



India-Japan Economic Complementarities for Greater Significance for Asia

Dr. Manmohan Singh, Hon'ble Prime Minister of India

Feature Article

Japan and India are civilisational neighbours and our common heritage of Buddhism is our oldest bond. In modern times, Tagore and Okakura Tenshin built new bridges of understanding between our two great Asian nations. The modernisation of Japan based on advances in science and technology since the Meiji Restoration and the energy and spirit with which it rose after the Second World War had a deep impact on our first Prime Minister Jawaharlal Nehru. Jawaharlal Nehru wanted India to develop close ties with Japan and learn from its experiences.

Indian economy in the past fifteen years has grown at an average growth rate of over six per cent per annum and recently it has gained further momentum and the growth rate has accelerated to over eight per cent per annum. India's investment rate is now thirty per cent of our GDP. As a result of wide-ranging economic reforms initiated in the early 1990s, India's economy has acquired the resilience to accept the challenge and opportunity provided by economic globalisation and the emergence of a multi-polar world.

As an open society and an open economy, India is on the move on a sustained path of high growth. The success of our effort to transform India within the framework of a democratic polity is vital to peace and progress in Asia and the world. Never before in human history have over a billion people tried to banish poverty and modernise their society and economy within the framework of a plural functioning democracy.

We have developed a new model for service-led and technology-driven integration with the global economy. Today, India has emerged as an important player in knowledge-based sectors like information technology, biotechnology and pharmaceuticals. Massive investments are being made in the expansion and modernization of physical and social infrastructure consisting of roads, railways, telecommunications, sea and airports. These developments and the changed international scenario created the foundation for our two

countries to rapidly develop closer ties. Therefore, this is the right time to build a strong contemporary relationship involving strategic and global partnership that will have a great significance for Asia and for the world as a whole.

We are two major Asian countries who share the belief that both India and Japan must play their rightful and commensurate role in the emerging international order. Strong ties between India and Japan will be a major factor in building an open and inclusive Asia and in enhancing peace and stability in the Asian region and beyond.

Economic ties must be the bedrock of our relationship and a strong push is required in this area. Our trade and investment ties are well below potential. To exploit the full potential of our economic cooperation, we need strong efforts by our two governments, business and industry. In this regard, we can build the partnership in the knowledge economy. The structure of our economies, the balance of our comparative advantages and the profile of our populations are compelling reasons for this. In the field of science and technology, we need to accelerate the pace of cooperation in the growth sectors of the future such as nano-technology, bio-technology, life sciences and information and communication technologies. We must exploit synergies in the development of Indian software and Japanese hardware industries.

Energy security is the core area of mutual interest. Our region as a whole needs the assurance of the security of energy supplies, and the efficient functioning of energy markets. Like Japan, India sees nuclear power as a viable and clean energy source to meet its growing energy requirements. We seek Japan's support in helping put in place innovative and forward-looking approaches of the international community to make this possible. We have agreed to establish a high level Energy Dialogue but such fora must

be established in many more areas, not least of all between our trade and industry.

I am very pleased that India and Japan are working together to revitalize and reform the United Nations, and the U.N. Security Council, making them more relevant to our times. Both of us have a vital stake in the enhanced effectiveness of the United Nations and its various organs. To that end, we must intensify our cooperation for an orderly and equitable management of the interdependence of nations in an increasingly globalised world we live in.

As the largest and most developed democracies of Asia, we have a mutual stake in each other's progress and prosperity. We are determined to provide an investment friendly economic environment in India. I invite Japanese companies to expand their presence in India. Prime Minister Abe and I will launch negotiations that will lead to a Comprehensive Economic Partnership Agreement to encourage greater flows of trade, investment and technology between our two countries. **Our partnership has the potential to create an "arc of advantage and prosperity" across Asia, laying the foundation for the creation of an Asian Economic Community.**

The year 2007 is the India-Japan Friendship Year and the year of India-Japan Tourism Exchange. We also hope to substantially increase air connectivity between our two countries. I invite young and old Japanese to visit India and see for themselves the many splendours of ancient and modern India.

The idea of a new partnership between Japan and India has found its moment today. However, any partnership of minds involves greater people-to-people contacts. I come here to give concrete shape to the idea so that future generations will be able to thank us for the part we are trying to play in making the 21st century an Asian century. (Excerpted from the PM's address delivered to Joint Session of the DIET, Tokyo, 14 December 2006). (The full speech is available at <http://pmindia.nic.in/speeches.htm>)



India and China Seek Closer Economic Cooperation

According to the Joint Declaration signed during Chinese President Hu Jintao's visit to India in November, both India and China, the two biggest developing countries in the world agreed that their relationship is of global and strategic significance. Both countries hold the view that there exist bright prospects for their common development, that they are not rivals or competitors but are partners for mutual benefit. They agreed that there is enough space for them to grow together, achieve a higher scale of development, and play their respective roles in the region and beyond, while remaining sensitive to each other's concerns and aspirations. As two major countries in the emerging multipolar global order, the simultaneous development of India and China will have a positive influence on the future international system.

Both sides are committed to make the positive development and diversification of bilateral relations in recent years an irreversible trend. They also agreed to hold regular Summit-level meetings, in each other's country and in multilateral forums. They agreed that high-level exchanges between Governments, Parliaments and political parties play an important role in expanding overall bilateral cooperation. They agreed that China should open a new Consulate General in Kolkata, while India should open a new one in Guangzhou. Further, in the Declaration, China and India agreed to endeavour to raise the annual volume of their bilateral trade to 40 billion US dollars by 2010.

Both India and China also agreed to strengthen mutually beneficial cooperation in the area of information and communication

technology, through closer policy dialogue and enhanced collaboration among their enterprises, including in third countries, according to the declaration. They agreed to set up an expert-level mechanism to discuss interaction and cooperation on the provision of flood season hydrological data, emergency management and other issues regarding trans-border rivers.

They consented to cooperate positively view each other's participation in Asian inter-regional, regional and sub-regional cooperation process, including in the progress towards the East Asian Community. In this context, the two sides agreed to cooperate closely in the forthcoming East Asia Summit.

(Excerpted from the *PIB Press Release*, 21 November 2006).

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India, China to Cooperate in Hydrocarbons Sector

Looking forward to the first-ever meeting of Oil Ministers of five major oil consuming nations that held in Beijing, Indian Petroleum Minister Murli Deora said that India is ready to cooperate with China to further explore the possibilities for joint bidding and exploration for hydrocarbons in third world countries to fuel their high economic growth and ensure energy security.

Mr. Deora was also confident about India-China cooperation in the oil and gas sector and revealed that our recent successes in joint bidding and exploration in countries like Syria, Sudan, Columbia and Nigeria has encouraged us to engage in mutually beneficial tie-ups.

He was of the opinion that if both India and China, being the major oil importing countries, can cooperate and bid together and thereby avoid a price war for oil assets in third world countries would definitely save the foreign exchange of the respective countries.

