

5G's not a competition, but Asia is winning

By NSR Team | October 19, 2019

We've never bought into the idea that 5G is a magic wand for competitiveness and prosperity, or that being first out of the 5G starting blocks held any particular merit.

However, we are not dismissive of the idea that the early stages of 5G can illuminate important features of the telecoms landscape, or that 5G concerns will continue to energise politicians and regulators. Both of these aspects of 5G should be of concern to investors.

The landscape feature that we want to focus on here is the relative scale of the telecoms sectors in Asia, the USA and Europe – the three poles of the global industry. Our observation is that many investors have a false sense of the relative scale and importance of these three poles – partly because Asian EVs are relatively modest, but mostly the effect of investors' proximity to their local telecoms markets in the US and Europe. This false sense of relative scale is reinforced by the confident projection by western operators of their own importance in the global pecking order^[fnote]In the US there is also a persistent 'don't worry, we're doing great!' line from some in government and the FCC (see [here](#) for example). Although this is balanced by 'no we are not' from other quarters (e.g. [here](#)), it succeeds in muddying the waters.^[/fnote]

The early picture of emergent global 5G may help to puncture this misperception –

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