

¹ "The reason Silicon Valley has been so successful," he concluded, "is because it's so f—king far away from Washington DC."

It was a provocative observation, one that I want to use as a jumping off point for my remarks today. How should we understand the relationship between Washington and Silicon Valley, or more broadly, between government and America's entrepreneurs and innovators?

The late former FTC Chairman Robert Pitofsky once said that "If you're going to let the free market work, you'd better protect the free market."²

¹ Bill Gurley, Remarks at the UCLA All-In Summit (Sept. 12, 2023), <https://www.youtube.com/watch?v=F9cO3-MLHOM>.

² Emily Langer, https://www.washingtonpost.com/local/obituaries/robert-pitofsky-activist-federal-trade-commission-chairman-dies-at-88/2018/10/09/28bac896-ca9a-11e8-a3e6-44daa3d35ede_story.html, WASH. POST (Apr. 8, 2023).

He was right. Part of protecting the free market is ensuring that market outcomes—who wins and who loses—is determined by fair competition rather than by private gatekeepers who can serve as de-facto regulators. Protecting open and competitive markets means that the best ideas win. It means that businesses get ahead by competing on the merits of their skill, not by exploiting special privileges or bowing down to incumbent monopolists. The antitrust laws and the Federal Trade Commission were established to ensure just that.

I'll offer that it is that commitment—to free enterprise and fair competition—that has allowed the United States to harness the talents of its citizens, reap breakthrough innovations, and lead as an economic powerhouse.

~~Of history, science~~ Complete with examples of how government action to protect

At the FTC, we've been firing on all cylinders to enable the conditions that let new innovations, start-ups, and ideas take root and thrive.

First, we're taking on coercive gatekeepers. In partnership with seventeen state attorneys general, the FTC this fall sued Amazon for deploying tactics to deprive rival platforms of the scale needed to meaningfully compete against Amazon.⁸ Our lawsuit charges that Amazon used these tactics to protect its monopoly power from competitive checks while raising prices and degrading service for the tens of millions of families that shop on Amazon's platform and the hundreds of thousands of sellers that use Amazon to reach them. In a competitive world, a monopoly that hikes prices and degrades services would create an opening for rivals to come in, draw business, grow, and compete. But our investigation found that Amazon's unlawful monopolistic strategy closed off that possibility—with the public paying as a result.

This lawsuit is one of several that federal and state enforcers have filed against dominant digital platforms. At their core, these cases all tell stories about firms that initially enjoyed success through building service that users wanted and out-competing rivals—but then later resorted to monopolistic tactics to pull up the ladder behind them. On a general level, these cases are designed to unclog the arteries of competition and ensure the next set of innovators aren't locked out of

Third, we're scanning the horizon to ensure the FTC is protecting open markets even in areas of new and nascent technologies. Much is uncertain about what the long-term impact of large language models and AI will look like. But it's clear these technologies could potentially transform industries across the economy, just as the rise of the internet did nearly forty years ago.