He also noted that in the Joint Declaration that signed between India and China, both sides have already agreed to cooperate in the field of oil and natural gas and encouraged collaboration between their enterprises, including through joint exploration and development of hydrocarbon resources in third countries. Now, the two sides are exploring new avenues for mutually beneficial cooperation so as to acquire hydrocarbon assets in Africa, Central Asia and Latin America, Deora said. The modalities for bilateral cooperation in the hydrocarbons sector will be discussed during Deora's meeting with the Chairman of the National Development Reform Commission (NDRC) Ma Kai, sources said.

(Excerpted from the *Financial Express*, 15 December 2006).

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India, China Must Jointly Bid for Oil, Gas Assets

The Petroleum Minister, Mr Murli Deora, said that India and China should jointly bid to acquire overseas oil and gas assets as both the countries are big importers of oil and they should both bid together to save money. He further said that joint participation would also help to reduce acquisition costs, as there are cases where we have lost money, but where we have worked together, we saved money.

Recently, ONGC Videsh Ltd (OVL) and a unit of China's Sinopec International Petroleum Exploration and Production Corp have jointly acquired Omimex de Colombia Ltd. OVL and China National Petroleum Corp also hold stakes in Sudan's Greater Nile Oil Project.

On the domestic front, Mr Deora said that his Ministry has been working towards formulating a suitable gas pipeline policy and

laying down guidelines for gas pricing. For that discussions are going on for a vibrant policy, which would help both the consumers and producers. According to industry grapevine, a high-level panel constituted by the Ministry to suggest guidelines for approving gas price/formula under production sharing contract has suggested that all gas sale will have to be done through competitive bidding route, which would be subject to review every five years.

In circumstances where price determination was not possible through competitive bidding route, valuation would be done by the Government or Directorate General of Hydrocarbons based on the most recent price determine competitively and indexed to the current levels.

(Excerpted from the *Hindu Business Line*, 22 November 2006).

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China Eyes FTA with India

According to the official *Xinhua* news agency, China is considering the possibility of establishing a free trade area with India. Assistant Commerce Minister Fu Ziying said that we have to follow economic globalization trends and push for the liberalization and facilitation of trade. If it were to become a reality, a Sino-Indian free-trade area would cover 2.4 billion people, or more than one third of mankind.

China is currently holding talks with Singapore, Australia, New Zealand and Pakistan as well as the 10-member Association of Southeast Asian Nations (ASEAN) on the establishment of free trade areas. Though the trade between the two Asian giants, both among the world's fastest growing economies, has expanded quickly in recent years.

(Excerpted from *The Daily Star*, 7 November 2006).

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India Keen to Accelerate the EPA with Japan

Prime Minister of India, Dr. Manmohan Singh during an exclusive interview with the *Yomiuri Shimbun* said that India was “very keen that both Japan and India should accelerate the tempo” of the realization of an EPA between the two countries that would center on a free trade agreement. He indicated that trade and investment between the countries were disproportionately small given the size of the Japanese economy and India’s potential for growth. As economic integration in Asia picks up speed, cooperation has become vital to Japan, in that it wishes to emulate China, which continues to make its economic presence felt in the region.

While confident of his country’s growth potential, the Prime Minister said his Government would address a Five-Year Economic Plan starting April 2007 to ensure an annual growth rate of 9 per cent to 10 per cent. At the same time, the Prime Minister was more concerned about the low volume of Japanese-Indian trade.

India has therefore sought the diversification of trade with Japan to enhance the “complement-

arities” between the two countries by boosting Japan’s import of India’s knowledge-intensive exports from its fast-growing information technology and pharmaceutical sectors. According to Mr Singh, Japan’s trade with India was substantially smaller than its trade with South Korea or China, stressing the need to accelerate the pace of expanding both trade and investment between Japan and India.

India has high growth potential in both the IT and Internet industries. According to the report issued on a joint Japanese-Indian EPA study meeting, Tokyo’s efforts to increase the number of orders for Indian software would help it strengthen its own international competitiveness, an example of Singh’s “complementarities.” India, for its part, hopes to see Japan not only increase imports of its software, but also allow Indian IT technicians to work in Japan.

(Excerpted from the *Daily Yomiuri Online*, 6 December 2006).

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Asia Moves Closer to ‘Iron Silk Road’ Railway Network

In a two-day annual ministerial meeting on transport, organized by the UN-ESCAP, eighteen Asian nations signed an inter-governmental agreement on establishing the trans-Asia railway (TAR) network aims to promote trade and balanced development in the world’s fastest-growing continent.

According to the UN-ESCAP Executive Secretary, Kim Hak-Su, the 81,000-kilometre network, first mooted by the UN back in 1960, is also dubbed the “Iron Silk Road” after the ancient trade route. It would link capitals, ports and industrial hubs across 28 Asian countries all the way to Europe. He also told the signatories that the railway network will ease international trade and create “the conditions for shared prosperity,” and the TAR would “link the hinterland areas in the deep interior of the Asian continent with Asia’s bustling maritime cities and European markets.” As the twelve of the world’s thirty landlocked countries are in Asia.

The TAR network would connect trans-Asian railway

networks with Russia and Mongolia in the North, Malaysia in the South, South Korea in the East and Turkey in the West.

Earlier in Busan, Kim Hak-Su told the meeting in Republic of Korea’s Southern port city of Busan, that “We are here because we dare to dream – of revitalizing the spirit of enterprise that symbolizes the ancient Silk Road.” He also stated that our work will constitute policy decisions for building interlinked highways and railways for 21st century Asia.

He noted that decisions made earlier could transform remote parts of the region into interconnected hubs of economic vitality and social progress. In that context, we need to deal with a range of infrastructure and institutional barriers that blunt the competitive edge of exports and increase the costs of imports, he said.

(Excerpted from the *UN News Services and Financial Express*, 11 November 2006).

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Asia Repositions as China, India Become Economic Powers

Prime Minister of New Zealand, Helen Clark, in her speech on the issue of peace, security and prosperity in the Asian region, said that within the next twenty to twenty five years China would become the world’s largest economy, overtaking that of the US, and India, on current projections, would not be far behind. The region comprises around 60 per cent of the world’s population. Further, countries within the region including New Zealand are repositioning themselves in response to these changes.

Miss Clark said India was looking east and many countries were carefully assessing the potential of their relationship with China. ASEAN was seeking to

accelerate the slow pace of its own economic integration, and was pursuing stronger economic and political relationships with other countries in the region especially China, Japan, and India.

Miss Clark was of the opinion that the establishment of the East Asia Summit was a “significant” development for the region with its objectives to promote political, security, and economic cooperation region wide. There is no need to underestimate the value of a regular dialogue which brings together the leaders of major players like China, India, and Japan in the same room.

(Excerpted from the *www.stuff.co.nz*, 11 November 2006).

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Asian Development Bank Urges Unity on Dollar’s Fall

Asian Development Bank has predicted that the dollar was likely to decline further and called for East Asian countries to make sure that their currencies appreciate in unison - and do not start swinging sharply in value relative to one another.

The remarks by the official, Masahiro Kawai, represent the first time that the multilateral bank - or for that matter, any prominent Asian monetary institution - has urged collective action by East Asian countries to manage the current slide of the dollar.

