

Integrating Asian Economies



A Landmark Study

The study analyzes

- the nature of Asia's emerging regionalism,
- the opportunities and challenges it poses.

Led by a team of Asian Development Bank staff, scholars, and advisers to regional policy makers, the study highlights what is at stake and lays out the ground for further discussion on how to move forward.

The key message of the study is that, in an increasingly globalized world, Asian regionalism entails a partnership for regionally and globally shared prosperity.

About the Asian Development Bank (ADB)

ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries substantially reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to two thirds of the world's poor. Nearly 1.7 billion people in the region live on \$2 or less a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2007, it approved \$10.1 billion of loans, \$673 million of grant projects, and technical assistance amounting to \$243 million.

Office of Regional Economic Integration
Asian Development Bank
6 ADB Avenue, Mandaluyong City
1500 Metro Manila, Philippines
www.aric.adb.org/emergingasianregionalism

ADB REGIONAL

INTEGRASI REGIONAL

EMERGING ASIAN REGIONALISM

A Partnership for Shared Prosperity

A Study by the Asian Development Bank

Asian Development Bank

Synopsis

As Asia grows and prospers, its economies are increasingly vital to each other—and to the world. As markets interconnect the region, Asian governments need to work together more closely to sustain economic development, grasp common opportunities, and manage shared risks and problems.

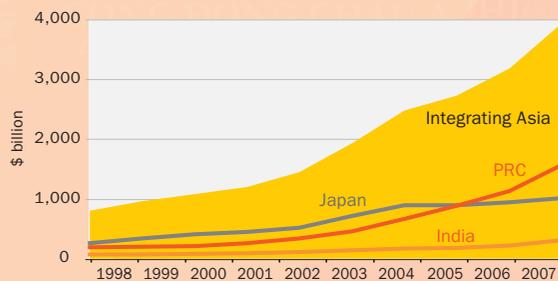
Asian regionalism

- was given new impetus by the vulnerabilities exposed by the financial crisis of 1997/98;
- is dynamic, flexible, and outward-looking; and
- does not imply a fortress Asia, but creates a network of bridges.

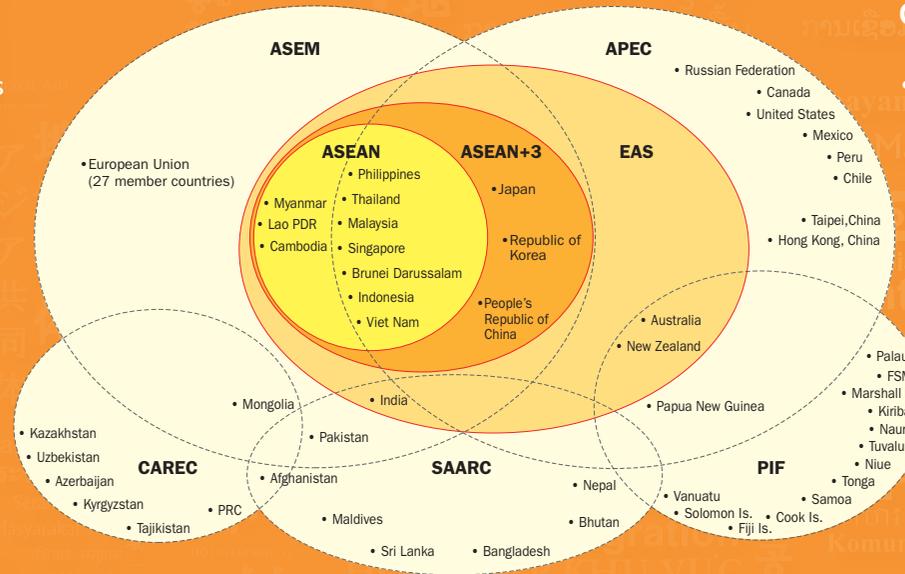
As such, emerging Asian regionalism is good for the region and good for the world: it contributes to increasing global welfare.

The challenge for a more prosperous and interdependent Asia is how to strengthen and spread the benefits of regional cooperation and integration while playing a substantial and constructive role in global economic leadership.

Increasing foreign exchange reserves (excluding gold)



Economic architecture: regional and transregional forums



Questions the Study Helps to Answer

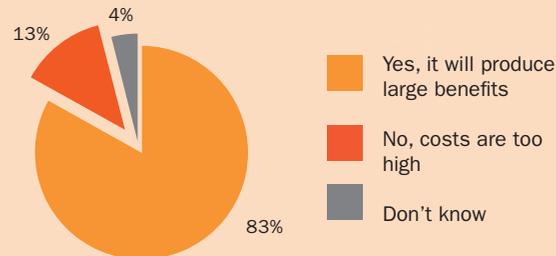
- To what extent are Asian economies integrated in trade, investment and finance?
- What are the priorities for regional cooperation in these areas?
- How strong are macroeconomic links within Asia and with other regions?
- Can regionalism help reduce inequalities?
- Does Asia need stronger regional institutions?
- Is Europe an example to follow?
- Is Asia ready to play a leading role in global economic decision making?

Partnership for Shared Prosperity

A vision based on a pragmatic, step-by-step, multitrack process that includes

- an integrated market for goods, services, capital;
- enhanced labor mobility;
- effective macroeconomic policy coordination;
- collective action on social issues;
- newer and stronger regional institutions; and
- a unified voice in global economic forums.

Should Asia create an economic community?



Results of a perception survey of 600 opinion leaders in 12 Asian countries.

Greater Mekong Subregion Transport corridors

