APEC – AMERICAN COLLABORATION EVALUATING POLICIES AND ACHIEVEMENTS

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Economic, Commercial and Trade relations in the world have gained significant position, since mercantile policies reigning under the traditions and practices of mercantilism. In the present day times it is also being used as a strategic instrument and weapon to achieve the obligation of policies designed by the developed world. War, armed conflicts and weaponry engagements may be considered the techniques of cold war era. Now the economic weapon and hammer is being practiced as a solid wheel to subjugate the different dominions of the world. Realizing the importance and feeling the pulse beating in the understandable direction, each and every nation, individually, as vell as, collectively is putting its efforts to find its participatory position in the world of economic behaviour and activity. This may help to gain the stressing status in the new set up of economic reign, might and power, for self benefit and global movement of economy.

Such thinking has pushed the strong and competitive economies of the globe to conclude the bilaterally and mutually benefiting agreements to win the financial and economic domination and strong say in the global politico-economic arrangement. Therefore, different economic groupings, co-operations, blocks, co-ordinations, cohesions, partnerships and collaborations under different denomination have come into being e.g. EEC, COMECON, LAES, OAU, GCC, ECO, SHANGHAI Co-operation Organization, CIS, ASEAN, SAARC, EFTA, CICA (Conference on Interaction and Confidence Building Measures in Asia – participated by 16 countries such as Afghanistan, Azerbaijan, Bangladesh, China, Indonesia, India, Japan, Kazakistan, Korea, Malaysia, Pakistan, Russia, Singapore, Uzbekistan, Vietnam, Singapore, etc.

and witnessed by USA, Britain and others as observers) CAIRONS, GATT, OPEC AND APEC (Asia – Pacific Economic Co-operation), North South dialogue, Arab-league, WTO, G-7 etc. Such policies and formations have compelled the giant political economic power of the world, as well as UN to modify the different organizations and the administrative set up, under the guise of WTO, changes in the decisions of Bretton woods conference of 1944, restructuring of IMF, IBRD, IFC, IDA, ADB etc. Efforts are on the way to find out suitable changes and adjustable offerings to best serve the interest of the under developed world. Terms, conditions and rates of interest and amortization investments and trade are also being diversified to ease the conditions of aid, grants, loans etc. Soft terms are replacing the hard ones.

APEC is also the creation as a result and consequence of such politico-economic pressures of the globally changing diverse economic trends. Adoption of market oriented economies and developmental strategies and stressing upon deregulation, privatization, enhancing foreign investment, import substitution and export dynamism etc. APEC is also no exception to it, for it has to base its economies on sound politico-economic modifications and modernizations. APEC has been striving hard to erase the impacts of colonialism and save itself from the iron-clutches of neo-colonialism. It has shouldered the responsibility of economic well being through formation of independent foreign politico-economic policies and national security. Such an effort may lead them to a self reliant modernization and achievement, enabling them to tackle with volatile, and compound social and demographic problems, manage their relations with much larger external powers to promote regional peace and stability and facilitate peaceful coexistence based on regional political evolution and democratic norms.

As the rate of economic growth started declining from mid 1980s to 1990s, in many Asian and Asia Pacific developing countries, therefore the creation of such an organization became the need of the hour. Faced with the continuous falling price trends and slowing down of trade and commerce, the countries of the region formed APEC, through common necessity to attain the politico-economic legitimacy in the region.

ESTABLISHMENT

Asia – Pacific Economic Co-operation was initiated in November 1989, in the meeting held at Canberra (Australia). Its aim is to promote multilateral economic co-operation with adjustable political and economic policies and enactment. It is the combination of 21 countries (Australia, Brunei, Canada, Chile; China – People's Republic, Hong Kong China, Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russia, Singapore, Chinese Taipei, Thailand, USA, Vietnam) of pacific rim and account for 40% of world population, 56% of the world's GDP of over $18 trillion in 1999 and 43.85% of the world trade. So far it has achieved steady and substantive development. The annual ministerial meeting to be held at different cities of member countries may be regarded as the core apparatus of APEC.

