

Summary of the Presentations and Discussions at the International Symposium on:

COMPETITIVE REGIONALISM

Organizer	GIARI International Symposium
Title	Competitive Regionalism
Presenters and Discussants	Satoshi AMAKO (Waseda University), Saori N. KATADA (University of Southern California), Gregory NOBLE (University of Tokyo), Junji NAKAGAWA (University of Tokyo), Akira KOTERA (University of Tokyo), Mike MOCHIZUKI (George Washington University), Jimbo KEN (Keio University), Shujiro URATA (Waseda University), Masahiro KAWAI (Asian Development Bank Institute), Cintia QUILICONI (University of Southern California), Carol WISE (University of Southern California), Noriyuki MITA (Ministry of Economy, Trade and Industry), Mireya SOLIS (American University), Yorizumi WATANABE (Keio University), Jian YANG (University of Auckland), Long KE (Fujitsu Research Center), Takashi TERADA (Waseda University), Susumu YAMAKAGE (University of Tokyo), Barbara STALLINGS (Brown University), Neantro SAAVEDRA-RIVANO (University of Tsukuba), Aldo FLORES-QUIROGA (Claremont Graduate University), Keiichi TSUNEKAWA (University of Tokyo), Min Gyo KOO (Yonsei University), Yukiko FUKAGAWA (Waseda University)
Date	May 30 th and 31 st 2008
Location	Ibuka International Conference Hall, Waseda University, Tokyo
Participants	In total about 50 participants including Hatsue SHINOHARA (Waseda University), Tsuneo AKAHA (visiting Professor at Waseda University), Masato KAMIKUBO (Research Fellow GIARI), Kaoko TAKAHASHI (Research Associate GIARI) and GIARI Research Assistants (PhD Candidates Waseda University)

May 30th

Opening Remarks:

Professor Satoshi AMAKO, Dean of the Graduate School of Asia of Asia-Pacific Studies and Leader of the Global Institute for Asian Regional Integration GIARI at Waseda University welcomes the participants.

Session 1: Thematic Dynamics chaired by Shujiro URATA

‘Competitive Regionalism: Explaining the Diffusion and Implications of FTAs in the World Economy’

Presenter: Saori N. KATADA introduces the project’s framework paper she co-authored with Mireya SOLIS. It endeavors to explain the surge of newly concluded Free-Trade Agreements worldwide and in the Asia-Pacific region in particular. The project shall therefore look at the motivations behind the this FTA frenzy and subsequently evaluate the impact of FTAs on other trade agreements such as the WTO and regional trade blocs.

Discussant: Gregory NOBLE points to the complexity of motivations and actors behind the conclusion of FTAs, especially when looking at the concrete economic benefits of FTAs which in many cases seem to be rather limited.

‘Competitive Regionalism in East Asia: Legal Context’

Presenter: Junji NAKAGAWA in his paper examines the question whether and how the legal competition in the form of FTAs and other international economic rule-making contributes to regional integration.

Discussant: Akira KOTERA highlights the different purposes of FTAs, EPAs respectively, which in the Japanese context often serve as a tool for international economic cooperation and less for legal protection and therefore rather complement than preempt multilateral frameworks such as the WTO’s.

‘Political-Security Competition and the FTA Movement: Motivations and Consequences’

Presenter: Mike MOCHIZUKI explores the influence of political-security motivations on the strategies for the pursuit of FTAs.

Discussant: Jimbo KEN suggests looking at the relevance of political-security motivations over the course of different phases of processes in negotiating and concluding FTAs.

‘Competitive Regionalism in East Asia: An Economic Analysis’

Presenter: Shujiro URATA in his economic analysis of FTAs comes to the conclusion that East Asian countries pursued FTAs largely in order to overcome discriminations which resulted from FTAs and various frameworks previously concluded by third party states.

Discussant: Masahiro KAWAI adds thoughts about the relevance of intra-regional trade and FDI-flows and makes an outlook on an East Asian FTA.

May 31st

Session 2: FTA Powers: The United States, Japan and China chaired by Saori N. KATADA

‘The U.S. as a Bilateral Player: Spreading Asymmetric FTAs’

Presenters: Cintia QUILICONI presents the paper co-authored with Carol WISE which examines patterns in the signing of U.S. FTAs with Latin American and East Asian countries.

