

## ICLE's Principles for the Future of Broadband Infrastructure

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The COVID-19 pandemic has highlighted the resilience of U.S. broadband infrastructure, the extent to which we rely on that infrastructure, and the geographies and communities where broadband build-out lags behind. As the extent and impact of the digital divide has been made clearer, there is renewed interest in the best ways to expand broadband access to better serve all Americans.

At ICLE, we would caution policymakers to eschew calls to address the digital divide simply by throwing vast sums of money at the problem. They should, instead, pursue a principled approach designed to encourage entry in new regions, while avoiding poorly managed subsidies and harmful price controls that would discourage investment and innovation by incumbent internet service providers (ISPs). Here is how to do that.

- To the extent it is necessary at all, public investment in broadband infrastructure should focus on providing internet access to those who don't have it, rather than subsidizing competition in areas that already do.
- Highly prescriptive mandates—like requiring a particular technology or requiring symmetrical speeds— will be costly and likely to skew infrastructure spending away from those in unserved areas.
- There may be very limited cases where municipal broadband is an effective and efficient solution to a complete absence of broadband infrastructure, but policymakers must narrowly tailor any such proposals to avoid displacing private investment or undermining competition.
- Consumer-directed subsidies should incentivize broadband buildout and, where necessary, guarantee the availability of minimum levels of service reasonably comparable to those in competitive markets.
- Firms that take government funding should be subject to reasonable obligations. Competitive markets should be subject to lighter-touch obligations.

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