

「永續成長：趨勢與課題」智庫交流視訊會議

活動報告

活動日期與時間：	2022年3月31日(四) 09:30-11:30		
活動地點：	於台灣經濟研究院2樓204會議室 使用 Microsoft Teams 軟體 (連結： https://reurl.cc/5GE68M)		
出席人員：	周子欽秘書長 (CTPECC) Dr KWAK Sungil (KOPEC) Dr HAN Minsoo (KIEP) Professor SUH Jeongmeen (Soongsil University) 江惠櫻協理 (Hewlett Packard Enterprise) 陳冠瑜副研究員 (台灣經濟研究院) 廖崇宇助理研究員 (CTPECC)		
活動議程：	Sustainable Growth in the Asia-Pacific: Trends and Issues		
	Time	Item	Speakers
	09:30-09:40	Opening Remarks	1. Dr Charles T. CHOU, Sec. Gen. of CTPECC 2. Dr KWAK Sungil, Director of KOPEC
	09:40-09:45	Group Photo	
	09:45-10:45	Presenters	Dr HAN Minsoo, Head of International Macroeconomics Team, KIEP Topic: <i>Distributional Impact of Market Power and its Implications for Inclusive Growth in Korea</i>
			Professor SUH Jeongmeen, Department of Global Commerce, Soongsil University Topic: <i>A Prospect for APEC's Roles as an International Forum on Trade and Environment</i>
			Ms Christine CHIANG, WW Product Compliance for Asia Pacific & Japan, Hewlett Packard Enterprise (HPE) Topic: <i>Advance the Sustainable Future</i>
	10:45-10:55	Discussants	Mr Gary CHEN, Associate Research Fellow, Department of International Affairs, Taiwan Institute of Economic Research
			Mr Albert Chung Yu LIAO, Assistant Research Fellow, CTPECC
	10:55-11:25	General Discussion	Moderator: Dr Charles T. CHOU All attendees participate
	11:25-11:30	Closing Remarks by Dr Charles T. CHOU	

活動紀要：

OPENING REMARKS

Director Kwak thanked CTPECC and KOPEC for preparing this event. He stated that it is very meaningful for CTPECC and KOPEC to discuss sustainable growth. He also added that “digital inclusion” is important for sustainable growth in the region, while stating that APEC can be an international cooperation platform for digital inclusion. Finally, he introduced the Korean proverb “It is better to hold a blank sheet together” (백지장도 맞들면 낫다), meaning that no matter how trivial it is, it is easier to complete a task when many people work together.

Secretary General Chou reminded that as host economy of APEC 2022, Thailand has made BCG a key in making APEC open to all opportunities, connected in all dimensions, and balanced in all aspects. He stated that the outcome of this event will help CTPECC gain a better perspective and understanding of the trends and issues of sustainable growth in the region, thereby enriching CTPECC’s preparation for attending the PECC process. Chou welcomed all participants to the meeting.

GROUP PHOTO

Participants posed for a group photo.

PRESENTATION – DR HAN

Dr Han presented first. He first showed some slides detailing the global trend of rising inequality. Dr Han then summarised the literature associating inequality to adverse impacts to sustainable growth.

Given that inequality is empirically associated with sustainable economic growth, there could be various factors or causes of rising inequality. Dr Han suggested one possible factor, other than human capital or labour input: business concentration and market power. He showed that corporate concentration, rising inequality, and rising markups are positively correlated. He also argued that at least in Korea, rising inequality could reflect the disparity in market concentration and the productivity gap between large and small firms.

Dr Han explained that his current research seeks to test the effect of pro-market, pro-competition policies in Korea. Preliminary results suggest that some of the competition policies, especially fair trade policies for small and medium firms, could reduce market concentration. At the same time, although the target of the policy might be slightly different, this policy also affects income gaps between large and small firms, so therefore somehow alleviates income inequality.

Dr Han concluded that first, inequality and long-run sustainable economic growth can be related according to previous important research. Second, there can be many factors for rising inequality, but based on his work with Professor Pyun, Dr Han argued that market concentration and rising corporate markups could be important causes for rising income inequality. Finally, based on the results in his ongoing work with Dr Jang Yungsin, Dr Han argued that the most strict enforcements of competition policy could not only alleviate market concentration, but also reduce income inequality.

PRESENTATION – PROFESSOR SUH

Professor Suh began by describing the basic structure of trade and environmental issues in international debate. He reminded that trade and environmental issues have been embedded since 1990s. During that time, discussions on trade and environment simply considered trade to be harmful to the environment due to the fact that more trade results in more production and more consumption with long distance logistics. But Copeland and Taylor (1994) pointed out that such kind of argument is limited to only the scale effect, and that actually, trade has the potential to be the friend of the environment.

Professor Suh then explained that APEC was very successful in reaching an agreement on the APEC Environmental Goods list (APEC EGL). This reduced tariffs to 5% or less on the 54 items in terms of HS6 by 2015. This concrete achievement of the APEC list became hard evidence for the negotiability of liberalising environmental goods around the world.

Professor Suh believes that the secret to the success of the APEC EGL lies in two aspects. The first, the outcome of the agreement in APEC was legally non-binding, but having enough pressure to keep commitment. Second, there exists a kind of a shared recognition or the shared belief that APEC can be a stepping stone or laboratory leading to multilateralisation.

Finally, Professor Suh mentioned that the Indo-Pacific Economic Framework will maybe become both a competitor and a compliment to APEC. He argued that we should be asking how to utilise the relationship between IPEF and APEC to promote trade and environment issues in our region.

