

America's Wireless Industry: A Free Market Success Story



In the United States, our approach is private-sector driven and private-sector led... And leading through the government, we don't want to do that because it won't be nearly as good, nearly as fast."

—PRESIDENT
DONALD TRUMP



Nationalizing our 5G networks... really misses the mark."

—FCC COMMISSIONER
JESSICA ROSENWORCEL

Free market principles made the U.S. the global leader in wireless. As America's wireless industry invests in 5G, Congress should affirmatively reject the idea of nationalized or government-mandated wholesale 5G markets.

The E-FRONTIER Act (S. 918, H.R. 2063) prohibits federal operation of a wholesale or retail broadband network, including a wireless network, unless Congress explicitly grants the authority to do so and directs the Government Accountability Office (GAO) to identify and report on how to reduce any potential threats posed by foreign actors to broadband networks.

This act recognizes that wireless providers are best suited to build and manage secure 5G wireless networks and that competition and free-market principles—not a nationalized, wholesale network—are essential to maintaining our nation's wireless leadership.

Policymakers should support this bipartisan, common-sense legislation introduced by Sens. Cruz and Cortez Masto and Reps. Cárdenas and Brooks.

The E-FRONTIER Act is key because the bill understands:

The free market's record of success. Smart government policies based on competition in a free and open market helped the U.S. win the race to 4G, spurring American leadership in technologies that defined the decade, such as smartphones, apps, and mobile services. Our 4G leadership created economic benefits across the nation, nearly doubling the number of U.S. wireless-related jobs in just three years, and driving nearly \$100 billion in GDP growth.

Free-market principles will bring even more economic impact as we deploy the next generation of wireless. The wireless industry has already begun investing a projected \$275 billion to deploy 5G, which is poised to create three million jobs and \$500 billion in GDP.



Partnering with the private sector is the best option we have for building the necessary infrastructure required to securely deploy and operate a national 5G network.”

—SENATOR
CATHERINE CORTEZ MASTO (D-NV)



We didn’t gain our global lead in 3G and maintain our global first place position in 4G by turning to the federal government for a nationalized solution. The U.S. wireless industry remains the best equipped to build, deploy, and secure 5G networks.”

—SENATOR
TED CRUZ (R-TX)

Nationalization and Forced Wholesale Networks Don’t Work.

Countries around the world have experimented with nationalized networks and failed. For example, in 2011, Russia gave away 40 MHz of key spectrum to a company that promised lower prices and sweeping network deployments with a wholesale network built with Chinese equipment. Three years later, that company gave up and sold out after reaching only 27 percent of Russia. Meanwhile, the competitive U.S. industry had built out LTE to nearly 96 percent of Americans. Similarly misguided experiments failed in South Africa and Mexico.

Our 5G leadership is at stake. Building a wireless network takes time, money, and boots on the ground. The clock is ticking in the race to 5G and the government doesn’t have the experience or resources to build the type of robust, nationwide network that could help us maintain our wireless leadership.

Thankfully, America’s wireless providers have already put in years of work and are competing to build the world’s biggest, best, and most secure 5G networks. As a result, the first large-scale commercial 5G deployments happened in America—and far ahead of schedule. The industry’s commitment brought the U.S. from third place last year to a tie with China in overall 5G readiness this year.

To help the U.S. maintain our wireless leadership and the benefits that come with it, Congress should reaffirm the U.S. commitment to competitive, free-market principles. Supporting the E-FRONTIER Act will permanently remove any uncertainty about the U.S. approach to 5G and help ensure that America’s wireless industry can continue to invest in world-leading 5G networks.