

Annual Report

2016 - 2017

APEC Study Center

Columbia University



**Asia-Pacific
Economic Cooperation**

Letter from the Co-Directors

Columbia University's APEC Study Center (ASC) enjoyed a productive 2016-2017, the highlights of which were the ten events it sponsored throughout the year. The ASC core faculty, leaders in their fields, continued their work in the United States and throughout the Asia-Pacific region, participating in seminars, meetings, and discussions related to its mission. The ASC continued to provide support to courses focusing on this region at Columbia Business School (CBS), the School of International and Public Affairs (SIPA), and across the University as a whole. It remained actively involved in programs at the Asia Society and Korea Society in New York City, both of whom hosted several of the ASC's events.

Considering the volatile geopolitical events in the past year, the ASC focused on political and security issues in the Asia-Pacific region, with a special emphasis on the role the United States plays in Asia. In November, two panels of distinguished speakers gave thorough analyses of these issues in talks titled "Great Power Rivalries, Domestic Politics, and Southeast Asia Foreign Policy: Implications for the United States" and "Asian Views on America's Role in Asia." Two other events at the Korea Society added to the discourse: "Forecasting for 2017: Politics and Security of Korea and East Asia" and "Korea-China Relations." Later in the spring, the Asia Society hosted a panel discussion on how the new U.S. presidential administration would affect Asia's economy, featuring Ambassador Peter Grey and Ambassador Shotaro Oshima.

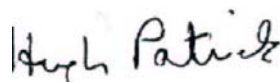
The Center also cosponsored several events focused specifically on economics and trade in the Asia-Pacific region. Shortly after the New Year, the Asia Society held a panel on the future of APEC and free trade; later on, the Korea Society hosted an event evaluating the Korea-U.S. FTA on the occasion of its fifth anniversary.

The ASC also held a follow-up conference about Thailand as an update to the more expansive conference held on the same topic last year. We also cosponsored the 26th Annual Graduate Student Conference on East Asia. Finally, to cap off our year, we cosponsored a panel at the Korea Society on MIKTA and the strategic rationale accompanying its actions.

The ASC's accomplishments and activities are made possible by the commitment and energy of the faculty and staff involved as well as our generous supporters. As always, we express our gratitude to the Lotte Group of Korea, ASC's longtime sponsor.



Merit E. Janow
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Dean
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TABLE OF CONTENTS

I.	Introduction	
	A. APEC: A Background	1
	B. APEC Study Center at Columbia	2
	C. Institutional Cooperation	3
II.	Core Faculty	3
III.	Programs and Activities	4
	A. Conferences and Workshops	5
	B. Other Programs and Meetings	9
	C. Graduate Student Fellow Program	11
IV.	Discussion Papers	11
V.	Academic Courses	11
VI.	Co-Directors and Program Manager	13
VII.	Program Support	15

INTRODUCTION

A. APEC: A BACKGROUND

APEC was established in 1989 to further enhance economic growth and prosperity for the region and to strengthen the Asia-Pacific community. President Bill Clinton hosted the first Summit meeting of APEC member country leaders immediately following the APEC meeting in Seattle in 1993. This annual Summit Leaders Meeting provides an invaluable opportunity for all the leaders to discuss issues of mutual concern, as well as a well-utilized venue for “side-bar” bilateral meetings among major leaders as needed.

APEC is the only government institution whose membership includes virtually all the economies bordering on the Pacific Ocean, namely in Asia, the South Pacific, and the Western hemisphere. APEC's 21 member economies are: Australia; Brunei Darussalam; Canada; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; The Republic of the Philippines; Russia; Singapore; Chinese Taipei; Thailand; United States of America; and Viet Nam. APEC has grown to become one of the world's most important regional groupings. Its 21 member economies are home to around 2.8 billion people and represent approximately 59 percent of world GDP and 49 percent of world trade as of 2015.

