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## Press Release

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### CENSUS DATA SHOWS TARGETED BROADBAND SUBSIDIES ARE THE PATH TO CLOSING THE DIGITAL DIVIDE

*Current Population Survey data finds no difference in availability across race or income, but a lack of interest and affordability are drivers of a lack of broadband adoption*

WASHINGTON, D.C. — Despite the lack of any evidence of Digital Discrimination, the Federal Communications Commission is poised to adopt aggressive rules at its November Open Meeting to address “Digital Discrimination.” Such efforts will have little effect on the Digital Divide, however. The FCC’s data indicate that almost all households have access to broadband services and there is no discriminatory differences in availability across income or race, so adoption—not discrimination—is the source of the Digital Divide.

In a new POLICY PERSPECTIVE released today entitled *Digital Discrimination and Broadband Subsidies: Which Matters?*, Phoenix Center Chief Economist Dr. George S. Ford looks the relative importance of Digital Discrimination and broadband subsidies on the Digital Divide. Data from the Current Population Survey of the U.S. Census Bureau provide further evidence of a lack of discrimination. Minorities and low-income households are, in fact, less likely to report a lack of broadband adoption in the home is motivated by a lack of access. Instead, the key drivers of broadband non-adoption are a lack of interest and, to a much lesser extent, affordability. As a result, improving the efficacy of the Affordability Connectivity Program offers a greater potential for closing the adoption gap than aggressive rules on discrimination.

“The FCC’s *Draft Order* provides no evidence of Digital Discrimination, probably because this lack of evidence conflicts with its aggressive regulatory agenda,” says study author Phoenix Center Chief Economist Dr. George S. Ford. “It appears, however, that affordability may be of some concern, so the Commission’s resources are better devoted to improving the efficacy of the Affordability Connectivity Program rather than chasing the phantom of digital discrimination.”

A full copy of PHOENIX CENTER POLICY PERSPECTIVE 23-03, *Digital Discrimination and Broadband Subsidies: Which Matters?*, may be downloaded free from the Phoenix Center’s web page at: <https://www.phoenix-center.org/perspectives/Perspective23-03Final.pdf>.

*The Phoenix Center is a non-profit 501(c)(3) organization that studies broad public-policy issues related to governance, social and economic conditions, with a particular emphasis on the law and economics of the digital age.*