



New study quantifies the impact of broadband speed on GDP

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A new report released shows that increasing broadband speeds and broadband penetration for an economy increases the GDP.

The research conducted by Ericsson, Arthur D. Little and Chalmers University of Technology confirms increased broadband speed contributes significantly to economic growth. Doubling the broadband speed for an economy increases GDP by 0.3 percent, the press release for the report says.

The positive effects come from automated and simplified processes, which increase productivity as well as better access to basic services like education and health care.

The study was conducted in 33 countries in the Organisation for Economic Co-operation and Development, and quantifies the isolated impact of broadband speed, showing that doubling the broadband speed for an economy increases GDP by 0.3 percent.

A 0.3 percent GDP growth in the OECD region is equivalent to \$126 billion, which corresponds to more than one seventh of the average annual OECD growth rate in the last decade.

The study also shows that additional doublings of speed yields growth in excess of 0.3 percent, e.g. quadrupling of speed equals 0.6 percent GDP growth stimulus.

Both broadband availability and speed are strong drivers in an economy. Last year Ericsson and Arthur D. Little concluded that for every 10 percentage point increase in broadband penetration GDP increases by 1 percent.

[Click here to read the press release on Reuters.](#)

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