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## **Issues of International Cooperation among the Region's Economies**

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The Northeast Asian region can be defined in a broad sense and a narrow sense. In the broad sense, it includes the northeastern part of China, the Bohai Sea rim, Japan, North Korea, South Korea, Mongolia, and the Russian Far East, while in a narrow sense, it excludes the Bohai Sea rim. The key subject of discussion in this paper is limited to Northeast Asia cooperation in the narrow sense.

### **BASIC TRENDS OF REGIONAL ECONOMIC COOPERATION IN NORTHEAST ASIA**

After the cold war, economic factors have become more prevalent in international relations, and peace and development have been the main subjects of discussion. Despite the fact that regional conflicts occur from time to time, the tide of peace and development will not be turned back. Most countries in the world, especially developing countries, are undergoing economic reform and economic development, launching international economic and technological cooperation, through great efforts concentrated on the goal of domestic economic development. At the same time, all the countries have come to realize that the economies of different countries are complementing, integrating with, and affecting each other to a greater extent than in the past, and the world has become a globalized economic entity. Under this general trend, it makes common sense to build up regional cooperative organizations and to strengthen economic and trade cooperation. This represents a historic certainty that we must get used to.

### **THE STARTING POINT: REGIONAL ECONOMIC COOPERATION**

There are examples of successful regional cooperation, such as the European Union and the North American Free Trade Area. In Northeast Asia, it is not feasible to copy those models under current conditions. We can only choose several break-through points for testing. We believe that the starting point can be regional and industrial cooperation. In regional cooperation, we are working on the Tumen River area, which has been coordinated by the UNDP and includes the participation of China, North Korea, Russia, Mongolia, and South Korea. The area is relatively small, but it involves comprehensive economic cooperation with the development of transportation infrastructure as a linkage. In industrial cooperation, the areas of cooperation can be considered according to the

industrial advantages of the countries and complementary features of economies of different countries. Regarding the situation of the Northeast Asian region, China-Japan and China-South Korea cooperation in the field of electro-mechanics, iron and steel, automobiles, and so forth have good prospects; China-Russia cooperation in the field of military industry, textiles, and forestry is advancing; and China-Mongolia, China-North Korea cooperation in the field of transportation infrastructure, agriculture, animal husbandry, and daily commodities holds potential.

### **THE ROLE OF GOVERNMENT IN REGIONAL ECONOMIC COOPERATION**

From the viewpoint of the political system of the countries in Northeast Asia, government has a very important role, sometimes even a crucial role in international cooperation within the regional economy. The roles of the central government and local government are different. Both of them are important. The central government takes a leading role in cooperation and it is the decision-maker in choosing modes and contents of international cooperation. It is also the supervisor in the process of international cooperation. The specific items of cooperation will be executed and accomplished by the local government.

### **THE MAIN IDEAS AND REGIONAL EMPHASIS IN FUTURE COOPERATION**

The main ideas are to “take advantage of relative strengths, strive for mutual benefit, develop together, and prosper together,” with the economy promoting politics and peace.

We should persist in putting emphasis on development and cooperation in the Tumen River area, hold the banner of the UNDP aloft, and do more work for cooperation. We should carry out our work step by step, under the principle of “seeking common ground while reserving differences and proceeding from the easy to the difficult,” always being practical. In the near future, cooperation in the following fields can be considered:

- strengthening the actions of state government to promote cooperation among the region’s economies
- opening up more to create an environment of mutual benefit and cooperation
- speeding up the construction of infrastructure, to attract more foreign investment
- strengthen training of all kinds to improve the efficiency and level of cooperation.