

# **The Development Challenges of Asia-Pacific Countries**

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## Introduction

Globalization, growing competition and market complexity, as well as technology and enterprises innovation related changes that currently take place in the world create new challenges for Asia and Pacific countries, that have to set ambitious goals and take effective action in their development.

The globalization processes affect the development of new forms of competition between countries, but they also become an important stimulator for the creation of various links and cooperation between the groups such as ASEAN and the EU as well as between the selected countries. These countries undertake initiatives to develop favorable economic connections and to ensure national security.

There are clear structural changes happening, that show that the positions of former leaders are becoming less obvious. In this context, the question about China's role in shaping the new economic order, determinants of this process and the problems it may cause is raised. Moreover, the great potential of emerging Asian markets requires the investigation of these markets and analysis of the development policies of selected countries and their role in shaping the competitive position and in the equalization of civilizational distances. These issues were addressed by the authors in the papers prepared for the 10<sup>th</sup> International Conference – *Development challenges of Asia-Pacific countries*, organized by the Department of International Economic Relations of Wrocław University of Economics in cooperation with the Center of Asia-Pacific Studies operating by the University.

The articles in the first part of the volume refer to the economic expansion of the Asia-Pacific countries in the pursuit of the development objectives of selected countries with a special focus put on China, ASEAN countries, Japan and other, selected Asian countries. Among forms of expansion the authors have emphasized the importance of creation and development of China's Special Economic Zones, the role of mergers and acquisitions conducted by Chinese companies on the European market, cluster-based development policies, and the use of foreign direct investment in the internationalization of Japanese enterprises. Moreover the role of emerging Asian economies in the global business services market has been shown. The focus was also placed on the goals, dilemmas and contexts of North Korea and Kazakhstan development. Last but not least the authors signaled the problem of changing the economic roles of Japan and China in East Asia region after the Asian crisis.

The second part of the volume contains the articles devoted to the processes of cooperation between the countries of Asia, Europe and the world. At the outset, the "One Belt – One Road" initiative was introduced, emphasizing its role in supporting the EU's European Neighborhood Policy. In the following articles, the authors

analyzed various directions and aspects of cooperation between the selected ASEAN and the European Union countries, particularly focusing on the economic relations between countries such as Vietnam and Laos, in shaping of which the FDIs carried out in Laos by Vietnamese enterprises play an important role. The links between the Indonesian and Singapore capital markets, including the *sudden stop* phenomenon of regional and global financial crises period, were also analyzed.

The third part of the volume presents selected trends and development strategies in selected regions of Asia. An assessment of the effects of the Chinese government's intervention policy at the Shanghai Stock Exchange during the stock market crisis and the profitability of the *carry trade* strategy based on the Japanese currency were evaluated. Moreover, the subject of development policy issues of some countries, including South Korea, were raised, highlighting its role in the global economy. The trend of changes in consumption of agricultural and food products in China in comparison with other countries has been presented, with an attempt to assess China's food self-sufficiency over the period considered. Finally the Asian perspective on the development of innovation and living standards in cities improvement, emphasizing the role of *smart cities* in implementing these purposes were presented.

*Bogusława Drelich-Skulska, Anna H. Jankowiak, Karolina Łopacińska*