Economic Role of the U.S. in the APEC Meeting and the Future

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Abstract

A positive progression of APEC and its future are concerned with the coordination of policy of the member nations. The speed of its progression depends upon leadership and negotiation of the U.S., Japan and China in APEC. Especially, a foreign economic policy of the U.S. has an significant effect on the progression of APEC. The main objective of foreign economic policy of Clinton's government concentrates on the NPC through APEC. The U.S. brought a successful resolution of the UR in November of 1994 to realize its objective of the foreign open policy and thereby played a leading role in establishing the WTO. In addition, the U.S. drove a series of innovative policies such as the propulsion of NAFTA and APEC in order to encourage the developing countries to be grow market orient.

I. Introduction

It has been understood difficult for the Asia-Pacific countries to achieve economic cooperations among them due to the differences in the factors such as the development stage, political system, cultural tradition and so on. However, for the last 20 years, de facto economic integration in the region has been under way through the deepening of the mutual dependence by sustaining high rates of growth. Compared with the institutional economic integrations of the EU and NAFTA, the economic integration in the Asia-Pacific region is often called a market-oriented economic integration. Since the founding in 1989, APEC has been developed into a major economic organization in the region experiencing six annual

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meetings. The results of the APEC meetings in the periods can be summarized as the organization of the subcommittees and cooperation projects, expansion of member countries, and the active execution of regional economic cooperations. Especially, APEC is known to have played an important role in inaugurating WTO by ending the UR negotiations that lasted past eight years.\(^1\) The APEC meeting held in Seattle in November 1993 provided a turning point for the advancement in Asia-Pacific economic cooperation. Firstly, the founding of CTI (Committee on Trades and Investments) made a chance of transforming APEC in the form of a loose association into a practical organization for economic cooperations. Secondly, as the formal meetings for ministers of finance, and of environments are agreed on, the economic cooperations in the future will not be confined to trade, investment, and technological transfer. The cooperation between the Asia-Pacific countries will cover broad areas of macroeconomic policy coordination, environment, security, and culture. Thirdly, the realization of policy coordination will provide a solution to the conflict among member countries caused by the protectionism of the U.S. and the hindrance of Japan to the foreign access of Japanese market. The success of APEC in the future as an economic integration depends externally on the establishment of leadership and coordination power in fortifying the WTO while restraining the closed bloc of the EU, and internally in unifying the regional economies of east Asia and north America with NAFTA at the hub. The U.S. favors more closely-tied APEC as manifested in the declaration of NPC (New Pacific Community). The purpose of this study is to suggest economic roles for the U.S. in developing APEC into a more open regional economic integration in the newly-formed international trade order of the WTO.

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