

(Participants whose affiliation is not specified are staff members of the IDE or JETRO Headquarters, Tokyo)

## International Symposium on “Economic Integration in Asia and India: What is the Best Way of Regional Cooperation?”

December 8, 2005

In the flow of globalization in the world economies, the regional economic integrations that have been progressing institutionally in the EU and the Americas are now substantially under way among countries in Asia, including Japan, the Republic of Korea, China, and the ASEAN countries. India, often compared to a “gigantic elephant,” has also taken steps on its passage toward economic integration. By magnifying its trade and investments in the Asian markets, this Elephant may walk faster than ever and come to play an important role in the progress of Asia’s economic integration. India’s full-scale participation in the Asian market will affect other East Asian countries, which in turn will also have manifold influences on India.

This symposium specifically focused on how Asian countries would be affected by India’s participation in economic integration and how India itself would be affected domestically in this process, and finally, the symposium explored the ways by which the regions could successfully pave the path toward economic integration.

The IDE, together with Asahi Shimbun and the World Bank, organized the symposium on economic issues surrounding India and regional integration in Asia, with a keynote speech by Professor Jagdish Bhagwati of Columbia University in the United States and a panel discussion to which prominent economic figures from around Asia were invited.

This symposium contributed to a wider examination of Asian economic integration among academics, businesspersons, policymakers, and others interested in globalization and regional economic integration.

*Keynote speaker:* Jagdish N. Bhagwati (Columbia University)

*Panel members:* Homi Kharas (World Bank), Ramesh Chand (National Centre for Agricultural Economics and Policy Research, India), Zhang Yuyan (Institute of Asia-Pacific Studies, Chinese Academy of Social Sciences), Chularat Suteethorn (Ministry of Finance, Thailand), Shuji Uchikawa

*Moderator:* Masahisa Fujita



## **International Workshop on Regional Development Strategy in the Southwest of China** December 20, 2005

In China, a development policy for the western region has been implemented over a five-year period, and the regional development in the western region has been a focus of many analysts and policymakers. In order to understand what is going on in the southwest region of China, this international workshop was held at the IDE with the participation of Chinese researchers. Two specialists who belong to the Development Research Center of State Council of China presented their research results on the history of China's regional development policy, and two specialists from Renmin University of China discussed the position of the western region development policy and the strategy of the open-door policy in Southwest China. Through the discussion between the IDE and Yamaguchi University, we gained a deeper understanding of the regional development policy which has been undertaken in Southwest China.

*Participants:* Shantong Li (Development Research Center of State Council, China), Jie Feng (Development Research Center of State Council, China), Yumin Ye (Renmin University of China), Xiaodong Fu (Renmin University of China), Noriatsu Matsui (Yamaguchi University), Haifeng Li (Yamaguchi University), Lichun Chen (Yamaguchi University), Longtang Shi (Yamaguchi University); Dai Hakozaki, Toyojiro Maruya, Nobuhiro Okamoto, Mami Yamaguchi, Norihiro Sasaki, Nobuhiro Horii

## **Co-development in East Asia's Economic Integration** January 19, 2006

In East Asia, de facto economic integration has advanced while de jure integration has been delayed. ASEAN and China, however, agreed to establish a free trade area, and the original six ASEAN countries and China started to eliminate tariffs in July 2005, aiming to reduce its tariffs to zero for 90 percent of the tariff line products by 2010. Japan and the Republic of Korea are following China to establish a free trade area with ASEAN. Furthermore, in December 2005, the ASEAN Plus Three Summit agreed to issue a work plan at the Summit in 2007 to consolidate existing cooperation and set the future direction for cooperation and East Asian community building.

