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Press Release

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FOR IMMEDIATE RELEASE
Monday – June 12, 2017

NEW PHOENIX CENTER STUDY ESTIMATES OBAMA’S “REGULATORY REVIVAL” AT FCC COST 100,000 JOBS PER YEAR

Loss is Pay-Equivalent to 130,000 “Average” U.S. Jobs

WASHINGTON, D.C. – Empirical research demonstrates that the Obama Administration’s aggressive regulatory agenda at the Federal Communications Commission reduced investment in the telecommunications sector between \$20 and \$40 billion annually, robbing the nation of a boom in network expansion the public wants and Section 706 of the Telecommunications Act mandates. As there is a direct relationship between network investment and jobs, the next logical question to ask is how this reduced network investment affected employment in the telecommunications sector.

In a new economic analysis released today entitled “*Regulatory Revival*” and *Employment in Telecommunications*, Phoenix Center Chief Economist Dr. George Ford answers this question. Using standard economic techniques and publicly-available data from the Bureau of Labor Statistics, Dr. Ford finds that over the period 2010-2016, the telecommunications sector lost approximately 100,000 jobs per year—many of them high-paying union jobs. This loss is the pay-equivalent of about 130,000 “average” U.S. jobs.

“For Broadband Service Providers, the Obama Administration proved to be an eight-year reign of terror, enacting one policy after another specifically designed to transfer economic profits in the Internet ecosystem away from the core and—either directly or indirectly—towards the edge,” said study author and Phoenix Center Chief Economist Dr. George Ford. “As firms are not passive recipients of regulation, my research confirms the obvious: the ‘regulatory revival’ at the FCC under President Obama substantially reduced network investment which, in turn, had a significant adverse effect on employment in the telecommunications sector.”

A full copy of PHOENIX CENTER POLICY PERSPECTIVE NO. 17-05, “*Regulatory Revival*” and *Employment in Telecommunications*, may be downloaded free from the Phoenix Center’s web page at: <http://www.phoenix-center.org/perspectives/Perspective17-05Final.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.