The East Asian monetary authorities together hold more than \$3 trillion in foreign exchange reserves, most of it in dollars, and their large purchases

of dollars this year have played a crucial role in stemming the dollar’s decline until now.

Kawai said that some U.S. dollar depreciation would be necessary and collective joint appreciation of the East Asian countries could be needed to manage the decline as it’s very important for the East Asian currencies to appreciate collectively against the U.S. dollar.

Kawai also said that China had accumulated excessive foreign exchange reserves by intervening in markets to hold down the value of its currency, known as the yuan or renminbi.

(Excerpted from the *International Herald Tribune*, 7 December 2006).

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India Keen on Asian Economic Integration

Indian Finance Minister, P Chidambaram in his inaugural speech at the third 'Made in India' show organised by the CII in Shanghai, said that India is ready to play an "active" role in promoting Asian economic integration and is keen to cooperate with China in achieving the goal. He further added that "India's approach towards Asian integration and its relations with Asia are increasingly an important element of our foreign policy. We are ready and committed to be an active and positive player in contributing to the cause of Asian integration."

The Minister stressed that India and China are two of the most important contributors to the political and economic dynamics of Asia, as also of the world.

The Finance Minister said that there are significant complementarities in India and China but these countries have economies that compete with each other. Apart from this, there is ample opportunity and space in the international economy for both the growing economies. The Minister hoped that India-China bilateral trade, which has already crossed the 12.2 billion US dollar-mark during the first eight months of 2005, may even touch an all-time high of 20 billion US dollars by the end of the year.

The Finance Minister showed concern that both countries need to examine closely the narrow trade composition of the trade basket and the insufficient use of each other's comparative advantages. In that context, he suggested that India and China should look into areas like agriculture, dairy industry, food processing, auto components, pharmaceuticals, machine tools and information technology for mutual benefit.

(Excerpted from *The Hindu*, 17 October 2006).

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Asian Countries Cooperate to Help Revive Ancient Indian University-Nalanda

At an international symposium titled 'Reviving Buddhist Cultural Links', in Singapore, an ambitious \$150 million project was unfolded to restore the past glory of the India's ancient Nalanda University. In this endeavour, the joint venture, with support from Singapore, Japan and other countries followers of Buddhism, envisages the participation of several countries including Sri Lanka, Thailand and China. The symposium was very well attended by over hundreds of Asian scholars, government officials and Buddhist monks and nuns from Singapore, India, Thailand, Japan, China and many other countries. The President of India, Dr.A.P.J. Abdul Kalam, in his keynote address delivered via live multimedia videocast from New Delhi, described the project as a "model for evolving a happy, prosperous and peaceful society in our planet" and helpful in the "evolution of the enlightened citizen."

At the symposium, Singapore's Foreign Minister George Yeo, said that the project was not about the religion but "Buddhist values and philosophy which have become an integral part of East Asian civilization." Yeo added that as Asia re-emerges on the world stage, Asians could "look back to their own past and derive inspiration from it for the future." He further noted that, "We should develop Nalanda as an icon of the Asian renaissance, attracting scholars and students from a much wider region as the ancient university once did."

Speaking at the symposium, Chinese Buddhist scholar Prof. Tan Chung, described Nalanda as "the oldest precursor of Oxford and Cambridge - a fortress of learning." According to the Chinese academic, "China would not have been what it became but for the beneficial cultural influence of India. The advent of Buddhism made a sea-change and China came alive as a popular land of spiritualism and wisdom."

In a passionate plea, Prof. Wang Dehua, of the Shanghai Municipal Centre for International Studies, said this project would symbolize the rebuilding of our old friendship and understanding. In the future, we will be able to reach the dream of an Asian community with a project like this.

Prof Tavivat Pantarigivat of Thailand's Mahidol University, offered Thailand's expertise in running such Buddhist universities in the development of the project. With India emerging in the 21st century and becoming a knowledge-based society, "reviving Nalanda symbolizes the hopes and aspirations of South and East Asians that the civilizations of Asia will rise again based on knowledge and cooperation," observed Balaji Sadasivan, Singapore's junior minister for foreign affairs.

(Excerpted from the *ipsnews.net*, 15 November 2006).

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India, ASEAN Agree to Create Joint Fund

At the India-ASEAN Technology Summit organized by the Union Ministry of Science and Technology and the Confederation of Indian Industry (CII), India and ASEAN have agreed to create a joint fund for development of science and technology in the region.

Announcing the agreement, Union Minister for Science and Technology Kapil Sibal and the Malaysian Minister for Science, Technology and Innovation and the leader of the ASEAN delegation, Jamaluddin Mohammed Jarjis, said the details of the fund would be worked out soon. The fund would be used for undertaking collaborative R&D and technology development in areas of common interest,

including biotechnology and pharmaceuticals, agriculture for food security and advanced materials.

The summit also decided to design a regulatory framework by harmonizing the standards for biotechnology products and the agricultural processing industry, and to establish an India-ASEAN Institute for Intellectual Property to help build human resource capacities and training. It also decided to create a knowledge grid covering India and the ASEAN member-countries.

Mr. Sibal and Mr. Jarjis said the regulatory framework had been thought of to cut down on the huge costs involved in

getting approvals for biotechnology products, and to ensure that the value additions that would accrue would benefit the people of the region. They asserted that while trying to cut costs, there would be no compromise on standards.

Mr. Jarjis said that ASEAN, which was hitherto looking to the Western world for scientific developments, now felt that India could offer the same potential at a much lower cost. The grouping was particularly interested in the rapid strides being taken by India in the area of information and communications.

(Excerpted from *The Hindu*, 11 November 2006).

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Singapore to Recognise Indian Professionals

As a part of the India-Singapore Comprehensive Economic Cooperation Agreement (CECA), India and Singapore are in the process to sign a mutual recognition agreement (MRA) on professional qualifications, in the coming months. This agreement is the first of its kind that India will have with any country in the services sector. In this context, seven professions have already been finalized, viz. chartered accountancy, cost accounting, company secretaryship, nursing, medicine, dentistry and architecture.

An MRA will ensure that professional qualifications from Indian universities and institutes will be recognized by the partner country for the professionals to

practice there. It has been said that these agreement would be even bigger than obtaining a visa and really removes the entry barriers.

According to the T S Vishwanath, head of CII's International Trade Policy, "The agreement is the first step. After subsequent reviews, we will like more services sectors to be added. There will be a gradual increase in the number of professionals going to that country from India. Subsequently, India can also benefit from the expertise of professionals from Singapore in some of these sectors."

(Excerpted from the *Financial Express*, 4 October 2006).

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Asia New Destination for Young Aussies

Mr Costello, the Australian Treasurer, speaking at the Advance 100 Global Australians Summit at the Sydney Opera House, told that the Australians working or studying overseas were more likely to head to Asian countries rather than Britain or the US in future, due to the economic re-emergence of the Asian region, driven by the rapid growth of China and India.

He further added that the situation has changed, as studying overseas doesn't mean only New York or London but also Shanghai and Hanoi, and in the future it will be Mumbai and Jakarta and throughout the Asian region - the fastest growth area in the world.

He said with one-in-six members of the Australian diaspora in Asia, an Australian expatriate community is already emerging, reflecting an increasing integration into the region as well as wider global economic and demographic trends.

