This is a phenomenally influential part of the world that's having effects on all kinds of things. So the role that Congress, in my view, is to delegate authority and to state what is the public interest as best we can define it, and then to have a well-staffed, well-resourced agency that every day is looking out for protecting the public interest.

KANG: So I was gonna ask definitely the same question to Senator Bennet, but can I also add the question of, can you actually attract the expertise that you need in the sense that-- I was, you know, I regularly interview engineers and experts in AI, and the the salaries that are being offered in the private sector are just so astronomical, and the stock options. It's just like a real challenge to attract them into the public sector. If you think about that-- and there aren't that many in the world with the real expertise. So how are you thinking about that? Like how can you really get the expertise and catch up?

BENNET: So first, let me, let me answer your first question, which is that I really do think Tom is right with this analogy, that — or metaphor — that he's using on the Gilded Age. I don't think this is a far-reach. If Mark Twain had been here, he would recognize this for what it is. And what this is, is a strip mining of our data, a strip mining of our privacy. There is literally no one in America who has had a negotiation with Mark Zuckerberg about anything. You know, he had first mover advantage starting in his dorm room in at Harvard, and he has exploited that to create an antitrust advantage that no one else in our society has been able to compete with. Not because he negotiated, not because anybody agreed with what he was doing, but just because he was there first, and in the same way that these guys that were in the oil and gas industry or the, or the drug industry was doing it in the age that Tom is talking about.

And so at Brookings on Massachusetts Avenue, let me just first say that this is a crisis that America is facing that NIST can't solve. I love NIST. We have NIST, you know, a NIST agency outside of Boulder that does a lot of great work on atomic clocks. And I'm all for that, that's great. I was a school superintendent for the Denver Public Schools before I was in this job. And if you asked me even before COVID, "What had changed in education between the time I was the superintendent in Denver?" And when you asked me that question, before COVID, I would have said, "Mental health, mental health, mental health," because we have a mental health epidemic that's raging in our country, especially among young people, because of these technologies — not only, but largely, I would say, because of these technologies. We had — I'm on the Intelligence Committee, Peter served on the Intelligence Committee in the House — we had an invasion of these social media platforms by the Russians in 2016. And Mark Zuckerberg, for a year and a half, wouldn't even say that his platform had been used by the Russians to invade our country. And we have massive, as I mentioned earlier, I think, antitrust issues that are at work here. None of that's going to be handled well by

NIST. None of that's going to be handled well, I would even say somebody who worked at DOJ — by the Department of Justice.

We do need an agency that, that can both manage the importance of the innovation in our society, but also deal with the incredibly diverse dimensions and the way these dimensions are gonna change and change and change, as Tom was saying. And you raise an excellent point that goes to everything that we do in the public sector: we can't afford the people that we need. I hope that we're going to be able to attract people to the mission the way Tom was attracted to the mission, being chairman of the FCC. And there are ways, you know, we write in the, we write in this legislation that we want to have, you know, a panel of experts, in effect, that are from the industry itself to help inform the work that it does so that it actually is a knowledgeable group of people, not just a bunch of, you know, folks that have worked here for a long time in Washington, but may know even less — [inaudible] may not say that — may not-- may know as much as the members of the United States Congress know about this set of issues, which is not as much as your average middle school student knows in America.

KANG: Senator, so--

BENNET: We could hire the middle school students actually at a probably a greatly reduced wage and get exactly the kind of innovation we would want.

KANG: That's not so far from the truth, perhaps. So the senator brings up a really interesting point about the-- like those who are really calling for a greater role by, say, NIST. And Chairman Wheeler, among those who are doing that are some of the companies. You know, Google, for example, talks about a hub and spoke model with NIST in the middle. And and I don't want to get too much in the weeds of these that that particular policy issue, but there is intense lobbying around around this. And one thing I have observed is that the companies are playing quite an important role, actually, in informing and educating members of the executive branch as well as in Congress, which is important because AI technology is so new and they rely-- and members, lawmakers are relying on their expertise. So it's a really interesting dance, the influence they have as well as the important role they may play. How are you thinking that about and observing that, especially through your historical lens, Chairman Wheeler? Because you've seen this repeated over and over again. The resistance and then like the the steps that need to be taken to to get to final regulation.

