

NIKKEI Asian Review, June 5, 2017

Counter protectionism with greater regional cooperation, experts say

US President Donald Trump's policies stir concern



From left: Surin Pitsuwan, former ASEAN secretary-general; Li Xiangyang, director of China's National Institute of International Strategy; Rajesh Chadha, senior fellow at India's National Council of Applied Economic Research; and Fukunari Kimura, professor at Keio University

TOKYO -- Asian countries should band together to counter intensifying anti-globalization head winds, experts from Japan, China, India and Southeast Asian countries agreed at an international conference on Monday.

The panel members were asked to exchange opinions on "free trade and the rising tide of protectionism" at the International Conference on the Future of Asia in Tokyo, organized by Nikkei Inc. On the emergence of protectionism, Surin Pitsuwan, former secretary-general of the Association of Southeast Asian Nations, said he harbors "a sense of tremendous concern" for global development.

The negative impact, he said, could hit not only East and Southeast Asia but "really the global economy and the well-being of the global community as a whole."

In the past, those who resisted globalization tended to hail from the developing world, Surin said. But that has changed: "We have learned to tame the force of globalization to [suit] our own interest. We have accommodated it, and we have somehow made use of it in order to solve our own problems, our poverty."

Today, he said, the anti-globalization sentiment is setting in on "the other side of the equation, from where globalization started." To counter such trends in the U.S. and Europe, "I think the countries of East Asia, the countries of the Indo-Pacific region, the countries of Southeast Asia, will have to come together" to pool strengths and "integrate ourselves."

He stressed the need for regional integration not only in the fields of trade and investment but also other areas, such as energy and labor.

China, for its part, is pushing its Belt and Road Initiative, which is aimed at creating an expansive economic zone. Through infrastructure improvements and other projects, this program will help foster closer economic ties between countries and enhance growth, said Li Xiangyang, director of the National Institute of International Strategy at the Chinese Academy of Social Sciences.

The Belt and Road will contribute to filling "the gap left by the U.S.," Li said. At the same time, he said, China's economy "has been integrated with the global value chain."

The protectionism espoused by U.S. President Donald Trump, the experts agreed, is a concern for Asian nations collectively. "China and Asian countries share common interests in addressing protectionism," Li said.

There was also agreement that Asia's deepening integration should work to counter the trend. Rajesh Chadha, senior fellow at the National Council of Applied Economic Research in India, stressed the need for Asian countries to promote cooperation to wield greater influence on the U.S. "The 21st century is our century," he said. "This is the century that belongs to Asia."

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On the outlook for trade negotiations between Japan and the U.S., Fukunari Kimura, an economics professor at Keio University, emphasized the need to closely watch talks between the U.S. and Mexico on the future of the North American Free Trade Agreement. "I think that is going to be the most important thing," he said, since a lot hinges on whether the talks produce a freer or more restrictive deal.

Among other issues, the panel concurred that income disparities and the effects of generation gaps can be corrected through globalization.

(Nikkei)