



# PRIVATE-SECTOR PARTNERSHIPS CAN BRIDGE THE DIGITAL DIVIDE - INSIDE SOURCES

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The Broadband Equity, Access and Deployment (BEAD) program was created to ensure every American has access to high-speed internet. However, as Commerce Secretary Howard Lutnick says, excessive regulations and favoritism toward specific technologies slowed progress. Now, Commerce is shifting toward cutting red tape and adopting a cost-effective, technology-neutral approach to solving connectivity challenges.

An initiative by the National Telecommunications Information Administration, an agency within Commerce, is providing grants aimed at advancing Open Radio Access Network solutions using 5G and artificial intelligence to expand broadband and close the digital divide.

This program will allow smaller companies to compete in a market long dominated by a few large suppliers. Some of these dominant companies, including Chinese telecom giants Huawei and ZTE, were flagged as security risks during the first Trump administration, leading to the continuing "Rip and Replace" program, which removes Chinese components from U.S. telecom networks. By encouraging competition and secure alternatives, Commerce is now taking a more innovative and more secure approach.

While the federal government plays a role in funding and oversight, the private sector is best suited to deploy broadband quickly and affordably. Private companies are already developing scalable technologies that can close the digital divide more efficiently than bureaucratic programs. Fair competition, where small- and medium-size companies have the same opportunities as larger ones, will drive innovation and lower costs. Further, investment from trusted foreign partners (not adversaries) can strengthen broadband infrastructure without compromising security.

Broadband expansion is urgent. Millions of Americans, particularly in rural areas, lack reliable, high-speed internet. This has serious consequences for education, economic opportunity and emergency services. Students in rural communities struggle with online learning because broadband access is either unavailable or too expensive. That kind of disparity is unacceptable.

Previous government-led efforts were slow and inefficient. Overregulation stifled innovation and delayed progress. A market-driven approach supported by targeted government grants can speed up broadband expansion while keeping costs under control.

The solution isn't another decade of delays and wasteful spending. Instead, we need a strategy that takes advantage of 5G technology today. Unlike fiber networks, which require costly construction, 5G offers a flexible, scalable way to bring high-speed connectivity to remote areas at a lower cost.

Private companies are already leading the charge. Portable and scalable 4G, LTE and 5G networks are overcoming the logistical and financial challenges of broadband expansion (where even the larger legacy providers are struggling to compete). Cutting-edge base station technology and network infrastructure can be deployed quickly, providing high-speed internet to areas that government mandates and that large telecom providers have failed to reach.

One of the most significant benefits of private-sector solutions is cost efficiency. Government-led projects are often known for overspending and underdelivering, while competitive companies focus on speed, affordability and innovation. By working with policymakers to remove unnecessary regulations, we can ensure federal broadband investments are used effectively — not just giving larger companies a more significant advantage.

The best way to bridge the digital divide is through public-private partnerships that combine government funding with private-sector innovation. These partnerships have already expanded broadband access faster and at a lower cost than government-run efforts. By reducing red tape and encouraging private investment, we can extend broadband to rural schools, businesses and first responders without putting unnecessary financial burdens on taxpayers.

Reliable internet access is no longer a luxury, it is essential for economic growth, healthcare and public safety. In rural America, 5G technology is enabling advancements like precision agriculture, telemedicine and more effective emergency response systems. Farmers can optimize crop yields, hospitals can monitor patients remotely, and first responders can coordinate disaster relief more efficiently. These innovations will strengthen communities and boost long-term economic prosperity.

In reforming the BEAD program and opening up new grant opportunities, Commerce is taking steps in the right direction. By eliminating inefficiencies and adopting a results-driven, technology-neutral approach, we can make real progress in closing the digital divide. However, success depends on a continued commitment to government supporting private-sector leadership and free-market principles.

The private sector has the expertise, innovation and agility to solve this challenge. The government should support, not micromanage, broadband expansion. By empowering businesses to develop and deploy scalable, cost-effective solutions, we can ensure every American, regardless of location, has access to high-speed internet.

The time to act is now. With the right policies in place, we can achieve universal broadband in an efficient, effective and fiscally responsible way that benefits taxpayers, businesses and communities.