

PRACE NAUKOWE

Uniwersytetu Ekonomicznego we Wrocławiu

RESEARCH PAPERS

of Wrocław University of Economics

Nr 370

Redefinition of the Role of Asia-Pacific Region in the Global Economy

edited by
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Publishing House of Wrocław University of Economics
Wrocław 2014

Copy-editing: Agnieszka Flasińska

Layout: Barbara Łopusiewicz

Proof-reading: Magdalena Kot

Typesetting: Małgorzata Czupryńska

Cover design: Beata Dębska

Information on submitting and reviewing papers is available on
the Publishing House's website
www.pracnaukowe.ue.wroc.pl
www.wydawnictwo.ue.wroc.pl

The project has been cofinanced by the National Science Centre according to the decision
No. DEC-2011/01/D/HS4/00639

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Wrocław 2014

ISSN 1899-3192

ISBN 978-83-7695-494-3

The original version: printed

Publication may be ordered in Publishing House
tel./fax 71 36-80-602; e-mail: econbook@ue.wroc.pl
www.ksiegarnia.ue.wroc.pl

Printing: TOTEM

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THE ROLE OF ASIA-PACIFIC REGION IN CURRENT STAGE OF DEVELOPMENT OF WORLD ECONOMY

Abstract: The article was written with the idea to show that the individual states in the world economy develop with help of the remaining which are recently considered to be high-income economies. Development here shows certain consecutiveness, where interdependence between different groups of economies plays an important role. The best example can be built upon China experience – the market which increased its share in GDP, world imports and exports and recently the country is engaged in supporting development in low-income economies in Africa and Latin America. The engagement of China in CIS is also noticeable. Everywhere China has its interest – either it is food production and supply or access to raw materials, or investing in infrastructure which will help to establish local authorities who have to manage the economy and its ties internationally.

Keywords: Asia-Pacific region, interdependence, external aid.

DOI: 10.15611/pn.2014.370.01

1. Introduction

The Asia-Pacific region is considered to be the second most developed part of the world economy after the Atlantic Region or North America and European Region. Both USA and the EU have established institutional ties with Asia-Pacific. Currently negotiated TTIP can be seen as future stimuli which can lead towards deepening of the mutual ties between Europe-America and Asia. If this would happen, other regions should also join, being sensitive to deepening of the relations between US-EU and Asia. Institutional competitiveness can change the attitude of Latin America, CIS and Africa towards joining the main stream of the world economy. This can be seen as a result of the current division of labour, sequencing in establishing institutional ties, differentiation of the economic potential among the continents as well as interest in accessing the biggest consumption and investment markets.

The main thesis of the paper is that the world economy develops taking use of two pillars: interdependence and sequencing. This can be clearly seen on global

scale but in case of OECD and Asia-Pacific Region the proof and illustration of this thesis are easier and clearer than in case of Latin American or African markets. The region has its own leaders, what means that on the top of external stimuli coming from the OECD economies (more precisely from the Old World) those leaders also participate in stimulating development and changes on world scale. The paper will show the capacities of Asia-Pacific Region in this area, which are not separated from the role played by countries from the Old World. It also answers the question who gives the prescriptions and plays the role of a doctor and who plays the role of pharmacologists, giving the medicine. It will try to tell if such division of roles – as stated – is proper and effective, or the divide is not so simple and clear?

2. Definition of Asia-Pacific region

The definition of the Asia-Pacific region is not an easy task and in most cases the applied definitions are coined adjusting the notion to certain needs of the party which forms it having in mind particular goals of its application. Generally it is accepted that the definition of Asia-Pacific region (APAC) embraces economies which are situated in the part of the world within or near the Western Pacific Ocean. Abbreviations used for the region also differ.¹ The definitions of the region vary according to the context, needs and number of countries included and covered by the conducted analysis. The most frequently used approach includes East Asia, South East Asia and Oceania.² This notion can also include, in addition to traditional definition used here, Russia (North Pacific) as well as Americas (US, Canada, Chile, Mexico and Peru). This seems to be the longest list of states included into the region, what means that in specific approaches one can find some of the countries included into the group or missing in the enumeration. For the purpose of this study the term Asia-Pacific refers to a group of states/markets in littoral East Asia, Southwest Asia and Australasia near the Pacific Ocean, as well as to the states/markets in the ocean itself (Oceania).³

