

Intelligence MEMOS



The C.D. Howe Institute's third Regent Debate recently addressed the question: Should Governments Regulate Big Tech to Protect the Public Interest? David Plouffe, Head of Policy and Advocacy at the Chan Zuckerberg Initiative, and a senior adviser in the Obama White House, argued against the proposition.

From: David Plouffe
To: Canadians Concerned about Big Tech
Date: August 30, 2019
Re: **REGENT DEBATE: BEWARE OF OVEREAGER REGULATION**

I'm going to spend a little bit of time actually talking about regulation more broadly in addition to tech specifically.

You know I have an interesting background. I've sat in the government chair I've also sat in the other chair talking to people in government about regulation. And I'm a political progressive – so I believe in government activism and I believe in government regulation.

I think political progressives, though, should have a very high bar. We should be the first ones to call out regulation when it's premature. I believe that no regulation is better than wrong regulation, or dumb regulation, or premature regulation, or regulation that looks backwards instead of forward.

When I worked in the White House, President Obama in 2011 (it's shocking that this had not happened in decades) asked for the first formal review of all regulations on the books. And what came out of that process was scary and frightening – whether you're on the right, left, or centre. Many regulations that had not been looked at for decades, and these are in slow-moving industries not the tech industry. My favourite was we had two different agencies regulating pizza – one for cheese pizza and one for pepperoni pizza.

And so the lesson there, I think, is we have to be very, very careful. History suggests whether you're in Canada, Europe, Australia, South America, the United States, it is hard enough to pass a smart law for the times or promulgate a smart regulation for the times. But it is next to impossible to claw back regulation, to change laws, and so we really better be careful here. First and foremost to do no harm.

I spent a few years traveling the globe when I worked at Uber – spent a lot of time in all parts of the world here in this city and throughout Canada. What was fascinating about the discussion – in almost every room – whether it was an elected official or regulator, is that they thought about ride-sharing generally and Uber specifically through the prism of taxis and taxi regulation. That was the question: "Well we have these things called taxis and we have regulations for them. In some cases they've been around for a generation in some cases for a century and so if you can fit your service into this, you can operate."

And I think we have to understand that the people who are doing the regulating here are super important. So I'm sure it's better in Ottawa, but for those of you who have watched tech executives go to Washington and testify in front of our members of Congress, it's a frightening spectacle. You would not trust most of them to reset your home Wi-Fi router, much less regulate algorithms and artificial intelligence.

And so as we think about this, I think we all agree that there is going to be some regulation, but what I hope you can think about is to get to the point where it's "no, unless" or "yes, not until." This isn't just about regulating big tech. Data is coursing through all of our businesses in all of our economy. Same thing with privacy, same thing with elections.

And right now politicians too often are forced to react to headlines and I think social media has accelerated this. And too often there can be an overreaction from politicians and regulators both. It was hard enough 10 or 15 years ago when you were surrounded by microphones from the press – now you're surrounded by a cacophony of voices every day saying "you must do something and you must do it now."

But if we get this wrong, and I'm sure there are going to be some regulations, but if we get this wrong, what will happen is we're going to stifle innovation, we're going to hurt our economy.

David Plouffe is head of policy and advocacy at the Chan Zuckerberg Initiative, and was Barack Obama's 2008 campaign manager.

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