EXECUTION

After the ratification by various member countries first such meeting of APEC leaders of government was convened in November 1993 in Seattle USA. Since then it is followed by annual gatherings of foreign and financial ministers – in 1994 at Bogor Indonesia, 1995 in Osaka Japan, 1996 in Manila, 1998 at Kuala – Lumpur Malaysia, 1999 at Auckland Newzealand. APEC CEO summit was held on October 18-20, 2001 at Shanghai China.

ORGANIZATION

Since 1992 a permanent secretariat has been established in Thailand with a annual budget of $2 million. The executive director of the same is appointed from the member economy, chairing the group for a one year term. Besides, it has committees and groups on Agricultural Technical co-operation - Experts Group (ATC) to promote co-operation in conservation and utilization of plant and animal genetic resources, research development and extension of agricultural biotechnology, marketing, processing and distribution of agricultural products, plant and animal quarantine and pest management, development of agricultural financial system, sustainable agriculture and agricultural technology transfer and training.

APEC has a budget and Administration Committee (BAC) to devise APEC on budgetary, administrative and managerial issues. It evaluates the effectiveness of operational budgets and conducts assessments of group projects.

In the same way the Committee on Trade and Investment (CTI), is meant for facilitating the expansion of trade development. It helps to promote liberalized environment for investment among member countries. Flow of goods and services and technology is encouraged in the region. In 1993 APEC Tariff Database had also been introduced with sponsorship from private sector. In 1998, a new Market Access Group was also formed to advertise activities of CTI with non-tariff measures.

In addition to this, in 1994 Economic Committee was also formed to enhance the APEC capacity for analyzing economic trends. It also carries on research and report activities, affecting the economic and technical co-operation in the region. It also considers the environmental and developmental implication of expanding population and economic growth.

In 1995 an Ad Hoc Policy level group on Small and Medium Enterprises (PLG – SME) was destined to oversee all APEC activities relating to SMEs. It also helped the establishment of APEC Centre of Technical exchange and training for SMEs. Other working groups like Trade and Investment Data Review, Trade Promotion, Industrial Science and Technology, Human Resource Development, Energy, Marine Resources Conservation, Telecommunication, Transport, Tourism and Fisheries etc. have been formulated to promote and co-ordinate practical co-operation between member countries in different activities.

In addition to this an APEC Business Advisory Council (ABAC) consisted of three representatives of the private sector from each APEC member economy has also been set up since 1995. It is putting its efforts to accelerate the liberalization of regional trade and enhance forms of infrastructure. SMEs development of human resources, regional communication, finance, and cross – border investment is also taken care of in 1998/99, ABAC focused on measures to alleviate financial crisis in Asia by injecting confidence in the private sector. It is also supporting SMEs to develop E-Commerce in the region with the purpose to continue the promotion of capital flows in Asia, for restructuring unpaid corporate debts. This helped the re-capitalization of banks and development of Asian debt band market. It also adopted measures and policies to revive private investment in the recession affected economies, fair supply of food and strengthening of trade liberalization.

