

AHN, CHOONG YONG

Professor Emeritus, College of Business and Economics, Chung-Ang University, Republic of Korea

Toward an East Asian Economic Community: Prospects and Challenges

East Asia has emerged as the main trigger of “Asian Century” unfolding in the 21st Century. Newly awakened “East Asian Identity” after the 1997 Asian financial crisis has set the tone for an East Asian economic community movement. China, Japan, South Korea, ASEAN in the beginning and India later together have ushered in a variety of regional cooperation entities. For free movements of goods and services, regional multilateral negotiations for TPP, now TPP minus U.S., RCEP, APFTA have been awaiting for either effectuation or conclusion. For financial and investment cooperation, both CMI and AIIB have already been operating. However, given “America First” rising protectionism and ongoing “trade war” between the U.S. and China together with an “Asian Paradox” has posed great challenges for East Asia to pursue a sustainable growth in an economic community framework. While pushing for East Asia’s top-down open regional free trade arrangements based on global standards and level playing fields in services and TRIPs, East Asia must strengthen bottom-up win-win functional mechanisms embedded in supply chains, e-commerce, digitalization of SMEs, and cross-border FDIs and effective collective actions to minimize negative consequences due to environmental deterioration and cyber terrorism.