Mr Costello was of the opinion that almost two and a half decades back, Asia produced

only around one-fifth of the world's output, yet it accounted for over half of the world's population. But today, Asia's share of the world output has risen to over one third, while its share of the world population has remained much the same. According to him, it is largely the result of the rapid development of China and India and further this trend is set to continue.

On the occasion, he also said that, Asia's share of world GDP is projected to reach around 45 per cent by 2030, compared with its share of global population, which is projected to remain around half, which will be again largely due to the continued rapid growth of China and India. The economic and demographic transition occurring in China and India is highlighted by the rise of two of the region's megacities - Shanghai and Mumbai, both of which are witnessing an unparalleled pace of development.

(Excerpted from *theaustralian.news.com*, 19 December 2006).

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Jusuf Kalla Wants 'Asian Values' in Trade Deal

Vice President of Indonesia, Mr. Jusuf Kalla, speaking at the International Symposium on the Possible establishment of an East Asian Free Trade Area organized by the Centre for Strategic and International Studies (CSIS) and the Japan Economic Foundation (JEF), warned that gaping income disparities between the countries of the region, as well as differing legal and governmental systems, and levels of infrastructural development, could present major hurdles to greater integration. For that, he stressed on the closer economic cooperation among East Asian countries as the key to increased prosperity, and urged business people and government officials to find ways of overcoming the obstacles hindering economic integration.

According to him, a number of countries had per capita incomes of less than US\$1,000 while others had per capita incomes of more than US \$20,000. Therefore, it could be a problem if we pursue economic cooperation without closing the gap first, but it will take years to overcome the gap. So, the challenge is how to find a harmonious way of achieving both, he told the

symposium. He also cited another challenge, as how to combine different levels of technological advancement, human resources development and natural resources endowment so as to produce a solid economic community that was able to compete with other regions.

Above all, he also emphasized to adopt Asian values in our regional cooperation, because he feels that these Asian values are inherent in ourselves. He characterized Asian values as a system of ethics that prioritized cooperation over competition.

While acknowledging that Asian values are important for imparting a sense of identity, economist Djisman Simandjuntak of the CSIS said that people would only benefit from freer trade and freer investment, if they improved their competencies and skills.

He also told that any agreement should focus precisely on narrowing the gaps between less developed members and more developed ones, and between people living in poverty and people living in abundance.

(Excerpted from the *Jakarta Post*, 1 December 2006).

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Asia Needs to Invest US \$3 Trillion in Infrastructure Over Next Decade

Masahiro Kawai, head of the ADB's Office of Regional Economic Integration, told that Asia needs to invest around \$3 trillion in infrastructure over the next decade, but only half of the requirements will likely be met at the current investment rate. He also told that while the region has money to foot the bill, it will have to develop a system such as a regional bond market to channel domestic savings to infrastructure needs.

He said according to the recent estimates, Asia as a whole would need to invest some \$3 trillion over the next ten years to keep up with the growing demand for national and cross-border infrastructure-

including tele-communications, transport, energy and water. He was of the opinion that at current investment rates, less than half of such demands for infrastructure will be met, so at present there is an urgent need to bridge the infrastructure gap quickly.

Kawai informed that ADB has been providing around \$5 billion each year for infrastructure projects, less than 2 percent of the \$300 billion needed by the region every year. In that context, he said that people's savings must be mobilized.

(Excerpted from the *Inquirer.net*, 2 October 2006).

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Washington Must Readjust Role and Strategy in South East Asia

US Chamber and American Chambers of Commerce (AmChams) in Southeast Asia in its report entitled “*Southeast Asia: Dynamic Opportunities for US Competitiveness*,” called for the US to readjust its role and strategy in the region, as this is a delicate and critical time for the United States in Southeast Asia. The report warned that it is important for Washington to recalibrate its role and strategy in Southeast Asia to ensure a strengthened competitive position for US companies in this critical market.

The report said the rise of China, India and other emerging economies is causing shifts in Southeast Asia’s former economic, political and security arrangements. It said new regional alignments are being created. The report viewed that these dynamics have created new challenges and opportunities for the United States and call for Washington to

re-examine its relations in the region. It said political and economic stability cannot be taken for granted, and urged the US to seek ways to remain actively engaged in the region while helping to create an environment that will ensure political stability and continued economic growth.

Thomas Donohue, President and Chief Executive Officer of the US Chamber, said that it prepared the report as part of its strategy of seeking to increase the US focus, resources and presence in Southeast Asia, which in 2005 ranked as the United States’ fourth-largest trading partner. The Chamber’s report revealed that few regions of the world offer US companies as much opportunity as Southeast Asia.

Donohue said the Chamber and Southeast Asian AmChams are stepping up their regional programs and intensifying their lobbying in Washington “to

reflect the heightened priority of Southeast Asia in the business strategy of American companies.”

The Chamber report said enhanced regional integration in Southeast Asia would improve economic growth and enhance political stability. It also expressed support for efforts to negotiate bilateral free trade agreements with Southeast Asian countries.

The Chamber said the US government should invest in initiatives that support regional economic reform and integration, hold Congressional hearings to monitor US policy on commercial relations with Asian, streamline US visa procedures, and continue US Presidential participation in the meetings of APEC, which groups key Asian nations, the US and other countries.

(Excerpted from the *Daily Express*, 16 November, 2006).

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GCC ‘Poised for Substantial Growth in Non-oil Sector’

Deputy CEO of Doha Bank, R Seetharaman in his address to the Joint International Investment Forum organised by the Commonwealth Business Council and the Union of Arab Banks in London, has said that the GCC countries are well-poised for a substantial growth in non-oil sector as well due to its fiscal surpluses. GCC countries are consciously pursuing diversification, efficiency building, and creating long-term prosperous economic models, capable of absorbing any sector-specific shocks.

Seetharaman said that “With their strong financial base, the GCC countries are better positioned to take a lead in this synergistic approach. On the Arab world, he said it should provide wide-ranging reforms, a regulatory framework, investment climate, infrastructure and information sharing to attract more FDIs. Some GCC countries have taken up fast reforms and are offering a 100 per cent ownership and efficient regulations, conducive labour laws and international mechanisms for dispute settlements.

Further, Seetharaman said that the Asian Block representing 60 per cent of the global population spread over 53 countries has a strong manufacturing base, established service sectors and vibrant financial centres. Asian block also has three of the fourth largest economies of the world - China, Japan and India. India being one of the largest economies of the world has a huge human capital and is an emerging global back office processing centre. With an established and skilled manpower base in Asia and with a perpetual power shortage situation in Europe, GCC is well placed to optimise its strong oil and gas reserves for a significant growth in the global industrial sector.

(Excerpted from the *Gulf Times.com* 31 October 2006).

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Look East Policy May Spell Success for South East Asia

According to the summary of a report of the Asian Dialogue Society’s (ADS) Greater Asia Initiative, ‘Shared Integration: Promoting a Greater Asia,’ India’s ‘Look East’ policy, targeted at enhancing India’s standing in global politics, could spell success for the entire South East Asia depending on India’s ability to integrate the interests of its North Eastern states in its larger regional ambition, though Myanmar could emerge as the Achilles’ heel.