To the purpose of this study we do not need to be too precise in defining the group and looking into their specific features which enable us to make from the listed states a bunch which has different features than the others and thus can be easily separated from the rest. Let us take an open approach without sharp divisions of exclusiveness and inclusiveness. This means that we consider that the door is wide open and states can enter and depart from the group if they need that for any specific

¹ On top of APAC such abbreviations are being used as: AsPac, APIJ, JAPA, JAPAC, Asia-Pac, tec.

² J.-D.-L. Lee, A. Heshmati (eds.), *Productivity, Efficiency and Economic Growth in the Asia Pacific Region*, Springer-Verlag, Berlin–Heidelberg 2009; J. Hutchison, W. Hout, C. Hughes, R. Robinson, *Political Economy and the Aid Industry in Asia*, Palgrave Macmillan, Basingstoke 2014; S. Avis, *Eurasian Regionalism. The Shanghai Cooperation Organization*, Palgrave Macmillan, New York 2001.

³ J.-C. Trichet, President of the ECB, *The Growing Importance of Asia-Pacific Region*, speech, Frankfurt am Main, 25 February 2008, www.ecb.europa.eu/press/key/date/2008/html/sp080225.en.html (retrieved: 23.04.2015).

reasons. All the mentioned economies grow, although the rates of growth differ from one economy to another one, as well as sources of growth are also different in most of the cases. BRIC grows because of low production costs and imports of FDI and investments financed from national sources, except Russia, which grows because of raw materials production (namely energy resources).

World in process of liberalizing the economy within its global structures strongly stimulates economic changes in all continents. Nevertheless, the opportunities to use the current circumstances depend strongly on several features of the national economy created at the national level. The list of conditions is long and generally can be divided into some basic groups, which embrace:

- Openness, external and internal liberalization (including in external relations customs tariffs, non-tariff barriers, harmonization of laws and institutions, convertibility of the currency, sound macro-policy, controlled inflation, relatively short time needed to start a business, etc);
- Developed infrastructure (telecommunication, transport, institution, administration, laws);
- Approvable conditions for living;
- Established health and education systems;
- Predictability in internal and external policies;
- Well established institutional ties with the surrounding environment (neighbours, other states, region, international organizations).

All mentioned conditions develop with advancement of the economic sophistication process. They are not built in short time but gradually. This is a time and capital consuming process. It requires certain conditions to develop, which can be easily defined after studying the basic three stages of development and understanding the conditions in which they can be used in full. All those conditions require also a political climate which helps to achieve those goals. The scope of the papers forces selection of the topics discussed, what means in this particular case that political matter followed by fulfilment of the human rights, both will be omitted in the discussion.⁴ The text concentrates on economic issues. Below three basic phases of development can be found (Table 1). States in Asia-Pacific cover all the three categories.

The phases shown in Table 1 indicate the consecutiveness of development and growth as well as explain that best economic performance as far as costs and speed of changes are concerned can be achieved within cooperation of states which represent differentiated level of development. This finding does not imply that the main goal of the policy is to open up the markets. The markets have to be well prepared for opening, what means they need to have required level of institutions, laws and infrastructure. Integrating/cooperating economies, when they want to make full use

⁴ L. Holmes, *Trafficking and Human Rights: European and Asia Pacific Perspective*, Edward Elgar, London 2013.

of international cooperation, should represent differentiated levels of development, which in natural manner makes their economies compatible. This compatibility can be seen as one of the new areas of interdependence.⁵

