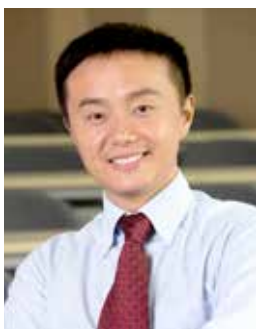


Roundtable 2

Trade Slowdown, Reverse Globalization and the Choice of Asia and China

Organizer: Institute of World Economy, School of Economics, Fudan University
Asian Development Bank Institute

Host: Luo Changyuan & Wan Guanghua



Luo Changyuan

Deputy Director, Institute of World Economy, Fudan University

Introduction of the Host

Luo Changyuan is the Professor at School of Economics, Fudan University. He is the Deputy Director of Institute of World Economy, Fudan University. He is also a research fellow at Center for European Studies and an adjunct research fellow at China Center for Economic Studies, Fudan University. His research interests mainly lie in international economics and development economics.

Luo obtained his Ph.D. in Economics, China Center for Economic Studies, Fudan University in 2006. He was an exchange student at Vienna University of Economics and Business Administration in 2005. He was a visiting scholar at Université Paris 1 Panthéon-Sorbonne in 2007 and a visiting research fellow at World Institute for Development Economics Research, Helsinki, Finland from 2007 to 2008. He was a visiting professor at Sungkyunkwan University, Seoul, Korea in 2009 and 2010. From 2010 to 2011, he was a visiting scholar at St Antony's College, Oxford University.

Luo has published many articles in *The World Economy*, *China and World Economy*, *Journal of International Trade & Economic Development*, *Revue Internationale de Politique Comparée*, *Social Sciences in China*, *Frontiers of Economics in China* and some leading Chinese economic journals. He also has published some monographs and translated some books.



Wan Guanghua

Director of Department of Research, Asian Development Bank Institute (ADBI)

Introduction of the Host

Wan Guanghua, ranked among the top 8% economists globally and top 4% in Asia by RePEc, is now the Director of Department of Research, Asian Development Bank Institute (ADBI). He is also the founding Director of Research Institute for Indian Ocean Economies (RIIO). Graduated as Distinguished Alumni from University of New England where he received Master in econometrics and PhD in development economics, Wan was the principal economist and head of Poverty and Inequality Research Group of Asian Development Bank (ADB). He is included in Who is Who in the World several times.

Publishing more than 150 professional papers and reports among which over 60 are in international and refereed economics journals, Wan was awarded Peikang Chang Prize for Best Research Outputs in 2012, China Rural Development Research Awards in 2011, Citation of Excellence for publishing an article with the highest quality by ANBAR Electronic Intelligence and so on. As guest editor of 11 special issues of leading journals in development economics or Asian economies, Wan takes in charge of work review for a couple of journals in China and has taken a leading role in several projects of importance, such as Urbanization with Efficiency and Equity, funded by the China National Science Foundation. He is also a guest speaker in more than 30 countries.

• Theme Interpretation •

1. The background of the roundtable

The theme of the roundtable is "Trade Slowdown, Reverse Globalization and the Choice of Asia and China". The reasons for us to select this issue as the theme of the roundtable are as follows:

1.1 Reverse globalization in terms of trade

According to CIA World Factbook, the global export in 2014 was 18.75 trillion dollars. But this number has declined to 16.3 trillion dollars in 2015. The global import in 2014 was 18.21 trillion dollars and the number declined to 15.97 trillion dollars in 2015. These facts show that the global trade has a downward trend.

1.2 Reverse globalization in terms of politics

In June 2016, British citizens decided to leave the EU, which is expected to have a huge impact on the EU and possible market integration worldwide. In the US, the elected president Donald Trump shows little interest in deeper free trade. Withdrawing TPP is at the top of his agenda. At the same time, TTIP between the US and the EU has also been suspended. The US and the EU are the major players in the world trading system and political development in both of them will inevitably affect their trading partners and the whole world.