The workshop argues the following points: (1) The FTAs concluded and being negotiated have different sensitive lists, and the lack of dispute settlement mechanism will result in a noodle bowl syndrome (an unorganized tangle of bilateral trade deals) that raises administrative costs instead of tariffs, (2) East Asia's FTAs will generate negative impact on non-member countries, in particular, on small countries, (3) The foregoing is due to the fact that each economy inputs domestic materials much more than ever due to the progress of industrialization, which meets the rule of origins stipulated by FTAs, and (4) Industrial structure among economies in the region will become homogeneous, except in Singapore where the industrial structure is specialized.

*Participants:* Richard Baldwin (Graduate Institute of International Studies, Geneva), Jan Oosterhaven (Groningen University), Bart Los (Associate Professor Groningen University), Michel Fouquin (Centre d'Etudes Prospectives et d'Informations Internationales), Kazuhiko Yokota (International Centre for the Study of East Asian Development, Kitakyushu), Nobuaki Hamaguchi (Kobe University), Ken Itakura (Nagoya City University); Masahisa Fujita, Daisuke Hiratsuka, Ikuo Kuroiwa

### **International Workshop on “FTAs in East Asia – Trade Link Model (II)”**

March 1–2, 2006

At the beginning of the twenty-first century, various FTAs have been proposed in East Asia. We believe an econometrical analysis of these FTAs would make an important contribution to understanding the Asian economies as well as to making our economic forecasts for them more accurate. However, almost all quantitative analyses of these FTAs have been conducted utilizing computable general equilibrium (CGE) models.

The PAIR project was preceded by the Econometric Link System for ASEAN (ELSA) project, under which an econometric trade link model was built to analyze the influences of the economies of the United States and Japan on ASEAN countries.

Utilizing the experiences and knowledge of the ELSA project, we decided to construct, as a subproject of the PAIR project, a new econometric trade link model to evaluate various FTAs in East Asia. This new subproject was initiated in FY2004 and will be completed in FY2006.

In the second year of the subproject, we held an international workshop entitled “FTAs in East Asia – Trade Link Model (II)” at the Institute on March 1–2, 2006. The workshop was attended by counterpart researchers from 10 East Asian economies, as well as by distinguished researchers from France, New Zealand, Italy, the United States, and Japan.

We discussed the estimated results and difficulties of the bilateral import functions, with a more extended specification than those estimated in 2005 for these East Asian economies, using mainly two commodity groups. We also exchanged views on the economic implications of various FTAs in East Asia and the rest of the world, based on a CGE model.

*Participants:* Wang Chang Sheng, Zhu Bao Liang, Tao Li Ping (State Information Center, China); Pyo Hak Kil (Seoul National University); Ji Chou, Su-Ling Peng (Chung-Hua Institution for Economic Research, Taiwan); Alan Siu, Hitomi Iizaka (Hong Kong Institute of Economics and Business Strategy); Chow Kit Boey (Business Research Consultants, Singapore); Slamet Sutomo, Kecuk Suhariyanto (BPS Statistics Indonesia); Somchai Jitsuchon (Thailand Development Research Institute); Mohamed Ariff, Azidin Wan Abdul Kadir (Malaysian Institute of Economic Research); Emilio T. Antonio, Jr. (Center for Research and Communication Foundation, Philippines); Dinh Hien Minh, Nguyen Anh Duong (Central Institute for Economic Management, Vietnam); Kiichiro Fukasaku (OECD Development Centre, France); Gary R. Hawke (Victoria University of Wellington, New Zealand); Michael G. Plummer (Johns Hopkins University SAIS-Bologna, Italy); Junichi Hirata (Ritsumeikan University); Yoshihisa Inada (Konan University); Kanemi Ban (Osaka University); Shujiro Urata (Waseda University); Eric D. Ramstetter (International Centre for the Study of East Asian Development, Kitakyushu); Mitsuru Toida, Chinami Yamaji, Jinichi Uemura, Mayumi Fukumoto, Yusuke Okamoto, Hiroko Uchimura

### **International Workshop on “The Frontier of International Input-Output Analyses”**

March 8–9, 2006

This workshop was organized as a part of promotional activity for the 2000 Asian international input-output table, a product of the study group on “The Industrial Structure of Asia-Pacific Region (V).” Dr. Peter Blair presented a keynote lecture on the development of input-output analyses over the last 20 years and the significance of international input-output tables. Collaborative organizations from the project member countries reported the findings from their analyses using the 2000 Asian table. The IDE presented a comparative analysis of national I-O tables and its analytical findings on the industrial structure of the Asia-Pacific region in the year 2000. These reports drew a clear picture of dynamic change in spatial interdependency in the Asian region under the increasing influence of the Chinese economy.