PRACTICAL POLICIES AND IMPLEMENTATION

In the early days of formation, APEC reflected as a forum for internal discussion between the six ASEAN members and their to ensure the transparency of its laws, regulations and procedures meant for flow of goods, services and capital. It may refrain from imposing any protectionary measures. Second part of the agenda provided framework for further economic and technical co-operation between APEC economies, such as energy, transport, infrastructure, SME's and agricultural technology. A trade and investment liberalization and facilitation of Special Account meant for financing projects under the auspices of Osaka Action Agenda was established. Actually, this agenda may be termed as basis laying determined decision of APEC. The historic significance of the organization was seen in the departure from the old pattern of North – South relations. APEC can serve as a new model of international co-operation. Its broad objectives mentioned the long term development of member economies, strengthening of mutual trust with other parts of Asia by contributing to political stability with them by securing economic growth in the Asia – Pacific, providing an environment of active participation of the US in Asia Pacific Affairs, promoting smooth participation of China in framework for international co-operation, strengthening relation between Australia and New Zealand and the economies of East Asia as well as ties between Japan and Central and South American countries. This directed Japan to further promote co-operation within APEC. This agenda diversified the state of vision to action. This Osaka action agenda has pursued the liberalization and facilitation of trade and investment in tandem with economic and technical co-operation. It accelerated the implementation of Uruguay Round Commitments, including those on tariff reductions and deregulation. It reflects the firm resolve within APEC to proceed with liberalization, steadily. It also pushed up the partners for progress framework to further closely develop economic and technical co-operation on the basis of voluntarism and mutual help and assistance. Japan announced an amount of 10 billion yen for this purpose. Inter related issues of population, food, energy and environment were also touched upon comprehensively. In November, 1996 APEC Economic leaders in six dialogue partners in the pacific, with specific stress on promoting trade liberalization in the Uruguay Round of negotiations being conducted under GATT (General Agreement of Tariffs and Trade). The Seoul Declaration adopted by the ministers meeting in the Republic of Korea in November 1991, defined the objectives of APEC. In 1992, 11 members non-governmental Eminent Persons Group (EPG) was formed to assess trade patterns within the region and propose measures to promote co-operation. In 1993 at the ministerial meeting in Seattle a framework for the expansion of trade and investment among the member countries was agreed upon. In 1994 time table for liberalization on the trade across the Asia – Pacific region was decided (Elimination of trade barriers starting from 2000 to be completed in 2010 for developed, 2015 for newly industrialized and 2020 for developing countries). Trade liberalization has to be achieved in co-operation also with non-APEC members, on reciprocal basis. In 1994 in a meeting of APEC heads of government held at Bogor, a Declaration of Common Resolve was adopted, which endorsed EPG's to gain free and open trade and investment in the region by 2020. This declaration reflected the implementation of GATT commitments in full and strengthening of multilateral trade system through WTO (World Trade Organization). This helped to intensify the development and co-operation in Asia Pacific region. The 1995 ministerial meeting recommended harmonization of product quality, establishment of one-stop investment agencies in each member country, promotion of training and technology transfers and visa free business travel facilities in the region. EPG was replaced with APEC Business Advisory Council. In November 1995, APEC heads of government met in Osaka Japan. The first part of the agenda evaluated the implementation of decision regarding liberalization of trade and investment and facilitation of business i.e. custom procedures, rule of origin and non-tariff barriers. Process was manifolded to comprehensively work and implement commitments with WTO. It must be non-discriminatory among all APEC economies, which had their meeting at Subic Bay (Philippines) approved the action plan and agreed with the US proposal to eliminate tariffs and other barriers to trade in information technology products. In 1997 Economic leaders meeting at Vancouver (Canada) urged APEC members to accelerate efforts for the development to the region's financial and capital market to liberalize capital flows to get rid of the impacts of Asian financial instability. Nine sectors including environmental goods and services; fish and fish products, forest products, medical and surgical equipment; toys; energy; chemicals; gems and jewelry, and telecommunications, were identified as Early Voluntary Sectoral Liberalization (EVSL). APEC successfully negotiated the objective of reducing the emission of "greenhouse gases" problem discussed globally at Kyoto, Japan conference held in December, 1997.

The 1998 APEC finance ministers meeting in Canada, again considered the ongoing Asian financial and economic crisis and recommended to pursue the activities of capital market development, capital account liberalization and strengthening financial system including corporate governance. This may help to co-operate the pursuit of sustainable economic recovery and growth through restructuring of financial and corporate sectors, promoting and facilitating private sector capital flows, and efforts to enforce the global financial system. Agenda for APEC science and Technology industry Co-operation in 21st Century was also approved and China announced a special fund for it. Malaysia complained and differed with the idea of democratic reform movement as stressed by USA representative.

