

G-20 and APEC Go in Tandem; an Expected Synergy

By YAMAZAWA Ippei

Amid the expanding global economic crisis that stems from U.S and European financial crisis, the G-20 Leaders Summit was held on November 15 in Washington, in which they decided to take urgent measures to stabilize financial markets and to carry out coordinated macroeconomic policies to restore growth and stability. In the following week, the Asia-Pacific Economic Cooperation (APEC) Leaders Summit was held in Lima, Peru, in which "Lima APEC Leaders' Statement on the Global Economy" was issued. In the Statement, they strongly support the Washington Declaration of the G-20 leaders as well as their Action Plan and are determined to take broad policy responses needed and overcome the current crisis within 18 months. Also, they pledged to refrain from taking protective response whatsoever within the following 12 months and to seek an ambitious and balanced conclusion to the Doha Development Agenda negotiations.

G-20 Summit is expected to be a new framework for the management of the global economy. Though merely an expanded version of G-8, it is a collaborative framework on a global scale, involving such major emerging economies as China, India and Brazil plus mid-sized economies like Australia and South Korea, to be supported and coordinated by major regional groups. Nine member countries of APEC are represented in G-20, thus provide the driving force of the framework. Also, there are issues of overlap. APEC is a framework not only for consensus building over policy coordination among members but also for providing assistance to member developing economies by way of technology transfer and capacity building. G-20 is tasked with bunch of such issues to address as environmental protection, disaster management, infectious disease prevention, anti-terrorism, poverty eradication and so on. These issues are already addressed in APEC framework. It is APEC's new contribution to the world to cooperate closely with G-20 to tackle these issues.

(This is the English translation of an article written by Mr. YAMAZAWA Ippei, Professor Emeritus of Hitotsubashi University, which originally appeared on the BBS "Hyakka-Somei" of CEAC on December 7, 2008.)