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Press Release

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NEW PHOENIX CENTER STUDY FINDS NO EVIDENCE THAT 5G DEPLOYMENT HAS DELIVERED PROMISED ECONOMIC BENEFITS

Analysis of Federal Data Shows Industry Claims of Trillion-Dollar GDP Impact and Millions of Jobs Lack Empirical Support

WASHINGTON, D.C. – The mobile wireless industry has spent the past decade promoting 5G as a transformative technology that will boost the U.S. economy by over \$1 trillion and create millions of jobs. Industry groups claimed 5G represented a “technological paradigm shift, akin to the shift from typewriter to computer” that will fundamentally transform American life—from healthcare and transportation to manufacturing and education.

In a new study released today entitled *The 5G Promise Falls Short of Reality: Examining Economic Impact Claims*, Phoenix Center Chief Economist Dr. George S. Ford analyzes federal data on 5G availability and key economic indicators across U.S. counties to test whether these sweeping promises have materialized. His findings are clear: there is no evidence that 5G deployment has improved employment, wages, business growth, personal income, or GDP.

Using difference-in-differences analysis with inverse probability weighting to address selection bias, Dr. Ford examines county-level economic outcomes from 2014-2018 (pre-5G) compared with 2022-2023 (post-5G deployment). The study analyzes data from 2,935 counties with varying levels of 5G coverage, controlling for parallel trends and other methodological concerns.

“Despite the industry’s sweeping promises, the data show no measurable economic impact from 5G so far,” said study author Phoenix Center Chief Economist Dr. George S. Ford. “All regression coefficients are small and statistically indistinguishable from zero across every economic outcome measured—employment, wages, business establishments, personal income, and GDP.”

The analysis reveals a stark disconnect between industry marketing and economic reality. While Boston Consulting Group studies commissioned by CTIA claimed 5G would contribute \$1.4 to \$1.7 trillion to U.S. GDP and create 3.8 to 4.6 million jobs, Dr. Ford’s empirical analysis finds no support for such claims. The study’s findings align with growing skepticism about 5G’s transformative potential.

The study does not imply that 5G lacks value—better connectivity can support specific use cases and improve service quality. However, it raises serious questions about industry narratives

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positioning 5G as a fundamental economic game-changer, particularly as the industry begins promoting 6G technology and seeking additional spectrum allocations.

“As the industry begins to promote 6G and lobby for additional spectrum, policymakers should approach industry claims about economic transformation with appropriate skepticism,” Dr. Ford concludes. “Policy decisions should be rooted in realistic assessments of relevant marginal costs and benefits rather than industry marketing campaigns.”

The study recommends that government funding allocations, spectrum policy decisions, and regulatory frameworks be based on evidence rather than hype as the industry transitions toward promoting next-generation wireless technologies.

A full copy of PHOENIX CENTER POLICY PERSPECTIVE NO. 25-03, *The 5G Promise Falls Short of Reality: Examining Economic Impact Claims*, may be downloaded free from the Phoenix Center’s web page at: <http://www.phoenix-center.org/perspectives/Perspective25-03Final.pdf>.

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