The 2000 Asian international input-output table is expected to contribute a great deal to this analytical field.

The contents of this workshop are reported in *The Industrial Structure of Asia-Pacific Region (V)* (ed. Hiroshi Kuwamori and Bo Meng, Asian International Input-Output Series No. 67).

*Keynote speaker:* Peter D. Blair (National Academy of Sciences)

*Panel members:* Chow Kit Boey (Business Research Consultants, Singapore); Lee Kee Beng (Singapore Management University); Nam Hyun Cho, Yong June Yoon (Bank of Korea); Omi Kelsom Bt. Hj. Elias, Jamia Aznita Bt. Jamal, Azhari Bin Ahmad (Department of Statistics, Malaysia); Wanida Mahakit, Prapsri Pongwattana (National Economic and Social Development Board, Thailand); Carmelita N. Ericta, Ma. Julieta P. Soliven (National Statistics Office, Philippines); Pi Chen, Hung-Chyn Chen (Taiwan Research Institute); Supriyanto, Budi Cahyono (Badan Pusat Statistik–Statistics Indonesia); Zhang Yaxiong, Zhao Kun (State Information Center, China); Maki Tokoyama (Applied Research Institute); Masahisa Fujita, Ikuo Kuroiwa, Nobuhiro Okamoto, Satoshi Inomata, Jun Nakamura, Hajime Sato, Hiroshi Kuwamori, Bo Meng

### **Local Environmental Politics and Policy in Taiwan**

March 17, 2006

This international workshop was held to present the outcomes of a joint research project on “Local Environmental Politics and Policy in Taiwan,” conducted by the IDE, with Professor Ching-Ping Tang (Department of Political Science, National Cheng Chung University), and Professor Ming-sho Ho (Department of Applied Sociology, Nanhua University). Also, the joint research project was conducted as a part of the first year of a two-year research project called “Decentralization and Local Environmental Policies in Developing Countries” organized for fiscal years 2005-2006.

After democratization and political liberalization were realized in Taiwan from the mid-1980s to the late 1990s, there was a rapid increase in the relative autonomy of the local governments, such as those of counties and county-level cities, from the central government and ruling party. Moreover, diversification was realized in public policies, including the environmental and development policies of the local governments. Three coresearchers in the joint research project, who approach the subject from their different backgrounds of analytical frameworks of political science, sociology, and economics, share an interest in empirical studies on local environmental politics, including environmental movements and disputes, and the relationship between local politics and environmental policies of local governments.

The international workshop was held on March 17, 2006, at the IDE, with Professor Ching-Ping Tang invited from Taiwan. Unfortunately, Professor Ming-sho Ho was not in attendance due to his schedule. Professor Ching-Ping Tang’s presentation was entitled, “Transforming Grassroots Social Movements in Democratization,” and Tadayoshi Terao (Environment and Natural Resource Studies Group, IDE) presented a survey on “Local Environmental Politics and Policy in Taiwan.” He also introduced Professor Ming-sho Ho’s research paper submitted to the IDE, entitled “Legal Channeling of Pollution Disputes in Taiwan.”

*Participants:* Ching-Ping Tang (National Cheng Chung University, Taiwan), Go Hagiwara (Rikkyo University); Tadayoshi Terao, Yukihito Sato, Shinichi Shigetomi, Michikazu Kojima, Kenji Otsuka, Momoko Kawakami