The report explores the critical nexus between India and South East Asia and the many dimensions of India’s role in Greater Asia. It maintains that India has adopted a configurational approach towards regionalism, which is episodic in essence in which certain strategic configurations dominate, depending on the geopolitical or geo-economic environment. India perceives Association of Southeast Asian Nations (ASEAN) as the

stepping stone towards achieving her regional objectives and balance in the global power play.

The report argues that the Look East policy was embedded in its historical commitment to build Asian solidarity as reflected in the 1955 Bandung Declaration. It recommended ‘shared integration’ for a creative fusion of India’s interests with the region’s priorities.

The report cautions that the progress of the Look East policy would be dictated by India’s ability to integrate the interests of the North Eastern states in its larger regional ambition. As such, the report studies the realities of ethno-nationalism and sub-regionalism in North Eastern India in the context of intra-regional relations, and their implications for the realisation of shared integration.

(Excerpted from the *Hindustan Times*, 16 November 2006).

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India is Japan’s ‘Special Economic Partner’

Addressing a gathering at the GCCCI in Ahmedabad, Japanese envoy to India, Yasukuni Enoki, informed that Japan will extend ‘special economic partner’ status to India, as Tokyo had not extended such a status even to its neighbours like China and South Korea.

He said that, “We rank ASEAN as our top business partner in Asia. After that we are extending the special economic partnership to India.” Further, Enoki revealed that, “If we go in retrospect, Japan used to see India as a local player few year’s ago. Now, there is a drastic change in our viewpoint and we consider India as one of the three major powers in Asia besides Japan and China.”

Enoki said they would expect that GDP of India, China and Japan will be same by 2030 and Indian GDP will overtake that of Japan after 2030.

(Excerpted from the *Financial Express*, 21 November 2006).

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The Rise of Asia : The Most Important Development of the 21st Century

Dr Manmohan Singh,
Hon'ble Prime Minister of India

The most important development of the 21st century will be the rise of Asia. China has already trebled its share of world GDP over the past two decades and India has doubled it. Both these giant economies of Asia are bound to gain a considerable part of their share of world GDP that they had lost during the two centuries of European colonialism. While Japan will continue to be at the top in the foreseeable future, the newly industrializing economies of East and South East Asia will also grow, even if not at rates we witnessed in the past two decades.

Taken together, the rise of these Asian economies will alter the balance of income distribution at the global level. This need not worry the West, since a dynamic Asia can power global growth and provide new opportunities for growth for Europe as well as for North America.

One of the re-assuring aspects of the on-going growth process is that it is more orderly. Just as the world accommodated the rejuvenation of Europe in the post-War world, it must now accommodate the rise of new Asian economies in the years ahead.

It means that we need global institutions and new global "rules of the game" that can facilitate the peaceful rise of new nations in Asia. It also means that existing global institutions and frameworks of cooperation must evolve and change to accommodate this new reality. This is as true for the reform and revitalization of the United Nations and the restructuring of the United Nations Security Council, as it is true for the management of multilateral trading system, for the protection of global environment and the security of energy supplies.

We often say that globalization is a reality that we must contend with. We also say that globalization offers opportunities as much as it poses challenges. That peoples and nations must learn to deal with both. But, there are still many unsettled questions pertaining to globalization. Even the discipline of economics has not addressed the phenomenon in a holistic manner.

There are questions pertaining to the globalization of lifestyles, and its consequences for consumption, and their impact on the world environment. Is growth sustainable if development in the developing

The Asian Renaissance

As Asia re-emerges on the world stage in this century, its civilizational origins will become a subject of intense study and debate. Asians will look back to their own past and derive inspiration from it for the future. This inspiration will cover the entire spectrum including governance, scientific inquiry, architecture and aesthetics. A tremendous burst of creative adaptation is becoming evident across much of Asia. The Western world went through a similar phase as it emerged out of the medieval ages. Hence the word 'renaissance' has come to be applied to Asia's re-emergence today.

-Excerpted from the Speech by George Yeo, Singapore Minister for Foreign Affairs, at the Nalanda Buddhist Symposium on 13 November 2006.

world merely mirrors the experience of the developed? It is not just that Third World households may not be able to afford western consumption standards, our planet would not be able to do so.

The rise of Asia, and of the developing world in general, presents us with new challenges – new intellectual challenges, new technological challenges, new organizational and political challenges.

(Excerpted from the Address delivered to the London School of Economics ASIA FORUM, New Delhi, 7 December 2006). (The full speech is available at <http://pmindia.nic.in/speeches.htm>).

India-ASEAN Technology Cooperation

H.E. Ong Keng Yong,
Secretary-General, ASEAN

This 2006 India-ASEAN Technology Summit and Technology Platform event was first proposed by Prime Minister Manmohan Singh of India at the Fourth ASEAN-India Summit two years back. The ASEAN Leaders supported this initiative as a means to further strengthen ASEAN-India relations.

The ASEAN-India have expanded and intensified cooperation in many sectors. In particular, special attention has been paid to science and technology. Science, technology and innovation can be powerful determinants and enablers of economic development, educational programmes and protection of the environment. India's transformation in becoming one of the world's fastest growing economies is an oft-cited example.

To remain globally competitive, ASEAN member countries have to move up the technology ladder and focus on enhancing their capability for technological innovation, particularly in the areas of biotechnology, ICT and microelectronics, among others. The

ASEAN leadership has encouraged the S&T community in ASEAN to be more innovative and entrepreneurial. Strategic partnerships between public research organizations and industry could be established to facilitate technology development, joint R&D undertakings and technology transfer. We in ASEAN recognize that engaging the business community is crucial in determining the competitiveness and the marketability of technologies and technology products. The development and marketing of new and affordable drugs is just one of many examples of why the private sector collaboration is important.

Given the geographic proximity and a shared interest in harnessing science, technology and innovation towards economic development, it would be a pity if technological and commercial partnerships between ASEAN and India only remain at a low level. Strengthening the ASEAN-India partnership in S&T could facilitate knowledge creation and innovation which in turn could be made into useful and commercially-viable technologies that can lift the quality of life of the citizens of ASEAN and India. We are talking about improving the lives of one quarter of the world's population.

We should look for opportunities for ASEAN member countries and India to leverage on one another's strengths, and consider partnerships rather than viewing one another solely as competitors. And with ASEAN and India working to establish an ASEAN-India Free Trade Area, there will be potentially even more room for the business and scientific communities in ASEAN and India to transact with each other.

In order to strengthen the ASEAN-India S&T partnership, there is need to organise regular high-level consultations between industry associations and S&T officials. The regular meetings of the ASEAN-



India Working Group on S&T (AIWGST) and ASEAN Committee on S&T (COST) could be used as event platforms. We should tap the expertise of the private sector in the formation of technology-based businesses and R&D and encourage the Indian business and scientific communities to participate in regular ASEAN events such as the ASEAN S&T Week (ASTW) which is held once every three years.