WHEELER: Well, let's start with NIST. A great repository of expertise and dedication, producing frameworks to-- as to how you should look at technical issues such as AI. That stops without any enforcement capabilities. They are, they are oratory-- hortatory. And I used the the missed cybersecurity framework when I was chairman of the FCC to say, "This is how we need to secure our networks." But the problem is that there is no oversight, follow through, or you're not doing that kind of a situation. And, and so

we have to get past that, which is why I think these gentlemen and their proposal for an agency that has digital DNA. Okay, this is not to say that, that NIST, the FTC, DOJ, all these other folks aren't dedicated professionals. But to say that they are limited in their abilities because of the fact that their statutes were written in the industrial era-- running the FCC in the digital era, trying to use a statute written in 1934 when television didn't even exist, is what taught me this lesson. And so, we need to come up with a structure like they have proposed that is agile enough to deal with changes — one — and two, agile enough to promote innovation while still protecting the public interest. And and that requires outside-the-box thinking. It requires bringing in individuals with, as I said, digital DNA. And thank goodness for these gentlemen for starting us down that path.

KANG: Can you —and I'm going to open this up to all three of you, please — how do you view the balance of safeguards and regulation of AI, in particular, with — and also social platforms —with the, the desire and the importance, agreed importance, bipartisan, that the U.S. should lead globally, especially vis-à-vis China on this. And I know that you've introduced legislation, Senator Bennet, and, you know, about-- related to U.S. versus China and the technological race. So when you think about balancing regulation in there, is that a conundrum or not? Is there a is there a way forward, if that makes sense?

BENNET: I think-- I don't think it's a conundrum. I think we need to do both. I think we should be the world's leader, and we are. I'm proud of the fact, and I know Thomas is too and I know Peter is too. I'm proud of the fact that — notwithstanding everything I just said about those guys strip mining us, which they are — I'm proud of the fact that this innovation happened in the United States, just like it happened in the Gilded Age. You know, Tom's right about how who sets the rules is a whole other question, but I'm proud that that innovation has happened here. We need to preserve that innovation and we need to be the guys, I think, that is helping set the global standards here. We shouldn't be letting, you know, Europe set those standards and — without being informed by what we think — and we certainly shouldn't be letting the Chinese do it without being informed with what we think.

There is, especially with respect to AI — I think probably the same can be said for social media — there is a massive debate that's gonna happen, you know, in front of humanity right now, which is, is this technology going to be used by authoritarian states like Beijing to, to use tools that George Orwell could never have imagined, to concretize their authoritarianism, to export their authoritarianism around the world? Or is it going to be the technology that it's able to develop, that's aligned with our civil rights, that's aligned with our civil liberties, that could — even imagine this — help strengthen our democracy rather than compromise it and weaken it. And there is no one except America that's in a position, I think, to fully have that debate with Beijing in the world, and it's so important. I think one of the really important reasons for us to

pass the bill that I have with Peter, because I think it would establish us, I have no doubt it would establish the United States as the leader in this area, and with all of those implications that follow, including the fact that we want the innovation to continue to happen here.

KANG: And I think that might be one of the intents of the EO, really, is for-- to really just put the stamp on global regulations when it comes to AI. I know VP Harris is in London right now and about to give a speech on this. Senator, what's your thoughts on the U.S.-China balance, if you will, when it comes to regulation?

WELCH: You know, I'm not gonna talk so much about China because, for me, this is about rebuilding our communities. We want-- one of the things that I am sensing from younger parents, from people trying to start a small business, is they are out of control. And there is an erosion of a feeling of control in communities and, to some extent, the med-- the the big platforms in social media have played an enormous role. So the AI has captured our attention. But what we have to do with AI, which is have a public-- the public representatives on behalf of public interest be setting some rules of the road that protect our communities and protect our competition. And that's what the point of the bill that Michael and I have, for me, is all about.