Table 1. Requirements needed to be fulfilled in three stages of development

Basic requirements	Efficiency enhancers	Innovation and sophistication factors
Important pillars		
1. Institutions	5. Higher education and training	11. Business sophistication
2. Infrastructure	6. Goods and services markets efficiency	12. Innovation
3. Macroeconomic environment	7. Labour market efficiency	
4. Health and primary education	8. Finance market development	
	9. Technological readiness	
	10. Market	
The listed pillars play important role in stimulating development and competitiveness in consecutive phases of development		
FACTOR DRIVEN PHASE	EFFICIENCY DRIVEN PHASE	INNOVATION DRIVEN PHASE

Source: on the basis of *The Global Competitiveness Report 2013–2014*, <http://reports.weforum.org/the-global-competitiveness-report-2013-2014/#=>, p. 9.

Table 2. Weights and income thresholds for main phases of development

Contents	Stages of development				
	Stage 1	Transition from 1 to 2	Stage 2	Transition from 2 to 3	Stage 3
GDP <i>per capita</i> (in US\$) thresholds	< 2000	2000–2999	3000–8999	9000–17000	> 17000
Weights for basic requirements	60	40–60	40	20–40	20
Weights for efficiency enhancers	35	35–50	50	50	50
Weights for innovation and sophistication factors	5	5–10	10	10–30	30

Source: *The Global Competitiveness...*, p. 10.

Asia-Pacific region meets all the requirements which were listed above and which decide that a country can profit from globalization, liberalization and regional integration. This finding concerns in larger extent the region defined in wider approach

⁵ On interdependence read more in: R.O. Keohane, J.S. Nye, *Power and Interdependence*, 3rd ed. Longman, New York 2001, p. 17.

including also the US, Canada and Latin American economies as well as in case on narrower definition of the region limiting it to Asia-Pacific states. Nevertheless the wider approach brings about more market impulses and thus incentives to change and develop as economies embrace show deeper differences in development. They also prove stronger interdependencies.

3. Characteristics of current stage of development of world economy

World economy is traditionally seen through the perspective of developed part of the world (i.e. high-income economies). The growth of interdependencies with industry moving to newly industrialized, emerging and developing markets creates new challenges, new institutional and economic ties, which force to redefine the interests of different groups of states. This should be followed by redefinition of goals and strategies helping to reach those goals, defined in response to the current level of development and new needs which derive from them.

The 2008+ financial crisis has revealed that the world economy entered a new phase of development, which dictates the necessity to change and adjust policies, applied instruments as well as some labels, which were coined in the past, in different conditions and now they are used habitually even despite the fact that they do not correspond with the reality any longer. It is enough to say that the group of developed economies is labelled as industrialized economies despite the fact that they are advanced in post-industrial phase of development. Moreover, scholars and experts have prepared a division into a big number of groups of the markets which were labelled as developed. This group embraces: newly industrialized economies, emerging markets, catching up economies, from which some are defined regionally, what automatically shows their advancement in changes and development.⁶ The features which clearly indicate the new stage of development in the world economy are the following: (1) world economy is more open, globalized and interdependent than it was 20 years ago; (2) coordination of policies internationally is done not only within the UN (and its institutions like IMF, WB and WTO), but also within G-7, G-20 and such grouping as OECD, what is followed by a number of specialized organizations like ILO, Basle Record, etc.; (3) the world is also integrated regionally (EU, EFTA, Mercosur, ASEAN, NAFTA, CEFTA, CIS, etc); (4) so-called post-industrial economies are still considered as centres which stimulate growth in the world economy but this stimulation is mainly felt in emerging markets, while at

⁶ IMF or World Bank come to 13 groups of such markets: (1) advanced, (2) EMU, (3) main developed, (4) newly industrialized countries, (5) other advanced (excluding G-7) and EMU, (6) EU, (7) emerging, (8) East Central European, (8) CIS (what recently again will be redefined after the Crimea invasion and threats over Ukraine, Georgia and Moldavia), (9) emerging, (10) ASEAN-5, (11) Latin American, (12) Near East and Northern Africa, (13) Sub-Saharan Africa.

the same time the rate of growth of the world economy heavily depends on the rates noted in emerging and developing economies; (5) inflation is under control; (6) while unemployment is in rise; (7) countries show a tendency to increase budget deficits with their economic development. The mentioned features can be seen in the Europe-North America region as well as in Asia-Pacific.

