



〈Discussion〉 Economic Cooperation in Northeast Asia: Conditions and Vision

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I. Current Status

- NEA shows rapid expansion of economic cooperation especially in accordance with Chinese economic growth.
- China, Japan, Korea has been getting more and more closely connected via global value chain so that CJK economies are now strongly correlated.
- While the economic integration so far has been based on market mechanism, CJK started recently to institutionalize the cooperation by bilateral FTAs and trilateral FTA (and also multilateral FTAs.) and even by financial cooperation such as CMIM, AIIB...
- Each country shows now a long term vision for regional integration by Chinese "One Belt One Road" and Korea's "Eurasia Project."
- Political hurdles and lack of common initiative leave the economic integration just as discussion issues only.



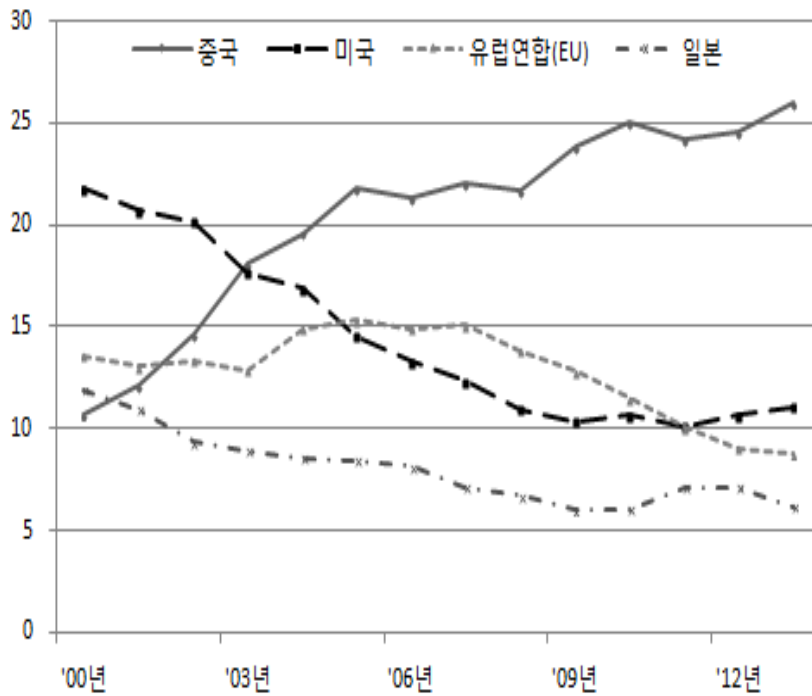
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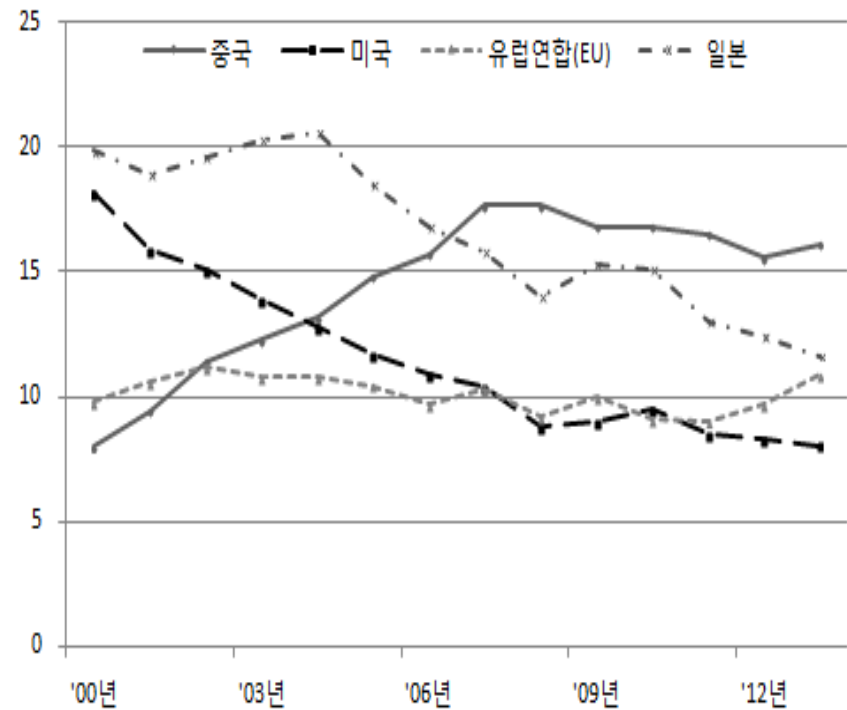


Korea's Major Trade Partners

<Figure> Export Partners(%)



<Figure> Import Partners(%)



Source:Kotra



II. Conditions for Economic Community in NEA

Condition for Economic Self-Sufficiency

unit(million, billion \$)

	East Asia	Europe	North America
Population	2,130.6	327.3	456.5
GDP	17,710.0	11,169.9	16,860.0
Trade Volume	6,599.3	8,843.6	4,821.8
Foreign Reserve	4,885.0	591.0	285.0
Military Force	4,214 (150.4)	1,103 (157.2)	1,639 (545.2)

참조: 동아시아는 ASEAN+3, 유럽은 유로존, 북미는 미국, 캐나다, 멕시코. GDP는 PPP 기반. 군사력은 군사수(1,000명), 괄호안은 군사비. 자료: 전홍택(2010)