In 1999, the emergency meeting of the foreign ministers held at Auckland (New Zealand) discussed the issue of East Timor. Efforts under the UN auspices were taken to restore the peace and stability in the area, which was later on decided on a mutually agreed formula. On the economic front it also decided the financial transparency, accountability, non-discrimination as a framework for strengthening APEC markets. It may enable further integration and implementation for the achievement of politico-economic goals and sustenance of social upliftment leading to the true establishment of egalitarianism. It was proposed that objective of single package of trade agreements be completed within three years period and export subsidies on agricultural products may be abolished.

In the light of such decision in various summit meetings, different working groups on different fields, such as energy, fisheries, human resources development, industrial science and technology, marine resources conservation, telecommunication, tourism, trade and investment data review, trade promotion and transportation have been structured to promote practical and technical co-operation in the specific areas. These groups also help to implement individual and collective action plan in response to the directives of the Economic and political leaders of APEC countries.

CO-OPERATION WITH ASEAN AND OTHER SIMILAR ORGANIZATION IN ASIA

Association of South East Asian Nation established ARF (ASEAN Regional Forum) in 1994 for dialogue with foreign ministers of APEC countries on issues of regional and political security. In the year 1995 at the second meeting of ARF in Brunei, it was agreed to work for co-operation on security. With the new membership of Cambodia, this meeting was attended by 18 foreign ministers and representatives from European Union. They conferred on the issues of South China Sea and Nuclear Testing. It was unanimously agreed to promote confidence; develop preventive diplomacy and elaborate approaches to conflicts. To achieve the purpose of confidence building it was decided to enhance dialogues and consultations on political and security co-operation; encourage the submission of an annual statement of their defense policy and high level contacts and exchanges among defense officials and promote participation in the UN Register of Conventional Arms. In 1995, in this regard China published a white paper on Arms Control and Disarmament which was considered a step forward towards increasing transparency.

It may be mentioned that ARF activities have generated a framework for regional co-operation on security, which is steadily developing in the Asia – Pacific region. It may be found advisable that more and more regional countries of the Asia – Pacific region may join efforts with ARF to promote long term stability and security co-operation, which may prosper in solidifying confidence building measures and attitudes on more concrete lines.

While evaluating it may be observed that America has been playing a vital role for the economic development of the region. It is also extending a co-operative and encouraging hand through it's political, economic, social and cultural policies. Its agreement towards the entrance of People's Republic of China in WTO in November 2001, reflects its generous and accommodative attitude of friendship and economic liberalization. It may promote mutual trust and reciprocal confidence on the bilateral, as well as multilateral issues in the APEC region. Such policies may enhance the aspirations for friendship and peace in the region. Russia may gain membership in WTO by 2003, if all requirements are fulfilled properly in the desired manner. America with APEC through co-operation may process convincingly to solve the global economic and political issues through friendly dialogue and negotiation. It may usher in inter and intra regional consolidation, realignment and reduction of nuclear armaments. America and APEC may jointly help to seek the solutions to global challenges in the field of environment, narcotics, population, HIV – AIDS and children's health and literacy. It may enlarge the expansion of technical innovation and transfers to developing world for the betterment of their social and economic life, which may reduce the gaps of regional, sectoral, geographical, developmental dualism in the new millennium. It may support the management of basic values of freedom, democracy and principles of market – economy, the considered essentials meant for peace and prosperity not only in the Asia – Pacific region, but on the globe as whole in the twenty first century. A new development strategy, the prevention and settlement of conflicts, disarmament, nuclear non-proliferation etc. are to be attended to and America has a greater role to play significantly for such aims of international emancipation.

In the end it may be concluded that APEC–America collaboration has achieved a lot in the realization of the projects aimed at the welfare of the poor and needy. Its slogan of meeting new challenges in the new century of achieving common prosperity through participation and co-operation may visualise the well being of the teeming millions of the world. Let us hope that new century may reveal the dreams of new economy to positivism and development of globalization.

Lastly it is worth mentioning that APEC is moving in the right direction towards the achievement of its goals of economic growth and equitable development through trade and economic co-operation, maintenance of the spirit of openness and partnership, solve the challenges of change through mutual understanding, allow the exchange of goods; services and investment and securement of higher living and attainment of educational standards and sustainable growth of all the economies in the region.

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