The increasing role of Asia-Pacific region can be measured by share of this region in world population, territory, GNP and trade (Table 3).

Table 3. The growing role of Asia-Pacific region shares in world economy

Continent/region	Territory (km ²)	Share of world total territory (%)	Population	Share in world population (%)	GNP in 2010 (US\$)	Share of the global GNP (%)
Asia	43 820 000	29.5	416 425 200	60.5	10 574 581	19.9
Africa	30 370 000	20.4	102 223 400	14.8	1 594 777	2.9
Northern America	24 450 000	16.5	542 056 000	7.9	17 506 458	32.9
Southern America	17 840 000	12.0	392 555 000	5.7	3 632 841	6.8
Antarctic	13 720 000	9.2	1 000	0.00002	NA	NA
Europe	10 180 000	6.8	738 199 000	10.7	18 799 894	35.4
Oceania	9 008 500	5.9	29 127 000	0.4	1 066 845	2.1

Source: World Bank statistics.

All mentioned features of the world economy show that there is potential for the economic growth, while it is not used in full capacity. This is so because the applied policies are concentrated on new goals (as they have been in majority cases redefined) but at the same time policies and instruments applied to reach those goals do not match the new requirements as well as new conditions and challenges. To illustrate this paradox it is enough to say that capital stimulation enacted in an open economic environment has a smaller impact on the economy than it had in protected and closed environment. This means in economic terms more spending and less effectiveness. Structural change can be achieved by stimulation of international trade (imports from emerging economies). Moreover often it can be also financed with money coming from those markets (emerging), as in most cases accumulation of capital has strong impact on appreciation of their currencies, which leads to appreciation of their currencies and limits prices competitiveness. In such specific conditions current account surplus economies are more and more engaged in export of capital. At the same time they are still dependent on imports of technology, know-how, marketing and servicing skills of the post-industrial economies.

Emerging markets had the biggest impact on the rate of growth during the financial crisis of 2008+ and after. This is a statistical impact. The crisis has also changed approach to the division between the national and export markets. In case

of Asian economies majority of the production before the crisis was exported to developed markets, while during and after the crisis some of the goods produced were also consumed on national, internal markets. The sales in “old machines of growth” such as American, Canadian or EU’s markets still continue to play such a role. During the crisis the imports went down but were not totally eliminated. Recently they started to grow again.

Table 4. Dynamics of GNP growth compared with previous year in %, comparison of former prognoses to prognoses from January 2014 to 2015

Contents	2012	2013	2014	2015	Difference from January 2014 update	
					2014	2015
World	3.2	3.0	3.6	3.9	-0.1	-0.1
Advanced	1.4	1.3	2.2	2.3	0.0	0.0
US	2.8	1.9	2.8	3.0	0.0	0.0
EMU	-0.7	-0.5	1.2	1.5	0.1	0.1
Japan	1.4	1.5	1.4	1.0	-0.3	0.0
Canada	1.7	2.0	2.3	2.4	0.4	0.3
Other advanced	1.9	2.3	2.3	2.4	0.4	0.3
Emerging markets & developing	5.0	4.7	4.9	5.3	0.1	0.0
CIS	3.4	2.1	2.3	3.1	-0.3	0.1
Russia	3.4	1.3	1.0	2.3	0.0	-0.2
Emerging & developing Asia	6.7	6.5	6.7	6.8	0.0	0.0
China	7.7	7.7	7.5	7.3	0.0	0.0
India	4.7	4.4	5.4	6.4	0.0	0.0
ASEAN-5	6.2	5.2	4.9	5.4	-0.5	-0.2
Latin America + Caribbean	3.1	2.7	2.5	3.0	-0.4	-0.3

Source: *World Economic Outlook (WEO): Recovery Strengthens, Remains Uneven*, International Monetary Fund, April 2014, <http://www.imf.org/external/Pubs/ft/weo/2014/01/>, p. 2.