There is need to encourage the ASEAN and Indian public and private sectors to explore the possibility of joint undertakings in the field of biological prospecting to explore diverse species in India and ASEAN for commercially valuable biological and genetic resources.

(Excerpted from the Remarks at the India-ASEAN Technology Summit and Technology Platform Event, New Delhi, India, 6 November 2006).

Global Asia: Changing Realities, New Priorities

Liquan Jin,
Vice President, ADB

Over the last several decades, Asia's enduring dynamism in growth has been driven by several engines, like Japan, the first Asian country to become an advanced industrial economy; the "Asian tigers," which include, among others, Malaysia, Korea and Singapore; and more recently the new powerhouses, the People's Republic of China and India. Today, Asia's GDP is approaching 30 per cent of world GDP and, its economic achievements have been accompanied by dramatic poverty reduction.

However, this remarkable progress should not obscure the daunting development challenges faced by this region. Spreading the benefits of growth more evenly around the region is therefore essential to Asia's future – and to a future of global stability and prosperity. Indeed, achieving development for all could be more challenging than achieving development itself.

Regional cooperation and integration is an important key to meeting this challenge. Through the expanded markets, intra-regional supply chains and stronger financial linkages that regional cooperation fosters, the smaller and lesser developed economies can benefit from and also contribute to sustaining the region's growth momentum.

In East Asia, rapid technological advances, robust economic growth and

liberalization of regimes have boosted intra-regional trade. Intra-regional foreign direct investment is also substantial. While Asia's economic integration has been largely market-driven, it is also a credit to all the accommodating governments, who have recently further strengthened their efforts to build or improve mechanisms for cooperation at the strategic and policy levels.

Under the GMS Program initiated in 1992, the governments of countries along the Mekong River, some of which are now also ASEAN members, are involved in subregional projects and programs to sustain economic growth and solve common problems. Their commitment to cooperate has significantly improved physical connectivity and virtually transformed the economic and social landscape of the Greater Mekong Subregion. Similar initiatives are underway in Central Asia through the CAREC program. Recently in their meeting, leaders from across the region endorsed a Comprehensive Action Plan for cooperation in areas like regional infrastructure networks, trade and investment, business development and knowledge sharing. This should be a major step towards reintegration of one of the most resource rich and strategically important regions in the world.

If managed successfully, Asia's integration will facilitate a more balanced and sustainable process of globalization. However, building a truly pan-Asian economic community will require much more involvement from the region's largest economies.

To promote deeper integration, China could also use its enormous reserves for public investment in infrastructure, for development aid within the region, and to encourage greater private investment. And now that India is looking east, these two giant economies can, over time, even play a useful role in bringing East Asia and South Asia together.

(Excerpted from the Statement delivered at the Asia Pacific Summit 2006 Opening Plenary, 26 October 2006, Vancouver, Canada).

Asia's Emerging Giants have Some Commonalities

Guy de Jonquières,
Financial Times

The only obvious similarities between India and China are that each occupies much of Asia's land mass; each is populous; each is poor; each is growing fast and each is hungry for natural resources. However, in most ways, the two countries are polar

opposites. China is a communist autocracy that has instituted sweeping economic reforms, opened its economy to the world and mobilised vast resources for development. On the other hand, India is an unwieldy democracy whose last big economic reforms were forced on it by financial crisis in 1991, since when political gridlock has frustrated liberalisation. China has thrived because of government policies; India has prospered in spite of them.

China's rise has broadly followed a well trodden east Asian path, being investment and export-driven and fuelled by abundant domestic savings. India, with a more closed economy and far lower savings rate, depends heavily on domestic consumption to sustain growth. China struggles to control excessive fixed asset investment, while India is constrained by scarce capital and woefully inadequate infrastructure spending.

Low-cost production is the engine of China's real economy. Indian manufacturing still generates a small share of national output – as do its much-vaunted software and services industries. India has a reasonably sound banking system and a long-established stock exchange. China's banks have yet to learn how to price risk and lend prudently, and its equity market is primitive.

Furthermore, the two economies interact only at the margins. While bilateral trade has grown fast, India accounts for only 1.3 per cent of China's exports. Almost 8 per cent of India's exports go to China. But, to the former's chagrin, most are low-value commodities, while trade in the opposite direction is dominated by manufactured goods. Two-way investment remains a trickle and each side complains of the difficulty of operating in the other's market. By most measures, China today is more deeply integrated economically with the US than with India.

Those disconnections make it fanciful to suppose that the nascent dialogue between China and India will lead to rapid breakthroughs in economic cooperation. At this juncture, it is for these two countries to decide that which route will prove more effective. Near-term, the main risk in China is that failure to deal with the root causes of wasteful over-investment will turn boom into bust. In India, it is that failure to modernise the country's creaking infrastructure will choke off growth.

On the downside, a global economic downturn would hurt both. India, less dependent on exports, might appear better



placed to weather the storm. But its reliance on short-term capital inflows from abroad to finance growth could make it vulnerable if global investors deserted emerging markets.

While giving hope to many, it is also sharpening the disparities between an affluent urban elite and vast numbers of rural poor eager for a better life. Meeting those aspirations and maintaining social stability poses a huge test for the country's political system. In that respect, at least, China and India have something in common.

(Excerpted from the *Financial Times*, 30 November 2006).

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Japan-India Partnership Key to Bolstering Stability in Asia

Brahma Chellaney, Professor,
Center for Policy Research,
New Delhi

Japan and India are natural allies because they have no conflict of strategic interests and actually share common goals to build stability, power equilibrium and institutionalized multilateral cooperation in Asia.

India, for its part, has recognized that it can wield international power only through the accretion of its own economic and military strength. A close strategic and economic partnership with Japan chimes with its vision of a dynamic, multipolar Asia. Though Abe has optimistically stated that "it will not be a surprise if in another ten years, Japan-India relations overtake Japan-U.S. and Japan-China relations."

A key challenge for both Tokyo and New Delhi is to manage their increasingly intricate relationship with China determined to emerge as Asia's dominant power. Yet it makes sense for Japan and India to play down the competitive dynamics of their relationship with Beijing and put the accent on cooperation. An emphasis on cooperation also suits China because it is in accord with its larger strategy to advertise its "peaceful rise."

A strong Japan, a strong China and a strong India need to find ways to reconcile their interests in Asia so that they can peacefully coexist and prosper. Never before in history have all three of these powers been strong at the same time. The sharpening energy geopolitics in Asia also undergirds the need for a strategic partnership between Japan and India, both heavily dependent on oil imports by sea from the Persian Gulf region.

India-China Friendship will lead to World Peace

The deep historical and cultural association that our ancient civilizations share has made rich contributions in shaping the development of humanity and gives a unique dimension to India-China relations in contemporary times. The remarkable growth and diversification of India-China relations in recent years are a matter of satisfaction and gives optimism for the future of our relations. Today the footprints of India and China are increasingly visible and have made an impact on the global landscape in diverse areas. Our common pursuit of a peaceful environment for the paramount task of achieving national construction and prosperity adds great values to the India-China partnership.

-Excerpted from the Address delivered by President of India Dr. APJ Abdul Kalam at the Friendship Year Commemorative Function during the Visit of His Excellency Mr. Hu Jintao, President of the People's Republic of China, 21 November 2006.

