

RCI round table: Regional cooperation in a changing global economic landscape

Concluding Remarks

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Let me summarize everything into just five parts:

- i. One is that market-driven economic integration can be achieved if countries liberalize their trade, investment, financial transactions and so forth. And then regional integration can be promoted because of geography and the very dynamic activities of Asian firms;
- ii. The second is that once we want to go beyond that—like removing difficult impediments or working together for the benefit of all—then mutual trust and confidence would be needed. And for that purpose, perhaps, beginning with a pragmatic flexible approach to realize practical benefits would be quite useful.
- iii. The third point is maybe it's time to think of cross subregional interaction—ASEAN and South Asia, Japan and China, CAREC-Central Asia with other parts of East Asia, South Asia, of course the Pacific island economies, not only with Australia and New Zealand but other growing Asian economies as well; for example, South Asia with Central Asia and with Southeast Asia;
- iv. The fourth point is it may be useful to form a network of subregional groupings to really achieve Pan-Asian integration;
- v. The final point is that working with other global markets and global institutions would be extremely important. The importance of the WTO does not diminish even if we make progress on FTAs. Hopefully, Asia is not going to have a very serious financial crisis, but if a serious financial crisis takes place, AMRO will have to work with the IMF. Hopefully that can be avoided.

Thank you.