II. Conditions for Economic Community in NEA

<Table> Conditions for Economic Integration

	East Asia	Europe	North America
Intra-regional trade	52.1%	58.7%	40.0%
Regional FDI	66.5%	71.5%	-
Openness	37.3%	50.1%	28.6%
Business Cycle Synchronization	0.0405	0.0256	-
Inflation	6.0%(3.3%)	4.3%	2.6%

참조: 역내교역은 2007, 역내FDI는 2005, 개방도는 2009년, 경기동조성은 1990년대 이후 평균값, 인플레이션 괄호안은 한중일 평균. 자료: 전홍택(2010)



II. Conditions for Economic Community in NEA

<Table> Political Intimacy

	1985-1990			2000-2005		
	US	Europe	East Asia	US	Europe	East Asia
East Asia	0.166	0.535	0.837	0.166	0.638	0.795
Europe	0.339	0.762	0.498	0.365	0.922	0.611
US	-	0.339	0.141	-	0.367	0.148

참조: 정치적 친밀성은 UN에서 표결시 동일한 선택을 했는 지의 여부로 측정 (모두 동일한 선택시 1)
 자료: 전홍택(2010)



III. Discussions

- ❖ Favorable conditions has been driven by market mechanism so far but institutional cooperation does not sustain or expand the regional economic cooperation.

 - ❖ Commnet1: Political hurdles untouched:
 - NEA do not attempt to diminish political hurdles such as conflict potential by North Korea, historical legacy,,, etc.

 - ❖ Comment 2: No common dream or long term vision
 - Individual initiative not common project: One belt one way, Eurasia project
- Ex) Shuman Plan



III. Discussions

- ❖ Comment 3: Economic integration for its own economy not for shared prosperity
 - Profit from integrations should be beneficial for all members
 - Ex) Europe's Structure Fund

- ❖ Comment 4: Blue Print and Priority setting needed
 - What should come first? Economic integration or political cooperation?
Common Policies for specific field?
 - ECSC, Common agricultural policy, common trade policy, common ERM

- ❖ Comment 5: Locomotive group needed
 - Core group should lead regional economic integration
 - Ex) Germany, France, Benelux,,,



One Belt One Way & Trans-Korea Rail Road

한반도통합철도망과 연계한 일대일로



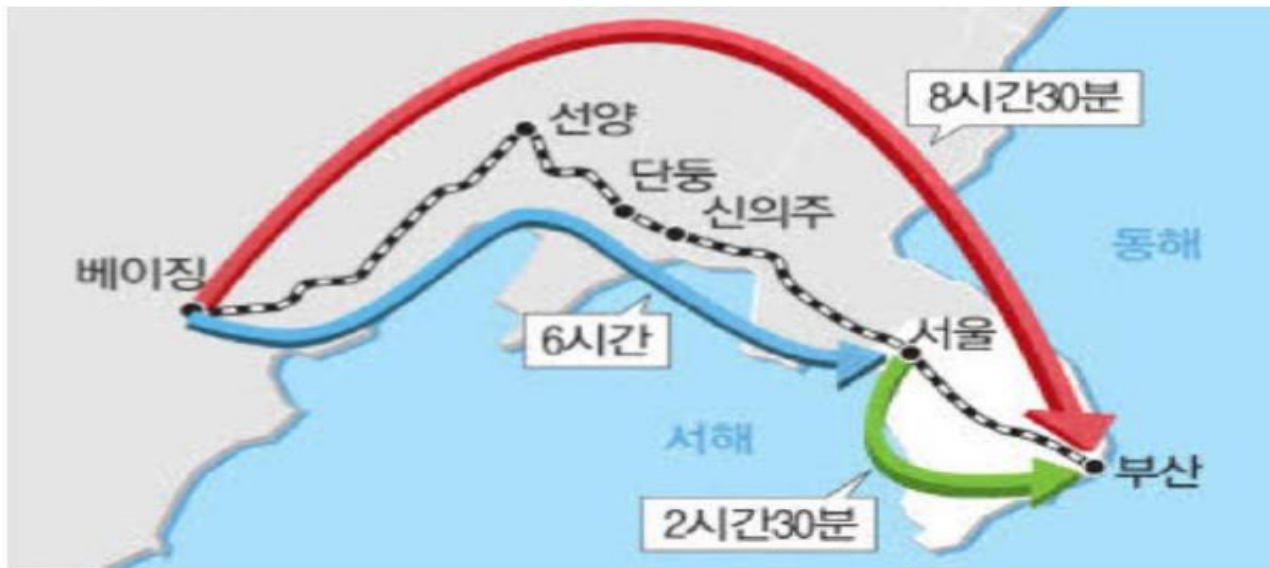
출처 : 매일경제 (2015.3.29)



CJK as One Day Living Space

한반도 고속철도와 동북아 일일생활권

- 중국은 동북3성의 성도인 '하얼빈-장춘-심양간 고속철도' 를 2012년에 개통 함
- 중국전체가 이미 4종4횡의 10,000km이상의 고속철도 네트워크로 연결되어 있음
- 2016년이면 심양-단둥과 장춘-훈춘간 고속철도도 완공될 계획이며, 북한만 고속 철도로 연결하면, 동북아가 일일 생활권도 가능



출처 : 매일경제 (2015.3.19)



Thank You !