An Indo-Japanese strategic partnership should seek to build greater defense cooperation, intelligence-sharing and joint initiatives on maritime security, counter-terrorism, disaster prevention and management, and energy security. To maintain a peaceful environment, Tokyo and New Delhi need to promote institutional cooperation in Asia. In that context, Abe's idea of a four-sided strategic dialogue among Japan, India, Australia and the U.S. deserves careful reflection. A constellation of democracies tied together by strategic partnerships can help build Asian power equilibrium. In the emerging Asia, the two major non-Western democracies, Japan and India, are set to become close partners and their strategic relationship would help adjust balance-of-power equations in Asia and aid long-term stability.

(Excerpted from *The Japan Times*, 14 December 2006).

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The Rise of Asia as an Economic Power house

Sudhir T Devare,
Visiting Senior Research Fellow,
ISEAS, Singapore

The story of Asian regionalism has been unfolding constantly, even as the major economies of the continent continue to grow at an undoubtedly impressive rate. In the new millennium, the rise of Asia as an economic powerhouse, propelled by the rapid and simultaneous economic expansion of China and India, the revival of Japan and Korea, the continued dynamism of ASEAN states, and growing cooperation among Asian countries have been attracting attention and also helped

the process of economic integration in Asia.

The Asian financial crisis of 1997-98, however, provided an impetus to regional economic cooperation and policy coordination, as Asian economies were severely disrupted by certain aspects of globalisation. The first East Asia Summit can be described as a logical corollary of this trend where ten ASEAN countries, along with China, Japan, Korea, India, Australia and New Zealand came together in pursuit of the dream of East Asian economic cooperation and integration.

Since the crisis, Asia has seen a major trade and investment expansion. The dramatic increase in intra-Asian trade and the growing interdependence has provided a new impulse to integration within Asia.

This growing economic interdependence and integration in Asia, largely through complementarities and recognition of mutual advantage, has given rise to a rapid increase in regional or sub-regional arrangements, including FTAs or CECAs. Such agreements go far beyond their commercial or economic utility and can also act as useful building blocks for developing overall closer understanding and cooperation.

The emerging web of FTAs and a series of initiatives could lead in a phased manner to a possible Asian Economic Community, which India has been advocating for quite some time.

Asian economic integration, which has progressed relatively rapidly in a short span of time, would be best served through institutionalisation and setting up of rules. However, the recent East Asia Summit provided a suitable opportunity to



consolidate the gains of economic integration underway in Asia and placed the process on a durable basis.

(Excerpted from the *Financial Express*, 1 December 2006).
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The 'Arc of Advantage' will Benefit the World

Nagesh Kumar,
Director General, Research and
Information System for Developing
Countries, India

Although India has been a faithful adherent to the multilateral trading system along with other major Asian countries like Japan and South Korea, among others, they were forced to look at the potential of regional economic integration in the current decade by the emerging global trends.

More than 60 percent of world trade is now conducted on preferential basis rather than on most favoured nation (MFN) basis. It has implications for all other countries. Studies show that RTAs have emerged as major factors in determining patterns of trade and investment. They make RTA members more attractive destinations of investments and more competitive partners in trade at the disadvantage of non-members.

Therefore, any region can ignore the formation of its own scheme of regional integration only at its peril. Hence, other regions responded by forming their own RTAs such as the Mercado Común del Sur (MERCOSUR) and the Andean Pact in South America, and the Common Market of Eastern & Southern Africa (COMESA) and the Southern African Customs Union (SACU) in Sub-Saharan Africa. Currently, some 300 RTAs or bilateral free trade agreements (FTAs) are at different stages of implementation around the world.

Furthermore, judging from the proposals currently on the table of the Doha Round, countries like India will have to deliver more in terms of providing market access in agriculture and industrial goods than they could be hoping to get from developed countries.

On the other hand, studies conducted by the Research & Information System for Developing Countries (RIS) and the Asian Development Bank have shown that regional economic integration has substantial welfare gains that can be reaped by Asian countries. In view of the complementary economic structures, Asian economic integration is seen to be raising

even the rest of the world's welfare. Therefore, it is likely to be a case of win-win for Asia and the world.

Given that Asian countries are among the most dynamic in the world, Asian regionalism has the potential to provide preferential access to some of world's largest and most dynamic markets. An additional advantage of regionalism is its role in improving relations between the partners and bringing about peace and shared prosperity with growing interdependence.

Furthermore, in so far as it leads to trade liberalization, regionalism by developing countries should be viewed as a building block of multilateralism rather than a stumbling block. East Asia has emerged as India's largest trading partner ahead of North America or the EU. The East Asia Summit

(EAS), a new regional forum combining ASEAN, its dialogue partners and Australia and New Zealand holds the key to launching a scheme of broader economic integration in Asia.

India sees the bilateral engagements with the Asian countries as building blocs of a broader Asian Economic Community that could be an 'arc of advantage' for peace and shared prosperity, to quote the Prime Minister.

Therefore, a focus on Asian regionalism in India's current trade policy is certainly timely and well conceived while playing our role in strengthening the multilateral trading system as much as possible.

(Excerpted from the *Financial Express* 11 December, 2006).

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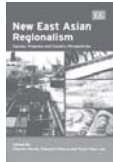
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New East Asian Regionalism: Causes, Progress And Country Perspectives

Charles Harvie, Fukunari Kimura and Hyun-HoonLee
Edward Elgar Publishing, 2006.

ISBN-10: 1845420071



East Asian countries – currently the most dynamic region of the global economy-have recently pursued trade liberalization through the adoption of various forms of bilateral and plurilateral FTAs. The book explores the key issues and possible outcomes arising from this departure from the region's traditional multilateral approach to trade liberalization. Implications of this new approach for the region as a whole, and key participating individual economies and blocs of economies are emphasized.

Advancing East Asian Regionalism

Melissa Curley
Routledge, 2006

ISBN-10: 0415349095



Developments in East Asia have progressed rapidly in terms of regionalism since the 1997 crisis. The end of the Asian miracle called into question not only the capacity of regional states to meet the needs of their attendant peoples, but also challenged the viability of regional organizations, such as ASEAN, to adapt and respond to the changing circumstances.

Advancing East Asian Regionalism looks at the ways in which ASEAN has expanded since the crisis and evaluates the potential of East Asia to come together in a regional formation. This volume draws upon the knowledge base of academics and policy-makers actively engaged in the contradictory issues of regionalism

India-Singapore CECA –Comprehensive Economic Cooperation Agreement : The Investor's Guide

Wong Partnership
LexisNexis, 2006

ISBN : 981-236-473-0

One of the most recent and significant development for Singapore is the signing of the India-Singapore CECA in 2005. The bilateral agreement, aimed at improving trade between the two countries, is also expected



to open up investment opportunities in areas such as education, science, air services, media, e-commerce, intellectual property and advance flow of human resources. It opens up tremendous commercial opportunities in India for Singapore-based businesses to take advantage of and vice-versa.

The present book highlights the preferential market access features and many benefits contained in key CECA provisions. Contributors from the diverse backgrounds provide insights on India's recent economic developments, highlight industry sectors of potential opportunities, translate key CECA provisions into simple language.

