

## Public Statement

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# Remarks at Meeting of Investor Advisory Committee



**Commissioner Hester M. Peirce**

**Sept. 9, 2021**

Thank you, Jennifer. And thank you to the rest of the Committee for your hard work, which is evident in today's two draft recommendations and the panel discussions you have planned for today.

One of today's panels deals with "Reimagining Investor Protection in a Digital World." When confronted with new technologies, new products, and new ways of doing things, the regulator's tendency is to say no instead of yes, to say stop instead of go, to see danger instead of possibility. The regulatory labyrinth we have built over the years serves this "Not so fast, sonny, you might put your eye out!" mindset well. The SEC's focus is appropriately on investor protection, particularly retail investor protection, and market integrity.

This Committee, however, can play a role in reminding us that investor opportunity matters too. By investor opportunity, I mean the chance for investors to try new products and services, to include in their portfolios new types of assets, to use the latest technologies, to get in on the ground floor of new opportunities, to experiment and learn from investment successes and failures. The regulatory process underrates investor opportunity, and investors lose out.

Investors want protection from fraud and easy access to robust disclosures, but they also want to be able to interact with their financial firms using the latest technologies, to have access to the full range of investment options, and to take charge of their financial future by spending their hard earned money as they see fit. Investors at times may be willing to take on more risk than the regulator thinks is prudent. A healthy regulatory response would resist the urge to override investor decisions and instead engage and educate investors using the same technologies through which they are investing. As you discuss digital platforms and other topics in the future, help us to remember that a regulator who always says no or takes too long to say yes is not serving investors well.