PRESENTATION – SENIOR MANAGER CHIANG

Ms Chiang argued that in response to the impact of the climate change and the pandemic, sustainable development has become a prominent feature in the global capital market. The ESG issue has prompted companies and organisations to scramble to join international initiatives. It is now even more necessary to demonstrate to the market and stakeholders through initiatives such as emission reduction and carbon neutrality transformation.

As an important supply chain location for global industry, the Asia-Pacific region is more vulnerable to extreme climate impact. Therefore Asia-Pacific companies have to pay special attention to the issues of energy saving and carbon reduction. Ms Chiang outlined HPE's perspective on sustainability: first, companies' innovations increase profitability and accelerate global impact; second, companies with sustainability strategies outperform their peers.

Ms Chiang stated that organisations must overcome challenges such as the insatiable demand for technology and resources, navigating the complexity of sustainability, and shifting stakeholder expectations. Businesses need trusted partners with expertise and a global partner ecosystem to help them mitigate such risks. Finally, Ms Chiang promoted HPE's experience in sustainability leadership, offering help to customers aiming to sustainably achieve digital transformation.

DISCUSSANTS

Mr Chen asked whether the developmental gap between the economies in the Asia-Pacific is responsible for the low regional SDGs achievement rate, and what can be expected from the CPTPP to further tackle international environmental challenges, especially since Taiwan and Korea both requested to join CPTPP.

Mr Liao asked Dr Han the about direction of causality between income inequality and the quality of democracy, whether there is ever an argument for pro-monopoly policies in developing economies, and if an economy adopts pro-monopoly policies, when and how can it switch to a more pro-competition policy. He asked Professor Suh for clarification about the relationship between APEC and IPEF. Finally, Mr Liao asked Ms Chiang what has been preventing businesses from adopting sustainable practices, and what kind of government policies would be helpful for organisations to deal with sustainability challenges.

GENERAL DISCUSSION

Dr Han responded that he did not have a clear answer to the question about the direction of causality between income inequality and the quality of democracy. For Mr Liao's second question, Dr Han pointed out that in the past, many East Asian countries have allowed monopolies to quickly build up physical capital, thereby developing economics of scale and export-led growth. However, Dr Han emphasised that the adverse impact of inequality might prevent these countries from utilising human capital to further grow over time. He suggested that in Korea at least, the government should start intervening to prevent inequality.

Professor Suh responded that there will be some interaction back-and-forth between APEC and IPEF in the whole process of multilateralisation. So even though initially one forum might go little bit further, the other forum will maybe react to the movement. For example, the reaction of China or Russia might be important. So if there are some interest groups who want to facilitate environmental goods in the multilateral or regional level, then that interest group can utilise the dynamic relationship between those two platforms.

Ms Chiang reiterated that the environmental and financial impact of building sustainable businesses is very critical. It is not something we like to do. It is something we must do. If companies want sustainability to be more profitable, then they have to choose the right business partners. There are a lot of areas which companies can work towards, however the ultimate goal of sustainability is to make human beings' work and life be better than before.

Secretary General Chou asked Professor Suh whether he has additional information on the IPEF.

Professor Suh replied that he thinks the US is ready to listen to more concrete ideas from potential partners in formulating the IPEF. So in that sense, now is a good timing to insert some idea or interest into the US also. He does not think IPEF will be a legally binding agreement type of international treaty, but it will still be one with a strong kind of commitment. He argued that for Taiwan and Korea, it is urgent time to focus on our own ideas, our own kind of position to utilise the IPEF.

Secretary General Chou asked Ms Chiang for a clarification on how the public sector can assist the private sector in attaining a sustainable future.

Ms Chiang replied, for Taiwan specifically, renewable energy is very critical. For the wider Asia-Pacific, financial support is also very important because many SMEs have no idea how achieve carbon neutrality. New sustainability regulations must very carefully consider how to give time for the industries adapt, because sudden changes will harm the industrial supply chain. Ms Chiang further urged government bureaucracies to engage in transparent dialogue with the private sector.

CLOSING STATEMENT

Director Kwak stated his hope that the environmental issue and the competitive policies will be positive for the growth of developing countries.

Secretary General Chou thanked all the participants. He reiterated that CTPECC is trying to bridge academia, practitioners, and governmental officials so that all sides can have more comprehensive ideas and opinions to contribute to the PECC process. Chou asked participants whether they would like to have more cooperative projects in the near future if budget allows, to which Director Kwak responded positively.

心得與建議：

I. The promotion of APEC's agenda on sustainable growth needs to be connected with existing efforts on advancing inclusiveness, given that:

A. Since 2015 the significance of issues relating to inclusive growth in APEC has been lifted to a much higher level, which can be almost comparable to APEC's trade and investment liberalization and facilitation (TILF) agenda. Quite some effort has been devoted into the promotion of inclusivity among APEC fora, while initiatives concerning sustainable growth emerged in merely a few occasions. Leveraging the outcomes of inclusive growth discussions with new initiatives regarding sustainable growth will be more efficient and effective – better than beginning from scratch.

B. Second, experience shows that bottom-up efforts for promoting sustainable growth, in which more participation from every sector/group in an economy could be anticipated, is politically more feasible than top-down approaches driven by governmental mandates. That is, the more inclusive our program for promoting sustainability, the better the chances we can make it work.

II. Now is the best time to input our national interests into the Indo-Pacific Economic Framework (IPEF).

A. The IPEF is still at a formative stage. The United States is open to feedback from potential partners regarding the scope, depth, and intensity of IPEF. The United States is looking for more stakeholders to contribute to the IPEF structure.

B. Small powers who are geo-strategically reliant on this US-led framework should articulate clear positions to the United States and other potential stakeholders so as to safeguard national interests. Domestic squabbles must be set aside to present a consistent and united voice. This is very urgent.