You know, if you're an everyday parent and you're wondering about your kids, that moment when their kids are going to be getting on social media, it's a pretty scary time. If you're a small business and you're doing everything it can to make things happen and you get blown out of the water by Amazon, that's really a significant threat. And there's nobody that is there on behalf of the public because we made that decision in Section 230 to let, let it go and have that be delegated to the private sector. And it really reflects what is an ongoing tug-of-war and has always been the case in politics and in Washington between folks who have an orientation that the free market will arise and get things done, and it will be efficient and effective, and that will be beneficial to the vast majority of people. My view? That is often not the case. Free market means it usually it leads oftentimes to monopolies, and those monopolies are acting on behalf of what serves them, and that's profits and bottom lines. And the-- we just can't allow that to continue to happen.

Within Congress, it was very interesting to me how a lot of folks who were very strong Section 230 advocates are now saying that there has to be some regulation. And people come at it from different points of view: "How do we protect our kids? How do we protect competition?" But I think there's a growing awareness that you simply can't leave all of these important societal questions that really do have an effect on our communities and on our families. You can't leave that to the titans of tech, whether it is the social platforms or it's now emerging AI. But when you talk to everyday citizens, they're much more concerned

about the social platforms they're reading about. They're kind of scared about AI, and we've got a deal with AI, and I'm really supportive of the president making that push. But that question about how you deal with AI is essentially the same question I think Michael and I are asking about our failure to deal with the social platforms and deal with the implications of how it's affected our society.

WHEELER: Can I pick up on that for just one second? Because, you know, your newspaper had a terrific guest editorial by a group of individuals that, that I think began with an observation that said social media was human's first interaction with AI, and humans lost. And, and so one of the things that Senator Welch just did there was to put this in a continuum, and we have to be able to lead that. Let me go to your point for a second, where you're asking about international--.

KANG: Yeah.

WHEELER: I mean, as you said, right now going on in London is the AI Safety Summit that the vice president is at. We'll go back to history for a second, okay?

KANG: Please do.

WHEELER: Two weeks after D-Day — that's not the Gilded Age — two days, two weeks after D-Day, the allied nations came together in Bretton Woods to develop the economic plan for after the war. That was all kinds of huge tugs where the United States was, was a net creditor, everybody else was a net debtor. How do you work out those dynamics? And they built what became the international financial structure that has led to the kind of growth in economic opportunity around the world. That's what American leadership is about. But if you're going to have that leadership, it goes back to the old, "Where you stand depends on where you sit," right? You've got to know what your policy is. And it is hard for us to be leaders in the world when we have refused to step up and deal with the privacy issue, the competition issue, the misinformation issue in this country. And when we leave that void, others rush in — whether it is the EU or China. And, and there are consequences of actions, and there are also consequences of inaction. And our inaction here is creating the opportunity for somebody else to make the rules in the 21st century.

KANG: So when I hear of, you know, the need for, for fast-- and need of action, and forceful action, and, you know, to make sure that there isn't that regulatory vacuum, I look back at my coverage of, for example, data privacy. And I've seen more than a dozen bills be introduced and nothing happen, right? So when I hear about these new proposals, and I see that Senator Schumer has launched this initiative on, on legislating AI, it's hard not to be a little cynical as an observer in terms of the timeline. And I know these are not [inaudible], and I should say Tom's book ultimately is optimistic. But-- so talk a little bit about the real chances of legislation. I mean, do you have Republican support, for example, for your bill? What do you think of the prospects of Senator Schumer's initiative and whether we would see legislation even in 2024?