China and Southeast Asia : Global Changes and Regional Challenges

Editors- Ho Khai Leong and Samuel C.Y.Ku
ISEAS & CSEAS, 2005

ISBN : 981-230-298-0



The relations between ASEAN and China occupy a unique and important position in the foreign relations of the Asia-Pacific region. China and Southeast Asia's political, strategic and economic importance in the realm of international relations has been transformed by the region's unprecedented economic growth, unexpected financial crisis, and turbulent political changes. The present book investigates the impacts of global changes and regional challenges confronting the contemporary developments of China-ASEAN relations.

China and India : Learning from Each Other Reforms and Policies for Sustained Growth

IMF, 2006

ISBN: 1589065190

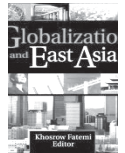


What does the future hold for these giants that are the two fastest-growing emerging markets and among the three largest economies in Asia? Their economic muscle is having increasingly far-reaching effects on the global economy. This must-read new book draws together analysis and insight from high-level policymakers and advisors in both countries, and shows how, for many years, the two countries have cooperated and learned from each other. In addition, it offers some concrete suggestions about how each may achieve long-term sustainable development.

Globalization And East Asia: Opportunities And Challenges

Editor : Khosrow Fatemi
International Business Press, 2006

ISBN -10: 0789027445



This book examines different aspects of the economic performance of the region over the past three decades, with a focus on what it takes to replicate the experience elsewhere. This comprehensive volume presents an insightful four-part view of the intricate economic workings of East Asia. The first part introduces the distinctive qualities of the policies that sparked economic growth and development. Part two provides comparative studies of different countries and industries in the region and an in-depth study of the East Asian area over the past fifty years. Part three presents sector specific studies within several countries, focusing on international finance. The fourth part spotlights important industry-specific elements and explores the future of globalization in relation to its effects on East Asia.

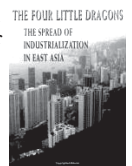
The Four Little Dragons: The Spread of Industrialization in East Asia

Ezra F. Vogel

Harvard University Press, 2006

ISBN-10: 067431526X

The book provides a comprehensive explanation of East Asia's industrial breakthrough. While others have attributed this success to tradition or to national economic policy, Vogel's penetrating analysis illuminates how cultural background interacted with politics, strategy, and situational factors to ignite the greatest burst of sustained economic growth the world has yet seen. He traces how each little dragon devised a structure and a strategy to hasten industrialization and how firms acquired the entrepreneurial skill, capital, and technology to produce internationally competitive goods. Vogel brings masterly insight to the underlying question of why Japan and the little dragons have been so extraordinarily successful in industrializing while other developing countries have not.





Political Economy of South-East Asia: Markets, Power and Contestation

Editors- Garry Rodan, Kevin Hewison and Richard Robison
Oxford University Press,
USA; 3 edition, 2006.
ISBN-10: 019551758X



As market economic systems extend over southeast Asia, the debate over what role the state should play and what political regime is necessary for economic growth is hotly contested. This revised and updated text examines the political economy of specific countries in the region and follows with a thematic and comparative analysis of key issues.

East Asian Visions: Perspectives on Economic Development

Editors-Indermit Singh Gill, Yukon Huang and Homi J. Kharas
World Bank Publications, 2007
ISBN-10: 0821367455
ISBN-13: 978-0821367452



The present book is a collection of essays that reveals that how some of the most influential thinkers in East Asia view these challenges and how competition with the west has bred success; how crises in the region have provoked introspection; and how the rise of China is catalyzing change.

How can East Asia's growth success be explained? Can all countries benefit from China's success, or will some be crowded out? Will regional integration aid efficiency or will it become a source of vulnerability? How can East Asian countries deal with the growing domestic concerns such as inequity, slum pollution, and corruption?

Chindia: How China and India Are Revolutionizing Global Business

Editor : Peter Engardio
McGraw-Hill; 1 edition, 2006
ISBN-10: 0071476571
ISBN-13: 978-0071476577

The economic rise of China and India has changed the way the world does business-and today's companies need to step up their game. With a diverse array of viewpoints, ideas, and forward-thinking strategies, *Chindia* discusses new avenues businesses can use to embrace change and encourage growth.



International Economic Integration And Asia (Advanced Research in Asian Economic Studies)

Editors – Erik Jones and Michael G Plummer
World Scientific Publishing
Company, 2007
ISBN-10: 9812567577
ISBN-13: 978-9812567574



Regional economic integration has become a key force in international commercial policy in the 2000s. Europe has traditionally embraced regionalism; the United States became actively involved in preferential trading arrangements only in the 1980s. While Asia has been late in accepting formal regional economic integration accords, all Asian countries are now in the process of creating various free-trade areas and other forms of economic integration programs, and some are already in place. This volume analyzes the regionalism trend from an Asian perspective. It considers the lessons from,

and the economic implications of, various economic integration programs in the OECD (mostly the EU but also NAFTA), as well as the proposals for closer economic integration in the region itself. Chapters deal with both real and financial integration issues.

India's Regional Trading Arrangements Rajesh Mehta and S. Narayanan

This paper presents a brief non-technical overview of the conceptual basis of RTAs by highlighting the implications of concepts like trade creation and trade diversion. The paper then moves to pinpointing some of the global trends in RTAs to place the Indian engagements in a perspective. The patterns of India's regional economic initiatives are analyzed by presenting the factual account of the same. A brief overview of possible welfare and human development implications of RTAs in general and of India in particular are also dealt.

(RIS Discussion Paper No. 114, 2006)

New Asia Forum

RIS has been supporting the process of regional economic integration in Asia with its studies and research. Besides its pioneering contribution to the process of economic integration in South Asia, it has been supporting the ASEAN-India economic partnership. It has been developing proposals of a broader pan-Asian economic integration as a part of a research programme supported by the Sasakawa Peace Foundation. As its most recent initiative, the RIS has set up a New Asia Forum as a dedicated network of think-tanks in Asia devoted to assist this process of regional integration and thus help in building a New Asia with ideas. The Forum has a dedicated website www.newasiaforum.org as the melting pot for all the relevant information and resources on the subject.

Feedback and contributions are invited from all concerned. Interested readers may join the forum and send relevant material for publications.

RIS

RIS is an autonomous policy think-tank, based in New Delhi, and specialised in trade and development issues. Its work programme focuses on multilateral trade negotiations, regional economic integration in Asia, new technologies and development, and South-South cooperation in general, among other issues. The work of RIS is published in the form of research Reports, books, discussion papers and journals. For more information about RIS and its work programme, please visit its website: www.ris.org.in.

The New Asia Monitor is a quarterly of the New Asia Forum launched by RIS. It seeks to disseminate the news, viewpoints and information about resources among the policy circles and think-tanks to promote the cause of regional economic integration. The information contained has been compiled from various sources, as cited, purely for educational and dissemination, and not commercial, purposes. The copyrights of the material included remain with the original sources. The *New Asia Monitor* is available free from RIS or can be downloaded from www.newasiaforum.org.



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