
Developing an Economic Center for Northeast Asia

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The economic cooperation and rapid development of Northeast Asia is taking place by relying on the driving force of certain economic centers and groups of cities. These economic centers are characterized by the high speed of their development, by radiating and extending the effects of their development to the rest of the domestic economy, and by a high degree of open trading relations with the rest of the world. They act like a locomotive in driving the economy of the whole region, strengthening cooperation, and speeding up development. For the continuing development and prosperity of Northeast Asia, it is very important to actively develop and strengthen these economic centers. In particular, cities with great potential advantages should be rapidly developed, to enable them to play a greater radiating and driving role.

TIANJIN: A CITY WITH GREAT POTENTIAL

Tianjin is one of the cities in Northeast Asia with special geographical advantages, great development potential, and great hopes. The city is in the center of Northeast Asia and is the eastern terminus of the three major railway routes that form the Euro-Asian continental bridges. It has a hinterland area of more than 2 million square kilometers and 300 million people. Being a large and fast growing city, Tianjin is entering a stage of rapid economic development. During the last 50 years, the GDP has increased by 10% every year. Tianjin is a new focus and hot-spot for transcency development and for opening the economy further. The third wave of regional development and opening of the economy is arising around the Bohai Sea, which has Tianjin at its center. This not only vitalizes and energizes the development of Tianjin but also can provide many business opportunities for the other countries of Northeast Asia.

WIDE PROSPECTS FOR COOPERATION BETWEEN TIANJIN AND THE REST OF NORTHEAST ASIA

There are many areas of potential cooperation between Tianjin and the rest of Northeast Asia. First, there is much room for economic and trade relations. Thirty seven percent of Tianjin's foreign trade (by volume) is with Northeast Asia, whereas only 10.5% of total foreign investment comes from Northeast Asia. Second, there is a complementary relationship between Tianjin and other areas in Northeast Asia in many respects. In the transfer of industries and technologies in

Northeast Asia, Tianjin plays the role of connecting the upper and the lower levels. In exchanges of processed commodities and raw materials, it plays the role of connecting east to west. Third, Tianjin can combine the large market in Northeast Asia, advanced technology, and abundant funds with its own advantages by making full use of many opportunities and favorable conditions provided by the quick development of the economy of Northeast Asia and by actively promoting the development of the region's economy as a whole.

EFFORTS TO STRENGTHEN TIANJIN'S SERVICE FUNCTIONS TO OTHER AREAS OF NORTHEAST ASIA

As a city with great development prospects, Tianjin has the potential to provide comprehensive, convenient, and efficient services of all kinds for the Northeast Asian region. This goal can be accomplished by speeding up development and transforming the city into a hub service center. In this way, Tianjin will promote the prosperity and development of the whole region.

To strengthen the function of Tianjin as the economic and trade service center of Northeast Asia, the following concrete steps should be taken:

- prepare to establish the Northeast Asian Development Bank
- strengthen Tianjin's function as a transportation hub between Northeast Asia and Eurasia
- construct a Northeast Asian Trade Services Center
- build up a multinational Northeast Asian processing base for industrial products
- transform Tianjin's New Coastal Area into a free trade zone.