WELCH: It is a process. In the process right now, it's-- there's an indication that there is an enormous interest that didn't exist ten years ago in having some protection on behalf of the public with respect to these social media platforms. That's been intensified with the onset of AI. And you've got these one-off bills that are throughout the Senate and throughout the House now that come at this in various ways that reflect the particular concerns of the authors of that legislation. And I think what Michael and I were coming to-- came to the conclusion on with Tom's leadership is that the one-off approach is never going to make it, and the one-off is reflecting the systemic failure for there to be a public interest capacity to, to protect the privacy, to protect your data, to take reasonable measures to protect the mental health of our kids. So I-- my view is that, at the end of the day, everyone introduces their bills, and we throw up our hands and realize that we need an agency, like we needed the FCC, like we needed the SEC, like we needed the Trade Commission. So that's where we're going. When will get there? Who knows, because there's, there's some forces that pull us apart. Some folks are just against regulation. And as Barney Frank used to say, "The only thing worse than bad regulation is no regulation."

So how do we get it right? Tom's suggesting that we really do have to think about a more agile way to do it because we obviously want to get the benefit of innovation. But the tech sector has come to dominate. It's dominating the way we do business; it's dominated the way our kids get raised, it's dominating the way businesses compete. And it is coming at some significant expense, and that's been-- that is true. What's happening in all of those areas affects you, whether you're from a red state or a blue state, because everyone cares about their kids, everyone wants to help their small businesses have a shot, because they know how much that means to the vitality of a community. And so that's the bipartisanship that, you know, we seek to have around this idea where it won't end the battle, but there'll be a mechanism, an institution whose goal is not the maximization of profit, but it's the maximization of competition. It's the maximization of mental health for our kids. It's the maximization of small business competition in all of our communities.

KANG: Great. And before-- Senator Bennet, before you answer, I just want to say we're going to open to questions right after Senator Bennet answers, and then we'll take questions from the audience as well as some that have been submitted already. Please.

BENNET: I would just-- first of all, I just want to underscore in bright line what Peter said about the moment we have in front of us now with the, with the work that Chuck Schumer is leading. And I'm saying this in the hope that he will hear what I'm saying, which is we have to-- this can't just be about AI. This has to, we have to acknowledge, recognize our failure to regulate the social media platforms in a way that reflects the public interest, and that has to be part of this. You know, as Peter said, AI, these things are not-- in a way, it's hard to distinguish the two things from each other. And one of the things that I'm deeply worried

about is the way that these algorithms, which are run by AI, are driving, you know, high school girls in particular, to be on websites that are really destructive to their sense of, you know, for their body image. And that's just one example, but it's a profound example. I have had, you know, a young woman up in northern Colorado say to me, "Senator, let me just tell you the bullying, which is electronic, follows me home at every" — she said— "at every hour and every day. There's no escape." What are we going to say to her about that? What are we going to say to her about that? And so I think we can't forget that in the discussions that we're having on an AI.

And then you asked, "How do we get this done?" You know, I have a long list of things that I'd like to get done before — or I'd like us to do as a country — before I die. It's a very long list. It's getting longer and longer and longer. This is one of those things that I'm absolutely sure we will get done before I die because the public is going to demand it for all the reasons that Peter said — that I won't repeat. If I were advising somebody running for president of the United States, you know, I would give-- I would tell them they should be running on our bill because it is going to be very popular with the American people. And the American people want us-- want to have a chance to have a negotiation with these tech titans. They want it. They feel like we've let them down. And I think this is the best example of that.

And then the final point, I think this is really important. Even if we got our act together to pass the privacy bill that you mentioned — which I would love, I'm for that, I would support that — even if we did that, we'd never do anything else. We'd never deal with the antitrust issues; we'd never deal with the foreign invasion of our platform issues. And I think that's why this, this notion — that Tom really is the progenitor of or the father— this notion that the right way to handle this is with something like the FDA, like the FCC, rather than passing one bill through Congress, I think is, you know, is really, really important.