Trying to evaluate the mentioned fact one can say that it becomes a mutual interest to have all markets on the growth path. Nevertheless, more and more growing role of Asia-Pacific region in the world economy determines participation of the states from that region in creating conditions in which this growth can be performed better, if not in the best possible way.

4. The role of Asia-Pacific region in world economy

The increasing role of Asia Pacific region can be seen in the dynamics of GDP growth of the economies from the region as well as in sharply growing share of imports

Table 5. Regional* shares of world GDP and population, and GDP *per capita*. In relation to the world average in 2004 and core projection for 2030 (in %)

Contents	World GDP share		World population share		GDP <i>per capita</i> to the world average	
	2004	2030	2004	2030	2004	2030
Western Europe	33.0	25.1	7.8	6.2	423	401
Russia	1.4	1.5	2.2	1.5	62	99
Central Asia	0.2	0.3	1.1	1.1	1.8	29
Rest of Eastern Europe	1.1	1.6	2.4	1.8	47	86
United States	28.5	25.1	4.6	4.5	618	564
Canada	2.4	2.3	0.5	0.5	479	506
Australia	1.6	1.6	0.3	0.3	500	519
New Zealand	0.2	0.2	0.1	0.1	378	338
Japan	11.4	7.3	2.0	1.4	569	526
China, PR	4.1	10.6	20.4	17.1	20.0	62
Singapore	0.3	0.4	0.1	0.1	391	646
Indonesia	0.6	1.0	3.4	3.4	18	29
Malaysia	0.3	0.5	0.4	0.4	72	112
Philippines	0.2	0.4	1.3	1.5	16	26
Thailand	0.4	0.5	1.0	0.9	40	56
Viet Nam	0.1	0.2	1.3	1.3	8	14
Rest of South Asia	0.1	0.1	1.1	1.1	5	7
Pacific Islands	0.1	0.1	0.1	0.2	38	41
Hong Kong China	0.4	0.5	0.1	0.1	366	566
Korea R	1.7	2.1	0.7	0.6	222	363
Taipei, China	0.7	0.8	0.4	0.3	210	301
Rest of North Asia	0.1	0.1	0.4	0.4	16	20
India	1.6	3.7	17.0	17.9	9 21	
Pakistan	0.2	0.6	2.4	2.7	10	21
Bangladesh	0.1	0.3	2.2	2.5	6	11
Rest of South Asia	0.1	0.2	1.7	1.6	101	118
High-income	80	65	20	16	399	398
Developing	20	35	80	84	26	42
of which Asia	11	22	55	53	20	42
World	100	100	100	100	100	100

* Only selected regions were taken into account. In the ADB all regions were included into the analysis.

Source: K. Anderson, A. Strutt, *Asia's Changing Role in World Trade: Prospects for South – South Trade Growth to 2020*, ADB Economics Working Paper Series, no. 264, Manila 2011, p. 5.

and exports. The mentioned processes have important impact on the standards of living in the region. This in turn plays an important role in developing infrastructure, urbanization, health and education services etc.

Not going into details, it is enough to show the shares of this group of states at the beginning of this century in exports and imports and give the prognoses in the same area for 2030. This information will be shown on the background of other economies which create a good backing for comparisons, which show that natural richness in minerals and raw materials, higher education and infrastructure not necessarily result in high rates of growth. That such conditions can be considered as advantage but they need to be accompanied by wise and well founded economic policy in which opening of the market, cooperation within the region and wider with world economy plays an important role. This was the case of most of the Asia-Pacific economies.

Taking carefully the results of long term prognosis, we still can see a specific tendency which indicates the role of trade policy in the process of development. This can be seen in Viet Nam, Singapore, Indonesia, Philippines, Australia and New Zealand. The region-specific policies which favoured anti-export production that was replaced by pro-export production have proved to be partially effective. It seems that more effective is the policy based on joining the main stream economy and in result participation in the world and regional division of labour. Most of the regional studies show that rise of exports of China increases exports of a number of other markets in the region.