1.3 East Asia still being the driving force to support global free trade

In 2014, export and import of China were 2.34 trillion dollars and 1.96 trillion dollars, respectively. In 2015, they declined to 2.27 trillion dollars and 1.68 trillion dollars. The situation is similar in other countries of East Asia. Export and import of Japan in 2014 were 0.69 trillion dollars and 0.81 trillion dollars, respectively. In 2015, they declined to 0.62 trillion dollars and 0.65 trillion dollars. Export and import of Korea in 2014 were 0.57 trillion dollars and 0.53 trillion dollars, respectively. In 2015, the export declined to 0.53 trillion dollars and the import declined to 0.44 trillion dollars. Export of ASEAN countries also declined from 1.29 trillion dollars in 2014 to 1.16 trillion dollars in 2015 while import declined from 1.23 trillion dollars in 2014 to 1.09 trillion dollars in 2015. Although trade is declining and the reverse globalization is already on the way, East Asia countries still seek for enhancing global free trade. Taking China as an example, we can see the improvement it has made in unilateral, bilateral and regional free trade process. Free trade zones have developed from only one in Shanghai to eleven in the whole country. China has signed FTAs with Korea and Australia while the FTA with ASEAN has also been upgraded. RCEP including ASEAN countries, China, Japan, Korea, Australia, New Zealand and India already makes great progress and is expected to be finished soon. China plays a leading role in this process. Korea is also a good example. Korea has reached FTAs with almost all the major economies in the world such as the US, the EU, China, India and ASEAN. Korea aims to become the FTA center of the far east of the world. ASEAN has signed FTAs with China, Korea, Japan, India, Australia and New Zealand. India has signed FTAs with Korea and Japan.

With these facts and development as the background, this roundtable will focus on the following questions: the situation of trade slowdown and reverse globalization in Asia; the reason of trade slowdown and reverse globalization from the Asia's perspective; the impact of trade slowdown and reverse globalization on the Asia's economy; the choice of Asia and China facing trade slowdown and reverse globalization.

2. The relevance of the roundtable

2.1 The relevance in theory

We try to find the cause of trade slowdown and reverse globalization from a theoretical perspective. Is it cyclical or structural? Is it a short-term phenomenon or a long-term one? We also try to investigate the impact of this trend on the Asia's economy. Will trade slowdown and

reverse globalization have any impact on intra-regional and inter regional integration of Asia?

2.2 The relevance in reality

We want to answer the following questions based on the roundtable. For countries in Asia, do trade slowdown and reverse globalization have something in common or do they vary from country to country? Are they natural outcomes of development of division of labor? Facing these, what's the choice of Asia and China? Should we continue deepening the integration inside Asia or should we resort to the integration between Asia and countries outside Asia?

2.3 The relevance in social impact

By organizing this roundtable, we want to arouse public attention on these phenomena. We also want to show the achievements scholars in Fudan University have made in this research field. In addition, we also want to expose the capability of Fudan in integrating various viewpoints to these phenomena of scholars in the world.

3. The sub-titles of the roundtable

The roundtable has five sub-titles as follows:

3.1 The development of trade slowdown and reverse globalization: The Asia's case

In this part, we will discuss the situation in Asia and its representative economies when facing trade slowdown and reverse globalization. Then we will have a comprehensive comparison between representative economies in Asia and countries in other regions.

3.2 The reason of trade slowdown and reverse globalization: The Asia's perspective

In this part, we will first draw an overall conclusion of the reason of the trade trend from a global perspective. Then we will focus on Asia and carry out a deep investigation to find out the reason of this trend.

3.3 The impact of trade slowdown and reverse globalization on Asia's economy

In this part, we will first find out the possible consequence of trade slowdown and reverse globalization on global economy. Then we will pay special attention to effects of this trade trend on Asia.

3.4 The impact of trade slowdown and reverse globalization on Asia Pacific integration

In this part, we will first analyze the impact of trade slowdown and reverse globalization on multilateral, regional and bilateral free trade process from a global perspective. Then we will pay particular attention to its influence on the regional and bilateral free trade process in Asia.

3.5 The choice made by Asia and China in face of trade slowdown and reverse globalization

In this part, we will have a policy discussion on what internal and external measures should be made by Asian representative countries when facing trade slowdown and reverse globalization.

4. The expectation outcomes of the roundtable

Before the roundtable, we will submit a policy report based on the preliminary opinions of the organizers on the scheduled questions. The title of the report is supposed to be "The Choice of China Facing Trade Slowdown and Reverse Globalization". The length of the report is around 5000 words.

After the roundtable, we will submit another policy report based on various opinions of the participants. The title of the report is supposed to be "Consensus and Controversy of the Choice of Asia Facing Trade Slowdown and Reverse Globalization". The length of the article is expected to be around 10000 words. ■■■