KANG: I'm going to ask one question that was submitted, and then we'll take a question from the audience. So this was from — should I go ahead and identify who sent the question? Okay, great — Sarah Akbar from Recorded Future— she's the director of government affairs— asked, "Can you discuss the conflict with protecting national security and protecting civil rights?" And can I just add to this question? So, I talked to some people who are in the room of Senator Schumer's first AI forum meeting, and a civil rights activist who was at the table said — you know, Elon Musk was there, Mark Zuckerberg, Bill Gates, just, you know, all of these tech CEOs and leaders. And there was so much discussion around security in that meeting. And there were people talking about the creation of bioweapons. And this is gonna be like a stru-- humankind, like big existential questions related to security. And her concern, the civil rights leader, was that there is so little opportunity to address the questions of civil liberties and civil rights and individual rights. Are

you concerned at all that there is a bit of an imbalance — certainly the EO is very security-focused, for example — right now when it comes to discussions of AI as well as social, social media?

WHEELER: Well, let me try that. AI is trained on us, right? On--.

BENNET: Can't go wrong with that.

WHEELER: Exactly. Yeah, it's trained on the information that we have put on the internet that we have, that we have shared. And that is good information and bad information. That is biased information, that is discriminatory information. And, and so as a result, we shouldn't be surprised when a guy reaches into a trove of data that is per se biased and discriminatory, that it produces something that is biased. I'm encouraged by the EOs focusing on this, raising this issue. I'm con-- I'm encouraged by by what some of the major, big AI if you will, platforms or foundation models are doing to try and address that. I am concerned that — and this is a national security issue as well — that AI has escaped into the wild through open-source AI. And as the Google memo that was leaked says, you know, "One person, an evening, and a beefy laptop can suddenly be providing AI capabilities." And how do we look at the effects of that?

And just one last point, because one of the things that I talked about in my last book, "From Gutenberg to Google," that I echo in this book, is that it is never the primary technology that is transformational, but always the secondary effects. And so, one of the challenges that we have in AI is, as we focus on how these foundation models are going to function — and we should — we really need to deal with what are the effects, and particularly, what are the effects of AI in the wild? You know, Salesforce has this great commercial that they run with Matthew McConaughey, who comes out and says, that "If AI is the Wild West, who's the sheriff?" That's a poor Matthew McConaughey imitation. But the point is, who is going to be the sheriff creating the ground rules dealing with these effects? And what these gentlemen have proposed is an agency that is agile enough to deal with that as those effects are constantly changing.

KANG: Great. Any questions from the audience? We have one right back here. Can you please identify yourself as you ask a question?

AUDIENCE MEMBER: I'm Michael Nelson. I'm working next door at the Carnegie Endowment for International Peace, where I'm part of the Technology and International Affairs program. I knew this was going to be a great session. I've known Tom forever. I will also plug his first book, which is "Mr. Lincoln's T-Mails" on the power of the telegraph. I have 15 questions; I will ask just one. I love what you guys are doing. This has been an incredibly informed discussion. I think there is a one in a thousand-chance that we will ever see a comprehensive digital policy agency. And I say that for three reasons. One is regulatory capture. Two is rent-seeking. And third, and perhaps most important, is campaign finance. I worked with several people in this room back in the early nineties when I was in the Clinton White House working on the last big rewrite of

digital policy, which was the Telecom Reform Act 1996. We wrote an amazingly slim, streamlined, deregulatory version in 1994, and a lot of people in the internet community said, "This is great. Everybody should be regulated as little as the internet." And then we went to the Hill, and the agencies that would be affected were not very happy with the idea they would have less regulatory power. The regulated industries already knew how to manipulate their regulator. They weren't happy with a major rewrite. And in the end, we spent two years getting a monster bill that was completely contradictory because every part of the telecom industry inserted their language to regulate the other parts and hold them back. Seven years later, we finally got through all the lawsuits. We got the right things done in that act, and it did unleash the internet, but it could have been so much cleaner and easier. So how do you avoid the problem of all these people who are embedded in the current system and like the way they're regulated now?

KANG: None of this is new by the way.

WELCH: I'm shocked.

