

Changchun II

International Conference on Economic Technological

Development in Northeast Asia

The Conference was convened in Changchun, China, 29-31 August 1991 and brought together more than 100 participants from China, Japan, Mongolia, North Korea, South Korea, the Soviet Union, the United Nations Development Programme and the United States. Most of the foreign delegates participated in a pre-Conference trip to the Tumen River valley, the North Korean border, the Soviet border and Hunchun City.

The agenda covered five major topics--

1. Cooperation in development of the Tumen River area
2. Cooperation in development of resources in the Sea of Japan
3. Major economic issues in regional development in Northeast Asia
4. Prospects for cooperation in regional development in Northeast Asia
5. Institutionalization of regional cooperation

These six countries are of different political and economic systems, development levels, and resource endowments. The Tumenjiang scheme received much attention from participants since it has potential of serving as a demonstration project for multinational and regional cooperation. During the conference, participants were able to present their own country's perspective as well as receiving regional and international views on the Tumen River area development and northeast Asia economic cooperation from experts from international organizations. For example, the participants from the Soviet Far East emphasized opportunities in the coastal cities of the Soviet Far East and appealed for international assistance and foreign investment. The North

Korean delegation stressed relatively superior infrastructure endowments in its northeastern region including three non-freezing ports and railway/road systems. It was not surprising to see that each country differed in their perspectives. Realistically, what we can expect at most, is slow but steady process of promoting cross-national understanding--thereby, countries realizing that participating in collaborative regional efforts can bring more benefits in the long run than otherwise, and that regional cooperation is a positive-sum game not a zero-sum game. This vision of a mutually beneficial growth would enable the participants to overcome distrust and rivalry in the region. The key issue in regional economic cooperation, therefore, seems to be how to reconcile different interests. A conceptual framework of regional cooperation, i.e., principles of cooperation, criteria for the selection of cooperative projects, and mechanisms of sharing costs and benefits needs to be carefully thought out before making commitments to cooperative development projects. A multilateral framework of regional collaboration appears essential to promote mutual understanding and trust. "Northeast Asia Economic Forum" proposed in the Changchun Initiative at the conclusion of the conference provides a first step toward promoting cross-national understanding.

The Changchun Initiative noted that two successful international conferences have now been held in Changchun, and that these conferences concluded that economic trends and potential in Northeast Asia make desirable and necessary a continuation of interaction and coordination of research on economic development and cooperation in Northeast Asia. The Initiative also recognized that such coordination requires an institutional network and a coordinating mechanism.

The Initiative promotes the establishment of a nongovernmental

organization entitled "Northeast Asia Economic Forum" (including technology) for the purpose of organizing discussions and coordinating research, and for promoting exchange of information on economic development and cooperation in Northeast Asia.

The coordinating mechanism for the Northeast Asia Economic Forum will be located in Hawaii and assigned to Dr. Lee-Jay Cho. The Forum will be open to membership by institutions, organizations in private capacity, and individuals concerned with economic development and cooperation in Northeast Asia.

The essence and spirit of the Initiative was accepted by the conference and the heads of delegations in subsequent executive session, also agreed that as a first step in implementing this idea of promoting better communication and information exchange, Dr. Lee-Jay Cho of Hawaii and Mr. Kong De Yong of API would undertake the necessary preparatory work for forming a nongovernmental liaison committee composed of members of each country in Northeast Asia in their private capacities. This will be a first step toward nongovernmental institutional linkages and cooperation among Northeast Asian countries.

The meeting then moved to Tianjin. During this two-day session, participants and speakers contributed many helpful ideas, and elaborated on the concept of a North East Asia Economic Forum. Many participants pointed out that what is needed now is "doing" rather than only talking, and that in order to act, institutions were necessary to carry out the ideas and concepts discussed. The meeting also recognized the institutional and systemic barriers to such communication. Therefore, it reaffirmed the establishment of the North East Asia Economic Forum. It was considered that this Forum would also be a first step toward developing a further mechanism for coordinating and facilitating economic cooperation among North East Asian countries. Since

both Dr. Lee-Jay Cho and Professor Tong Dalin of the Society for Economic System Reform of China have long been working toward such a forum, it was suggested that they communicate to further develop this idea. It was recognized that the Forum would require financial support from the relevant countries. It was hoped that these countries would embrace this vision of the future and the opportunity it provided for better informal communication and interaction among them.