Discussant: Noriyuki MITA contends that U.S. decisions to start negotiations of FTAs on the American continent were based on competition, whereas economic motives were more relevant in the East Asian region. He further suggests that in the course of negotiating, legal aspects gain more importance and often contradict political goals.

‘Japan’s Competitive FTA Strategy: Commercial Opportunity versus Political Rivalry’

Presenter: Mireya SOLIS explores the motives behind the Japanese government’s increased interest in the pursuit of FTAs. She comes to the conclusion that competitive diffusion explains the policy shift best. First, pressure from Japanese automobile and electronics industries to gain access to North American and Southeast Asian markets equally to their American and European competitors, pushed the government to negotiate FTAs. Second, Japan’s bottom-up policy-making pattern results in cumbersome negotiating strategies which need to reconcile conflicting interests of internationalized business and agriculture sectors. This has delayed FTAs with Japan’s larger trading partners. Moreover, the growing politicization of its trade policy makes the traditional separation of politics and economics vis-à-vis China harder to maintain. The demand of the business community for an FTA with China has gone unheeded mainly because of strong opposition from agriculture and political relationships

Discussant: Yorizumi WATANABE explains the Japanese policy change towards the

pursuit of FTAs, EPAs respectively from 2004 on. He highlights that one objective included in the December 21 2004 governmental guidelines for the conclusion of EPAs (FTAs) is to strengthen domestic structural reforms. He explains that Japan's FTA strategy does not constitute policies against China, but rather reflects economic realities. He considers the Japanese and Chinese economies as complementing each other. Since FTAs are an integral part of the WTO system, they do not create dilemmas in trade policies. It is therefore possible that Japan and China conclude an FTA in the future.

'China's Competitive FTA Strategy: Realism in a Liberal Slide'

Presenter: Jian YANG investigates the driving forces for China's FTA offensive and weighs motives of liberal free-trade and realist relative gains.

Discussant: Long KE highlights the importance of domestic factors influencing the Chinese strategy on FTAs.

Session 3: FTA Hubs: Singapore (ASEAN) and Chile chaired by Mike MOCHIZUKI

'Singapore and ASEAN Competitive Regionalism in Southeast Asia and Beyond'

Presenter: Takeshi TERADA's paper explores the impetuses behind Singapore's active engagement in FTA negotiations by examining three competitive elements of motivation: Economic, security and legal.

Discussant: Susumu YAMAKAGE points to the limited influence (driver's seat) of ASEAN on East Asian integration, economically and politically. He raises the question about the future role of APEC.

'Chile: A Pioneer in Trade Policy'

Presenter: Barbara STALLINGS in her paper answers the questions for the trigger, the actors and their decision-making as well as the outcomes of Chile's aggressive free-trade policies over the last three decades.

Discussant: Neantro SAAVEDRA-RIVANO thinks that emulation and competition as drivers behind the proliferation of FTAs often go together and that a differentiation between leaders and followers might be useful.

Session 4: FTA Ascendent: Mexico and South Korea chaired by Junji NAKAGAWA

'Competitive Regionalism and Mexico's FTA Strategy'

Presenter: Saori N. KATADA summarizes the paper authored by Aldo

FLORES-QUIROGA which argues that economic competition was the main driving force behind Mexico's FTA strategy whereas political considerations such as regional balancing and the competition for political influence shaped its approach as well.

Discussant: Keiichi TUSNEKAWA argues that in this project in general, domestic factors should be taken into consideration stronger and that apart from emulation, competition and independence, more explanatory concepts could be proposed.

'South Korea's FTAs: Moving from an Emulative to a Competitive Strategy'

Presenter: Min Gyo KOO explains in his paper the evolving South Korean strategy to pursue FTAs under the KIM and ROH administrations.

Discussant: Yukiko FUKUGAWA highlights the domestic factors which stand behind the negotiation and the ratification of Korean FTAs. She compares the Korean approach to the Japanese.

Closing Remarks by Mireya SOLIS and Shujiro URATA

Summary by Christian WIRTH, PhD Candidate GSAPS, Research Assistant GIARI, Waseda University