APEC is the only inter-governmental grouping in the world operating on the basis of non-binding commitments, open dialogue and equal respect for the views of all participants. Unlike the WTO or other multilateral trade bodies, APEC has no treaty obligations required of its participants. Decisions made within APEC are reached by consensus and commitments are undertaken on a voluntary basis. In addition, APEC has developed sets of basic, non-binding principles and standards to address a range of relevant policy issues.

Since its inception, APEC has worked to reduce tariffs and other trade barriers across the Asia-Pacific region, creating efficient domestic economies and dramatically increasing exports. Key to achieving APEC's vision are the “Bogor Goals,” adopted by leaders at their 1994 meeting in Bogor, Indonesia, which advocate free and open trade and investment in the Asia-Pacific by 2020. As of 2014, APEC members had signed a total of 157 FTAs, 58 of which were with at least one other APEC member. As the coalition is now only three years away from the deadline set by the Bogor Goals, its members have begun outlining their plans for 2020 and beyond. APEC is also pursuing trade and investment liberalization through a regional economic integration agenda. Some of its members have been instrumental in establishing the Regional Comprehensive Economic Partnership (RCEP), which began negotiations in November 2012 to establish their own regional trade agreement. Other members, with some overlap, have been vital in efforts to establish the Trans-Pacific Partnership (TPP), which reached final agreement among 12 countries in the Asia-Pacific region on October 5, 2015; it would have accounted for nearly 40% of global GDP and a third of world trade. Of course, it is temporarily suspended at this point, with its largest member, the United States, having elected Donald Trump as its president who has withdrawn from the agreement.

As a result of trade liberalization initiatives over the years, average trade tariffs in the region have been reduced from 17%, when APEC was established in 1989, to 5.2% by 2012. In large part because of this activity, real GDP in the region increased from \$16 trillion in 1989 to \$45 trillion in 2016, as per capita income increased by 74%. Between 1989 and 2015, the value of the total trade of goods and services from APEC has increased greater than 6.7 times, with a value of \$20 trillion. Two-thirds of the resulting trade took place between APEC member

economies. This all falls directly in line with APEC's overall mission of forging strong trade alliances and easing the tariffs and regulations hampering the transmission of goods in the region, as underlined by its Ease of Doing Business action plan. This plan, first implemented in 2009, has yielded tangible results: by 2015, APEC had improved business practices in targeted fields in the region by 14.8%. The value of APEC members' aggregate trade increased three-fold from \$6.4 trillion in 2000 to \$18.5 trillion in 2014, growing at an average annual rate of 10.4% during this period. Intra-regional trade similarly increased by 2.7 times during the same period, from \$4.5 trillion to \$12.1 trillion.

APEC has supported a sustainable future in the Asia-Pacific through a series of actions promoting trade in environmental goods. It pledged to reduce tariffs to 5% or less on 54 different environmental goods by 2015. Member economies have also committed to reduce energy intensity in the region by 45% by 2030, and have agreed to work toward doubling the share of renewables by 2030 in APEC's energy mix. Members are also committed to rationalizing and phasing out inefficient fossil fuel subsidies that encourage wasteful consumption.

Academic support for APEC activities is provided through the APEC Study Center consortium, of which Columbia University is a member; by the tripartite Pacific Economic Cooperation Committee, in which Dean Merit E. Janow and Professor Hugh Patrick have participated as U.S. members; and by the policy-oriented academic conferences and networking of PAFTAD (Pacific Trade and Development Program), of which Professor Patrick was a founding member in 1968 and chair of its International Steering Committee until 2005. Both professors are also founding members of the U.S. Asia Pacific Council which, along with the East-West Center, now takes an active role in organizing these academic, business and governmental activities, and serves as the U.S. member of the Pacific Economic Cooperation Council.

For more information about APEC, please see the APEC Secretariat's website at www.apecsec.org.sg.

