



The Daily Dish

Options for Closing the Digital Divide

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Eakinomics: Options for Closing the Digital Divide

The digital divide is the disparity between those with, and those without, reliable high-speed internet access. There are three important things to know about the digital divide, which can be gleaned from Jennifer Huddleston's "[How Policymakers Can Help Bridge the Digital Divide in 2021](#)."

First, the size of the population on the wrong side of the divide is highly uncertain, but has probably risen because of the pandemic. Per Huddleston, "As of 2018, less than 6 percent (approximately 21 million people) of Americans still lacked access to broadband [according to the \[Federal Communications Commission, or FCC\]](#). Other studies suggest this number could be significantly higher. For example, a [BroadbandNow study](#) argues that the number of Americans without access is double the FCC's figure at approximately 42 million (nearly 12 percent) when conducted at a more granular home or apartment-building level. Meanwhile, [Microsoft alleges](#) an even more dire picture, saying that their data indicate as many as 162 million Americans in 2019 lacked high speed internet." While the exact scope of the problem may be debated, its impact is still felt throughout the country, particularly during the COVID-19 pandemic.

Second, bridging a lot of the digital divide does not cost a lot by the standards of today's federal spending sprees, but closing it entirely gets pricey fast. "In order to expand broadband access to every household, a [2017 FCC study](#) found that it would cost an estimated \$80 billion with \$40 billion being needed to connect the last two percent of households." This is the broadband version of the basic theorem that in economics the right answer is never zero or 100 percent. Being at the extremes is increasingly costly. But the good news is innovation may provide additional opportunities for improved connectivity at lower cost through technologies such as satellite internet.

Third, there are a lot of options for strategies to close the digital divide. One can rely on the FCC, congressional action, or state-level policymakers. Indeed, given the heterogeneity of broadband access issues across the geography (it is not strictly either a rural or an urban issue), some combination is likely in order. And each policymaker should "avoid heavy-handed regulation and costly top-down proposals. Instead, they should embrace opportunities that remove barriers to deployment and empower families to pursue and adopt the right services for their needs."