WHEELER: There's gambling going on here.

WELCH: It's-- I mean, you went through it in the Clinton administration. That's, you know, the world we're in. And it's really tough for the campaign finance reform. You know, that's really, really dispiriting because it's at a whole different level now. I mean, McCain-Feingold, even if we had it, it's nothing since Citizens United. The Supreme Court did a terrible thing to democracy with Citizens United. Unlimited money, secret money, and whatever reported contribution is, it pales in comparison to the power of interest groups that have literally billionaires making certain that they get what they want, including the kind of Supreme Court they want. So, you know, your question actually goes to something else, and it's-- what I see is significant threats to our small-d democracy, and, it's campaign finance reform. It's a court that is interfering with the legislative function, and it's really overreaching. It's the cynicism among citizens that occurs as a result of that. So we're trying, and Michael and I are trying to do this legislation in the context that we're in, but you've identified something that is an existential challenge for the well-being of our democracy.

BENNET: And let me just very could just add on to that. I mean, first of all, if you look at —we're not here to talk about climate change but — if you if you look at the origins of climate denial in Washington, D.C., you can tie it directly to the Supreme Court's decision in Citizens United. Before that happened, there was not climate denial in Washington, D.C. After that happened, there was, because, you know, people could threaten politicians not actually by spending money against them, but just by threatening to spend money against them, you know, which which is something the Supreme Court really missed because it's hard to find evidence of somebody who's just rattling coins in their pocket saying, "You better not go on that climate bill, because if you are, we're going to run a, we're going to run a primary against you." And the Supreme Court

was sort of focused on this really benign view of corruption, which was quid pro quo corruption, instead of the real corruption, which is the corruption you're talking about, I think, which is the corruption of inaction, the corruption that is tied up this place and made it impossible to work because of how our campaign finance system has changed.

Now, having said all that-- we actually have passed something called the Inflation Reduction Act, which is the most important piece of climate legislation that's been passed on planet Earth. You know, am I surprised by that? Yeah. Did it come down to one vote from West Virginia? A guy who went home, you know, decided on one weekend, "Well, maybe I don't really want to be the guy that blows the Earth up." So the next week came back and said, "Hey, I'll vote for that." But however we got there, we got there, you know, and it was unfortunately also just Democratic votes because other people, you know, the other party wouldn't do that, and I think you could criticize it. You could say, "Well, it's an easy thing. You guys just gave subsidies to the wind and solar companies. You didn't actually have a price on carbon or whatever." It's all true, but it's a lot better than doing nothing. And we did it in the face of the kind of stuff that you're talking about here.

I think in some ways, I mean, it's just as important because of the small d democracy issues that Peter was talking about. We've got to deal with this. I mean, the prior question was about our civil rights and our civil liberties. We're in the middle of sending notes to these guys in these massive companies saying, "Hey, by the way, have you detected the way your platforms are being used to publish falsehood after falsehood after falsehood about what's going on right now in Gaza, what's going on right now in Israel?" I mean, that is an existen-- existential threat to our democracy. If we can't rely anymore on edited content that, that —what used to be called journalism —supplies to us as citizens in a democracy, we can't do any of this stuff. And I think in the absence of, you know, somebody here pushing back the regulatory agency you describe, we're not going to be able to do it. And I mention that — I mean, it may sound like I'm exaggerating it — I actually think that's the place we are in. And you can — my mother would kill me if she heard that preposition at the end of a sentence— well, that's the place we are. And, and so we got to do better. And we can't accept the brokenness that you have described. And I'm sure you don't accept it either. So let's get after it. We'll fix it.

KANG: Well, the place in which we are is at the end of a really great discussion. Thank you so much. And I will say, actually, Chairman Wheeler's book is much more optimistic than our conversation ended. And thank you so much, Senators Bennet and Welch, for coming.

BENNET: Thank you, Cecilia.

WELCH: Thank you.

KANG: Please stay seated and wait for the senators and chairman to leave — and myself. Bye.