Simplifying the new model of world economy we can say that Asia-Pacific region became a factory for the world. At the same time we observe that this particular region behaves as the US did in the past: exporting not only industrial goods but adding also to it FDI, what is followed by services and creation of transnational corporations network established by Asia-Pacific TNC's.

The currency reserves start to grow. Shares of individual states in world stocks of reserves show increasing role of the Asia-Pacific region but this fact should not be interpreted as lost role of the former stars in this area. The same can be stated about the shares in foreign trade (exports and imports), where Asia-Pacific states also gain in position. The roles are also shared in proportion to the position that a market takes in the world economy.

Practice shows that in all emerging economies, the floating exchange rate regime leads to appreciation of the currency exchange rate. This does not happen if the country runs an increasing budget deficit resulting in public debt. In such circumstances inflation consumes part or majority of the results of participation in world division of labour policy. If the economic policies of a country result in inflation, such policy leads to the drop in FDI and starts to counteract the former policy of creating jobs, production and exports. The country has to borrow money on the capital market. Conditions of that procedure can lead towards improvement of the macrostabilization parameters. In case of low inflation growing reserves have impact on policies which help to control the exchange rate appreciation not letting

Table 6. Shares of world exports and imports of all goods and services in 2004 and 2030 (%)

Contents	Exports		Imports	
	2004	2030	2004	2030
Western Europe	42.3	26.3	42.5	31.0
Eastern Europe	3.6	3.9	3.2	3.7
US & Canada	13.7	10.8	18.8	18.0
ANZ*	1.3	1.3	1.4	1.5
Japan	6.1	2.5	5.1	4.4
PRC	6.7	19.6	5.7	12.1
ASEAN	6.0	8.2	5.2	6.8
Pacific Islands	0.1	0.1	0.1	0.1
Rest of East Asia	6.3	6.9	5.3	5.7
South Asia	1.4	4.4	1.7	3.9
Central Asia	0.4	0.6	0.4	0.5
Latin America	5.4	6.6	4.7	5.4
Middle East and Africa	6.8	8.8	5.8	7.1
High-Income	67	45	71	59
Developing	33	55	29	41
of which Asia	21	40	18	29
Total	100	100	100	100

* ANZ stands for Australia & New Zealand, ASEAN – Association of Southeast Asian Nations, PRC – People’s Republic of China, US – United States of America.

Source: K. Anderson, A. Strutt, *op.cit.*, p. 6.

the growing value of exchange rate to spoil the effects of growing exports. In such case gained capital is often engaged in aid policy for those who are future potential markets and suppliers, i.e. less developed economies. This is the case of China being engaged in Africa⁷ or Latin America.⁸ The two mentioned continents

⁷ D.M. Tull, China’s engagement in Africa: Scope, significance and consequence, *Journal of Modern African Studies* 2006, vol. 44, no. 3, pp. 459–479; J. Nyoro, *China’s Engagement with African Countries. Key Findings and Remarks*, The Rockefeller Foundation, Washington, DC, 2013; L. Hanauer, L.J. Morris, *Chinese Engagement in Africa. Drivers, Reactions, and Implications for the US Policy*, Rand Corporation, Washington, DC, 2014, pp. 15, 19.

⁸ A.H. Hearn, J.L. León-Manriquez (eds.), *China Engages Latin America: Tracing the Trajectory*, Lynne Rienner Publishers, Boulder, CO, 2011; J. Brandt, N. Adams, Ch. Dinh, et al., *Chinese Engagement in Latin America and Caribbean: Implications for US Foreign Policy*, American University School of International Services, December 2012.