B. THE APEC STUDY CENTER AT COLUMBIA

Columbia University established the APEC Study Center (ASC) in 1994 at the request of the U.S. Department of State in response to the APEC Leaders' Education Initiative. This Initiative was introduced by President Bill Clinton and endorsed by the leaders of the other APEC member nations at their historic 1993 meetings mentioned above. It calls on institutions of higher education in the United States and throughout the Asia-Pacific to collaborate on Asia-Pacific policy research, and to help establish—through exchanges, joint research, conferences and other contacts—an emerging region-wide network of personal and institutional relationships for all member economies. The ASC is co-directed by Dean Janow and Professor Patrick.

Columbia University has long been a leading center for the study of China and Japan, with one of the oldest and most highly regarded programs of study in these areas, including one of the nation's largest concentrations of specialists in East Asian affairs. Over the years, the University has built upon its global reputation for academic excellence and policy relevance in these areas, adding the study of Korea, Southeast Asia, India, and U.S. relations with East Asian countries to its core expertise in Chinese and Japanese studies.

The ASC core faculty, representing a number of Columbia's 13 professional schools, is engaged in the study of business, economics, development, health, political science, security, law, and other matters that impact the Asia-Pacific region. Reflecting its broad mandate, the

ASC is jointly administered under the School of International and Public Affairs (SIPA) and the Columbia Business School (CBS). It works closely with CJEB, of which Professor Patrick is director and Dean Janow is a core member of the faculty. The ASC supports faculty research projects where appropriate and requested, but many activities are highly decentralized. For example, Nobel Prize winner Professor Joseph E. Stiglitz, an ASC faculty member, travels extensively and is actively involved in the Asia-Pacific region, and has made major contributions to macroeconomics and monetary theory, development economics and trade theory, public and corporate finance, and theories of industrial organization and rural organization in the region.

The ASC enhances the University's rich tradition of research, conferences, lecture programs, and teaching on the Asia-Pacific region by serving as the focal point of study on issues of business and economic importance for the region. The focus of the Center's activities are twofold: the institutional arrangements and public policy issues related to the APEC forum itself; and consideration of the economic, trade, legal, and political dimensions of the APEC member countries and their efforts at increased regional integration and cooperation. In this way, the Center is focused on policy matters affecting the region as a whole and in a multidisciplinary fashion.

For more information, please see the Columbia ASC webpage at www.gsb.columbia.edu/apec.

C. INSTITUTIONAL COOPERATION

There are currently five other active university-affiliated APEC Study Centers in the U.S. They are: Brandeis/Brown University; University of California at Berkeley; University of Hawaii/East-West Center; University at Buffalo-SUNY; and Washington State University.

In order to improve interaction among U.S. APEC Consortium members and other individuals and groups concerned with APEC issues, Columbia University's ASC collaborates in the development of a range of activities, including the organization of substantive conferences in connection with meetings of Consortium members; extending invitations to interested scholars at other APEC Study Centers to attend conferences; compiling information on academic classes on APEC-related subjects; and supporting faculty and student exchanges at universities and institutions that are Consortium members. None of the American ASCs receive direct funding from the U.S. government; their activities are thus constrained by budget limitations.

Internationally, most of the APEC member economies have established their own ASCs, typically funded by their governments and located at government-selected universities or research institutes. As in the United States, their broad purposes are to establish further economic cooperation and provide information to that country's officials, academics, business people, and the public. Columbia's ASC is a member of this international consortium of ASCs.

II. CORE FACULTY

In addition to co-directors Professor **Hugh Patrick** and Dean **Merit E. Janow** (see section VI for full bios), the APEC Study Center draws upon a strong core faculty of Asia and discipline specialists within Columbia University: Columbia Business School (CBS); the School of International and Public Affairs (SIPA); Columbia Law School (CLS); Barnard College; and

the Graduate School of Arts and Sciences (GSAS). Many are also affiliated with the Weatherhead East Asian Institute (WEAI).

