

FCC to hold big 5G auction, spend \$20B for rural internet

April 12 2019, by Darlene Superville And Tali Arbel



This Feb. 25, 2019 file photo shows a banner of the 5G network is displayed during the Mobile World Congress wireless show, in Barcelona, Spain. The U.S. communications regulator will hold a massive auction to bolster 5G service, the next generation of mobile networks, and will spend \$20 billion for rural internet. 5G will mean faster wireless speeds and has implications for technologies like self-driving cars and augmented reality. The Federal Communications Commission said Friday, April 12, that it would hold the largest auction in U.S. history, of 3,400 megahertz, to boost wireless companies' networks. (AP Photo/Manu Fernandez, File)

The U.S. government will hold a massive auction later this year to bolster 5G service, the next generation of mobile networks. President Donald Trump showcased the announcement Friday, declaring that the race to stand up these faster, more powerful networks is a competition "America must win."

"We cannot allow any other country to outcompete the United States in this powerful industry of the future," Trump said at the White House. "We are leading by so much in so many different industries of that type, and we just can't let that happen."

Trump also announced a \$20 billion plan to expand broadband access to rural areas currently without it, a decadelong extension of an existing program.

5G will mean faster wireless speeds and has implications for technologies like self-driving cars and augmented reality. Trump said it will transform the way people work, learn, communicate and travel, making farms more productive, manufacturers more competitive and health care better and more accessible. But experts say it's hard to know now how much life will actually change because of the much-hyped network upgrade.

It will take years to roll out, and the highest data speeds and capacities may not reach rural areas at all.

The rollout started last week in the U.S. and South Korea but will take years.

The Federal Communications Commission said Friday that it would hold the largest auction in U.S. history to boost wireless companies' networks. The auction is set for Dec. 10, and will be the agency's third for 5G, said FCC Chairman Ajit Pai, who joined Trump for the announcement.



President Donald Trump gestures as he speaks about the deployment of 5G technology in the United States during an event in the Roosevelt Room of the White House, Friday, April 12, 2019, in Washington. (AP Photo/Evan Vucci)



FCC chairman Ajit Pai speaks during an event with President Donald Trump on the deployment of 5G technology in the United States, in the Roosevelt Room of the White House, Friday, April 12, 2019, in Washington. (AP Photo/Evan Vucci)



President Donald Trump shakes hands with FCC chairman Ajit Pai during an event on the deployment of 5G technology in the United States, in the Roosevelt Room of the White House, Friday, April 12, 2019, in Washington. (AP Photo/Evan Vucci)

"We want Americans to be the first to benefit from this new digital revolution," Pai said.

The U.S. is jockeying for position with China over 5G. It has effectively banned Chinese telecom equipment maker Huawei from most U.S. networks due to concerns that it might enable Chinese government spying, which Huawei denies. The U.S. has pushed its allies to do the same, with mixed results . Huawei is the world's largest maker of such equipment.

FCC Commissioner Jessica Rosenworcel, a Democrat, criticized the

agency's approach to 5G Friday. She said the U.S. has not auctioned off "midband" spectrum that is better suited to serve rural areas because of how far it can carry signals, and that the Trump administration's actions on 5G have "set us back." She cited tariffs on telecom equipment that have raised costs and said the administration has been "alienating allies" on the 5G security issue.



FCC chairman Ajit Pai, right, looks on as President Donald Trump delivers remarks on the deployment of 5G technology in the United States during an event in the Roosevelt Room of the White House, Friday, April 12, 2019, in Washington. (AP Photo/Evan Vucci)

The FCC also said Friday that it will be renewing an existing \$2 billion broadband subsidy program, for 10 years. It will provide about \$20.4 billion over a decade to providers, with the goal of connecting up to 4

million rural homes and small businesses to high-speed internet.

The agency spent \$34.5 billion on rural-broadband network subsidy programs from 2010 to 2017, according to the Government Accountability Office.

It's more expensive for telecom companies to serve spread-out rural areas than cities and suburbs, so the government provides grants to encourage them to build internet networks in rural parts of the country. Some 24 million Americans lacked access to high-speed internet as of the end of 2016, by the FCC's count.

© 2019 The Associated Press. All rights reserved.

Citation: FCC to hold big 5G auction, spend \$20B for rural internet (2019, April 12) retrieved 28 April 2024 from <https://phys.org/news/2019-04-fcc-big-5g-auction-20b.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.