

# ECOTECH Revival?

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## APEC Begins

- Blake Island: the vision
  - Towards “a Community of Asia Pacific economies”
  - Search for “cooperative solutions” to challenges of regional and global economy
  - Continue to reduce trade and investment barriers
  
- Bogor: three sets of issues
  - Strengthening open multilateral trading system
  - Enhancing trade and investment liberalization in the Asia Pacific
  - Intensifying Asia-Pacific development cooperation

## Putting TILF ahead

- ⊙ Bogor specific goals on TILF
- ⊙ Osaka Action Agenda (OAA): explicit on TILF
- ⊙ OAA: less explicit on ECOTECH
- ⊙ The Manila Framework for ECOTECH
  - Goals and guiding principles
  - Organizing themes and priorities
  - But no real roadmap!

## Progressive Downgrade of ECOTECH

- ⊙ EVSL (1997)
- ⊙ ECOTECH sidelined from 2002
  - Diversion to new issues
  - End of ECOTECH Action Plans (2003)
  - New choice of priority areas
- ⊙ Busan and the Bogor Stocktake

## Change in Themes from Manila to Bangkok

Develop human capital Develop capital markets Strengthen infrastructure Harness technologies for the future Quality of life through environmentally sound growth Develop and strengthen PMEs	Integration into the global economy Counter-terrorism capacity building Develop knowledge-based economies Addressing the social dimension of globalization
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## Arguments in favor of ECOTECH

- ⊙ Direct versus indirect arguments
- ⊙ Economic and social development
- ⊙ Reduction of inequalities
- ⊙ Helpful in achieving TILF objectives
- ⊙ Confidence building
- ⊙ Contribution to building a community

# A Cost- Benefit Analysis

- ⊙ Benefits
  - Everybody benefits in the long run
  - In the short run, there are asymmetries
- ⊙ Costs
  - Costs appear already in the short run
  - And they are asymmetric
- ⊙ Political resistance
  - Delayed benefits
  - Asymmetry in cost-benefit considerations

# Cooperation vs Competition?

- ⊙ Variants of the "dichotomy"
  - Altruism vs egoism
  - Socialism vs capitalism
  - Collectivism vs individualism
  - Left vs right
- ⊙ It also appears in the natural sciences
- ⊙ Rather than a dichotomy, a dialectical interplay
- ⊙ The competitive "structure" of cooperation (or is it the other way around?)

## ECOTECH and TILF

- ⊙ A false dichotomy
- ⊙ No subordination but balance
- ⊙ Need to reveal and manage complementarities
- ⊙ An important case: cooperative endeavors to help overcome resistance to liberalization

## Some Proposals

- ⊙ APEC Structural Reform
  - Similar hierarch for TILF and ECOTECH
  - Two-sided coordination
  - Adjustments in administrative structure
- ⊙ Funding
  - An APEC Development Bank
  - An alternative: financial coordination duties for the ESC and cooperation with IFIs