

HISAO KANAMORI

Raising money for projects might be the biggest problem of all. We must learn about culture and history, and not just do project feasibility studies. This is most important to achieve peace in the region—to learn more about culture and people.

STANLEY KATZ

First, it is very encouraging that there are so many organizations and so many individuals involved and interested in working on the question of Northeast Asian economic development. Our discussions ranged from the Tumen River economic development area to financing, trade and investment, environment, transportation, communications, and special economic zones, an incredibly wide range of activities involved in the economic development process. We also discussed the involvement of different levels of governments in both developed and developing countries. The private sector, business, and leaders of cities, provinces, and national governments, all need to be involved in this process. We seem to be evolving towards identifying the best combination of organizations and people to utilize comparative advantages and complementarities, as well some sort of division of labor among us. Because some activities are more important than others, perhaps the Northeast Asia Economic Forum can be used to try to identify complementarities where the division of labor could be more fruitful.

Secondly, I am impressed by the work going on in the special economic zones. The videos show that much more is happening in this region than is generally understood. I think that most of us are encouraged by the very pragmatic and complex special economic zones like Rajin-Sonbong, as well as the decentralized small individual units in the Russian Far East approach.

The first few economic zones are obviously win-win situations and states and private firms will both benefit. But as more and more of these special economic zones come into existence, competition will take place and the number of investors in each zone will be reduced, and the benefits to the individual countries will decrease. Thus it is important to be careful not to run too far, too fast. If this concept is pursued too far, the existing volume of investment will really just move around from place to place. This benefits the investors but not the countries. At some point, the total investment pie will not be increased by additional special economic zones.

That would be negative. However, for the time being, the approach of special economic zones is very positive and pragmatic.

KIM MUN SONG

This Forum was very fruitful and useful in fostering understanding of each other's perspectives. By attending this conference, I have come to understand that there are many possibilities for cooperation in the development of the Northeast Asian area. Specially, I am quite confident that we can develop our Rajin-Sonbong area as a free economic and trade zone, and that this will contribute to the development of Northeast Asia. Just before coming to Hawaii, I signed in Beijing a contract with the Royal Dutch Shell company to lease land in Rajin-Sonbong. Also, the ING Holland bank has invested in the zone, as has Perigrene of Hong Kong.

We are happy that the Europeans are investing in the DPRK. But why don't Northeast Asian countries also invest in us? Is there still a lack of understanding? If Europeans can understand our country, Northeast Asian countries should be able to do so as well. From this conference, I have learned there is a large possibility that this can happen. I hope our mutual understanding will grow in future.

VLADIMIR KUZNETSOV

On behalf of the Russian Federation, I hope we have convinced you that the Russian Far East is an integral part of the Asia Pacific region and that despite the current crisis in our country, we will do our best to promote further cooperation in the Pacific region.

MA BIN

Most of the participants are government officials and experts from the private sector, particularly banking services. We all feel we need to do something and that we have been slow in acting in the past. What can we do? We must complement each other. The existing complementarities between the developed and developing countries in Northeast Asia are natural resources on one side and high technology on the other. Historically, such complementarities have resulted in the strong countries exploiting the weak. But now, equal complementarity is essential. Complementarity on an equal footing will be a new type of

complementarity. In all undertakings, the sovereignty of each country must be respected.

We hope that some regimes will open up more, promote investment, and improve their environment. While we welcome more investment, we need to have more technology. And when we exploit natural resources, and when we develop the economy, we need to control pollution, so that economic growth can continue.

I have two concrete proposals. One is the establishment of a super-information highway and information center to connect us in the fields of natural resources, capital and technology. The second is the establishment of a school to train qualified staff how to manage. Without high quality people, cooperation will be difficult.

KHUMBAGYN OLZVOY

This conference was very useful and important in several respects. First, much work has been done since our meeting last year. Second, we are making progress in identifying the ways and means to make further progress. Third, we have identified each other's positions on how to progress at this stage of our development and cooperation. Most important, we have learned that there is political will in all six countries to do whatever is possible to achieve cooperation.

This conference was held in Honolulu, inviting further involvement of U.S. governmental and non-governmental organizations. It has played an indispensable role promoting cooperation in our sub-region, initiating studies on shared problems, and facilitating exchange of views among our countries. We salute the activities of our Forum. It is the only NGO Forum in which the countries of Northeast Asia can discuss such problems and the prospects of economic cooperation.

This conference was held in the most eastern part of Northeast Asia. Mongolia would like to invite the Forum to hold its next meeting in the most western part of Northeast Asia, Mongolia. Indeed, we are prepared to host the Forum in Ulaanbaatar with the full support and assistance of our friends.

PARK SUNG-SANG

Many Koreans participated in this meeting, including about 50 people from the private sector. North Koreans participated in the first and second and third meetings; however they could not participate in the fourth and

fifth meetings. So we really appreciate the North Korean participation in this meeting and hope it will continue from now on. I believe through Forums like this and through the Tumen River project, North Korea and South Korea could develop better attitudes towards each other. This Forum was very successful because many people were able to exchange information, perhaps because of Hawaii's climate and relaxing environment.

WANG SHEN JIN

During the Cold War, I could not even begin to imagine what is now taking place in the region today. International cooperation in Northeast Asia is going on right now, particularly in China's free trade zones.

I was born and raised in the Tumen River region. Here, provinces, regions and localities of different countries are being brought together. In this particular region of China there are traditional links and cooperative relationships between different ethnic groups. Moreover, the economy of the three provinces of northeast China is similar to that existing in the coastal areas. Reforms have been taking place and the provinces have been allowed some autonomy to run certain projects, of course, with aid from the central government.

The Tumen River project is the best example of an integrative project. In the initial stage, the Tumen River project was strictly thought of in terms of the Tumen River, but what we are now talking about is much larger in scope, and includes parts of North Korea, China and Russia. In July 1990, we first met to discuss international cooperation in this venture. There was much dialogue and we covered many topics in our discussion. That meeting produced a perspective and outline of the project which has now been realized. There has also been much cooperation in the financial aspects of the project, and the growth rate has doubled every year. The crucial factor is the presence of central or leading cities in the region. Although each country or province is focused on its own individual growth, we in the Forum need to see the big picture and consider the development of the whole region in terms of economic exchange and economic cooperation. A long-term plan needs to be developed for cooperation, taking into account the various ethnic groups in the area. A beginning was the conference last year between Tottori prefecture, North Korea's Kangonro province, and the Russian provinces facing the Japan Sea. We realized there that human resource training will be very important for realizing economic cooperation in the region.