Regionalism and Nationalism in Mobile Communications: A Comparison of East Asia and Europe

Abstract

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The growth of trade in East Asia may suggest that *de facto* integration is under way in East Asia. Once we pay attention to the *technical* aspect of trade, however, we find that East Asia is still far from being integrated: East Asia is fragmented into many national markets by different industrial standards. Taking mobile communications as an example, this paper discusses how and why East Asia failed to integrate standards while Europe succeeded in establishing a regional standard. The consequence of regionalism vs. nationalism in mobile communications was clear: Europe succeeded in providing its citizens with international mobility in mobile communications, while Japan failed to do so until recently. European enterprises enhanced their competitiveness in the world mobile phone market, while the Japanese manufacturers lowered their positions. Recognizing the price of nationalism, East Asian mobile phone industry is now discussing the development of a regional standard.