Table 7. Asia Pacific FDI (inflow and outflow) biggest locations and their characteristics

FDI into financial services in Asia-Pacific, Feb 2013 to Jan 2014								
Rank	Destination city	Country	Capital expenditure (\$m)	Projects	Average capex (\$m)	Jobs created	Average jobs	Companies
1	Shanghai	China	1578.1	18	87.7	2290	127	18
2	Singapore	Singapore	1071.8	31	34.6	2827	91	31
3	Hong Kong	China	909.8	25	36.4	894	35	25
4	Beijing	China	451.2	6	75.2	982	163	6
5	Sydney	Australia	313.4	9	34.8	347	38	9
6	Bangalore	India	265.7	7	38.0	1490	212	6
7	Toyko	Japan	243.6	7	34.8	119	17	7
8	Jakarta	Indonesia	234.4	6	39.1	680	113	6
9	Mumbai	India	229.8	5	46.0	671	134	4
10	Puné	India	183.0	4	45.8	977	244	4
FDI outflow of financial services in Asia-Pacific, Feb 2013 to Jan 2014								
Rank	Destination city	Country	Capital expenditure (\$m)	Projects	Average capex (\$m)	Jobs created	Average jobs	Companies
1	Singapore	Singapore	1404.5	23	51.1	2100	91	10
2	Tokyo	Japan	1281.8	25	51.3	3308	132	11
3	Seoul	South Korea	854.1	20	42.7	1259	62	7
4	Beijing	China	638.8	14	45.6	530	37	8
5	Hong Kong	China	541.9	10	54.2	1231	123	6
6	Bangkok	Thailand	410.8	6	58.5	579	96	4
7	Mumbai	India	339.6	15	22.6	597	39	7
8	Melbourne	Australia	285.2	6	47.5	403	67	4
9	Kathmandu	Nepal	157.0	7	22.4	336	48	2
10	Adelaide	Australia	144.0	4	36.0	635	158	1

Notes: Intelligence from the Financial Times Ltd 2014. Data subject to terms and conditions of use. Data on capital expenditure includes estimated values. Jobs data includes estimated values. Financial Times Ltd. takes no responsibility for the accuracy or otherwise of this data (information quoted after the source).

Source: The Banker. Global Financial Intelligence since 1926, Information issued 1.04.2014, <http://www.thebanker.com>.

are not the only location for PRC's investments which are also located in Belarus⁹ or Ukraine.¹⁰

It was stated that emerging economies invest abroad their money in order to weaken the appreciation tendency of their national currencies. This is one of the reasons. The second, illustrated above, is the development of the service sector and especially the financial and banking sector which has been proved to be underdeveloped in comparison with high income economies. In case of FDI such as those in Africa, Latin America or CIS – the investments are considered as a stimulus which helps to build up infrastructure, which in the future has to be operated, what will create jobs and earnings. This will bring closer the markets to the main stream of the world economy and in number of cases will additionally serve as supply chain or sales market for the investors. In the second case, concerning development of services, namely banking and financial centres, such developments bring the markets in question closer to the highest and most advanced stage of development, which is driven by innovations.

As it was shown in a brief and selective survey, the region gains in world economy. An important role in this upgrading process is played by high incomes economies but it is not limited to that. Countries from the region closely cooperate one with another. They also look outside to the low income economies they perceive as future emerging rims. In short, the increased role of Asia-Pacific is not achieved autonomously by the states from the region. The region is deepening integration as well as expanding it to new markets of the neighbours. An important role in changing role of the Asia-Pacific region is played by high incomes economies. Not less important role is played by those economies which receive aid. They approve the new form of cooperation and they build upon it their own economic future.

This finding considered in a wider global context leads to the assumption that completion of TTIP can result in closer and deeper cooperation between Asia-Pacific and Northern America (Canada and the US) as well as the EU. Decisions in this area can produce a number of positive incentives stimulating further structural changes and thus growth, job creation and wealth. Decisions concerning closer cooperation between TTIP and Asia-Pacific seem to be natural from the point of view of mutual trade and FDI flows. The two markets seem to be complementary and ready to start such cooperation. Decision in such direction, shaping the future cooperation can be also read as a stimulus to deepen regional cooperation, planned in Americas, as well as in Europe and Asia-Pacific. The former is on track to form an internal market by

⁹ China builds EU beachhead with \$5 billion city in Belarus, *Bloomberg Business* 2013, May 26, <http://www.bloomberg.com/news/articles/2013-05-26/china-builds-eu-beachhead-with-5-billion-city-in-belarus>.

