based on a patchwork of services subject to widely varying capabilities and regulation.

The scientific and academic communities also have stringent demands for access to information resources and powerful computing capacity around the world. The international research and academic community was instrumental in developing the Internet, an already global mass of interconnected computer networks. The astonishing growth rate of the Internet network—over ten per cent per month for more than five years—is just one indication of the growing demand for and supply of digital information.

C. Cornerstone of the GII: A Community of Global Interest

The nations of the world are diverse in size, levels of economic development, political, economic and social structures, and language and culture. We believe, however, that despite these differences a broad community of interest exists among countries to better the lives of the citizens of the world—all citizens. Regardless of a country's overall level of technological development, active participation in the evolving GII can provide the tools to improve the quality of life.

For example, the GII can facilitate health care delivery through telemedicine, linking rural physicians to major medical facilities for off-site consultations on difficult diagnoses. If only a computer and a wireless link are available, they can provide a data base search and on-line questioning of a consulting expert. If fiber optic networks are available, telemedicine services can include remote visual examination. Such services are a boon to rural physicians. Similarly, the GII can quicken response time for disaster relief. It can transform education with computer-based multimedia systems that teach with both sight and sound, greatly increasing retention rates and providing children access to greater educational opportunities. It can provide new tools to assist persons with disabilities. The GII can also make factories more efficient, speed the creation of new and better goods and services, cut the cost of business by improving efficiency, develop new jobs and markets, increase trade, and facilitate flows of information across borders.

That is not all. A well-developed GII can enhance democratic principles and limit the spread of totalitarian forms of government. Representative democracy is founded on the premise that the best political processes are those in which

each citizen has the knowledge to make an informed choice and the power to express his or her view. The GII will allow wider and greater citizen participation in decision-making by providing the additional means for individuals to keep informed, as well as to express their opinions. Through the GII, the world's citizens will have the opportunity to share information and cultural values, fostering a greater sense of global community. By encouraging exchanges of ideas, goods, and services among all countries, the GII can contribute to a framework for lasting peace.

Realizing these benefits will not be easy—our vision of the GII presents a challenge that cannot be undertaken by a single country, nor overcome by government fiat. Rather, its success will depend in large measure on innovation and investment by the private sector. As the principal source of expertise and capital, the private sector should, in response to marketplace demands, determine what technologies to pursue, set the pace of development, establish the appropriate standards, and develop new services and applications. For their part, governments can facilitate these activities by creating a legal and regulatory environment that supports efficient investment and innovation, and promotes full and fair competition. Governments can also provide leadership by supporting testbeds for new technologies, fostering the transfer of resulting technologies to the private sector, promoting the assimilation and use of applications and technology through government procurement, and developing applications that support government operations and dissemination of government information.

II. Building a Foundation for the GII— Five Basic Principles

The United States believes that five basic principles—encouraging private investment, promoting competition, providing open access to networks and services for providers and users, creating a flexible regulatory environment to keep pace with technological and market developments, and ensuring universal service—should serve as the foundation for the development of the GII. In our view, this foundation will facilitate information infrastructure development in individual countries and the interconnection of networks on a global basis. It will also accelerate development of useful applications, and increase sharing of information among people around the world. We believe these principles apply equally to the

telecommunications, information technology, and information services industries. In partnership with the private sector and all users, we believe that governments should take action to adopt, apply, and advance these principles at national, regional, and global levels.

A. Encouraging Private Investment

Given the facts that the worldwide market for information technology, products, and services is currently valued at \$853 billion, and that worldwide investment in telecommunications infrastructure alone is expected to exceed \$200 billion by 2004, both developed and developing countries need to find ways to share in this growth and prosperity. Attracting private sector investment is the most effective way for countries to do so—as well as to improve their networks and services, promote technological innovation, and succeed within the competitive global economy. The reasons extend beyond the purely financial: In addition to providing inflows of capital, private investment also stimulates development of new technologies, equipment, services, new sources of information, and managerial skills—all of which help speed infrastructure growth and improvements, increase efficiency in the provision of services, and permit greater responsiveness to consumer needs.

To attract greater investment from both domestic and foreign sources into their telecommunications sectors, nations are adopting a variety of approaches, ranging from revenue sharing initiatives and joint ventures to direct foreign investment, licensing of privately-owned competitors, buildoperate-own or -transfer schemes, and privatization of government-owned public telecommunications operators. Countries as diverse as Chile, India, Jamaica, Japan, Malaysia, New Zealand, the United Kingdom, the United States, and Venezuela have encouraged multiple private companies to provide telecommunications services, drawing in private investment to varying degrees and leading to lower service prices and improved communication.

In other countries where privatization is not currently considered a politically viable option, governments have taken steps to attract foreign investment in the form of joint ventures for the provision of new services, such as cellular telephone and Very Small Aperture Terminal (VSAT)-based overlay networks for business users. Some countries have permitted lease and franchise arrangements that include private expansion of part of the