¹⁰ Ukraine to become China's largest overseas farmer in 3m hectare deal, *South China Morning Post* 2015, July 7, <http://www.scmp.com/news/china/article/1314902/ukraine-become-chinas-largest-overseas-farmer-3m-hectare-deal>.

2020, on similar pillars as it was done in the EU. Both the EU and US have free trade agreement with the Republic of South Korea.

Creation of Transatlantic-Pacific Partnership (TTP) seems to be also very important for the region. This is a free trade agreement among nine Asia-Pacific states (Australia, Brunei, Darussalam, Chile, Japan, Malaysia, New Zealand, Singapore, Viet Nam) and the NAFTA countries (Canada, Mexico and the US) and Chile as well as Peru. The goal of the agreement is to promote trade and development, what encompasses also comprehensive market access, regional agreement, followed by regulatory issues (i.e. Rule of Origin), activities increasing competitiveness, business facilitation and development. Since 2010 – there were 19 rounds of negotiations. Experts state that the negotiations are coming close to finalization. Nevertheless, it is difficult to predict when a FTA will come into life after the moment the agreement is completed and ratifies.

5. Conclusions

The main thesis of the paper is that the world economy develops taking use of two pillars: interdependence and sequencing. This can be clearly seen on global scale, but in case of OECD and Asia-Pacific region the proof and illustration of this thesis are easier and clearer than in case of Latin American or African markets. The region has its own leaders, what means that on the top of external stimuli coming from the OECD economies (more precisely from the Old World) those leaders also participate in stimulating development and changes on the world scale. The paper shows the capacities of Asia-Pacific region in this area, which are not separated from the role played by countries from the Old World. It also answers the question who gives the prescriptions and plays the role of a doctor and who plays the role of the pharmacologists, giving the medicine.

The network of already concluded FTA agreements by the states from Asia-Pacific region shows that the region is important and the approach of countries which are situated here towards their trade policy seems to be inclusive and open.

The increasing role of Asia-Pacific in the world means that countries in the region are successfully catching up and they are ready to participate in the responsibility for the others who are less successful in this area. This also means that this region actively participates in international coordination of fiscal, monetary and trade policies. This can bring the world closer to the state in which sustainable development will be possible as much as it is desirable at this point of advancement of international economics.

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ROLA REGIONU AZJI-PACYFIKU NA OBECNYM ETAPIE ROZWOJU ŚWIATOWEJ GOSPODARKI

Streszczenie: Myślą przewodnią artykułu jest teza, że rozwój poszczególnych państw w gospodarce światowej jest możliwy tylko pod warunkiem pomocy pozostałych państw, szczególnie tych, które obecnie zalicza się do grupy państw o wysokich dochodach. Rozwój w gospodarce światowej odbywa się według określonej sekwencji, w której współzależność

między poszczególnymi grupami państw odgrywa określoną rolę. Za najlepszy przykład mogą tu posłużyć Chiny – rynek, który zwiększył swój udział w światowych: PNB, imporcie i eksporcie oraz ostatnio we wspomaganiu państw mniej rozwiniętych w Afryce i Ameryce Łacińskiej. Zaangażowanie Chin w rozwój państw WNP jest również zauważalne. We wszystkich tych regionach Chiny mają swoje interesy, co oznacza produkcję i dostawy żywności czy dostęp do surowców, a nawet inwestycje w infrastrukturę, co przekłada się na politykę, pozwalając administrować powiązaniem zewnętrznymi i nawiązać współpracę z otoczeniem.

Słowa kluczowe: region Azji i Pacyfiku, współzależność, pomoc zewnętrzna.