Charles Armstrong, Korea Foundation Professor of Korean Studies in the Social Sciences, Department of History; Core Faculty, WEAI

Jagdish Bhagwati, University Professor, Economics, Law and International Affairs; Senior Fellow for International Economics, Council on Foreign Relations

Gerald Curtis, Burgess Professor Emeritus of Political Science, Department of Political Science; Director, Toyota Research Program and former Director, WEAI; Senior Research Fellow, The Tokyo Foundation; Core Faculty, WEAI and CJEB

Carol Gluck, George Sansom Professor of History, Department of History; Professor of East Asian Language and Cultures, Department of East Asian Languages and Cultures; Director, Publications Program and Core Faculty, WEAI

Glenn Hubbard, Dean, Russell L. Carson Professor of Finance and Economics, CBS; Co-Director, Richard Paul Richman Center for Business, Law, and Public Policy at Columbia University; Core Faculty, CJEB

Takatoshi Ito, Professor, SIPA; Director, Program on Public Pension and Sovereign Funds, CJEB

Xiaobo Lü, Professor of Political Science, Barnard College; Core Faculty, WEAI

Curtis J. Milhaupt, Fuyo Professor of Japanese Law; Parker Professor of Comparative Corporate Law; Director, Center for Japanese Legal Studies, CLS; Core Faculty, WEAI and CJEB

Ann Marie Murphy, Associate Professor, School of Diplomacy and International Relations, Seton Hall University; Fellow, National Asia Research Program; Associate Fellow, The Asia Society; Senior Research Scholar, WEAI

Andrew Nathan, Class of 1919 Professor of Political Science; Core Faculty, WEAI

Joseph E. Stiglitz, University Professor of International Affairs, Economics and Finance, CBS, GSAS, and SIPA; Co-Founder and Co-President, Initiative for Policy Dialogue; Co-Chair of the High-Level Expert Group on the Measurement of Economic Performance and Social Progress, Organisation for Economic Co-operation and Development (OECD); Core Faculty, CJEB

Shang-Jin Wei, Professor of Finance and Economics, Professor of International Affairs, and N.T. Wang Professor of Chinese Business and Economy, CBS and SIPA; former Chief Economist, Asian Development Bank

David E. Weinstein, Carl S. Shoup Professor of the Japanese Economy, Department of Economics; Director of Research, CJEB; Core Faculty, WEAI and CJEB

Madeleine Zelin, Dean Lung Professor of Chinese Studies; Professor of History, Department of East Asian Languages and Cultures and Department of History; Core Faculty, WEAI

III. PROGRAMS AND ACTIVITIES

The ASC organized and sponsored 10 conferences, workshops, and lectures in 2016-17. Reports are available for these events at www.gsb.columbia.edu/apec. Typically, the ASC cosponsors these programs with other academic organizations at Columbia, notably with the Weatherhead East Asian Institute (WEAI). It also cosponsors relevant programs at the Asia Society and The Korea Society in New York. Many Columbia faculty members are also actively involved throughout the year in various dimensions of Asia-Pacific relations; since those activities are highly decentralized, no effort is made to describe them here.

A. CONFERENCES AND WORKSHOPS

1. ***Great Power Rivalries, Domestic Politics, and Southeast Asia Foreign Policy: Implications for the United States***, held November 10, 2016 at Columbia University. This all-day conference, in partnership with the Weatherhead East Asian Institute (WEAI), sought to examine the impact that great power rivalries and domestic political change is having on the foreign policies of Southeast Asian states and regional institutions like ASEAN, and assess the implications for the United States. A series of panels throughout the day examined the issues at hand. David Denoon, director of the NYU Center for U.S.-China Relations, spoke on “Sino-American Rivalry and Southeast Asia,” while Andrew Nathan, Class of 1919 Professor at Columbia University, moderated. Panel Two was moderated by Amy Freedman of Long Island University and Columbia University, and featured Lynn Kuok, fellow at the Brookings Institution and a visiting fellow at Harvard Law School, who discussed “Singapore’s Foreign Policy in the Face of Sino-American Competition,” while Elina Noor, director of policy studies at the Institute for International and Strategic Studies, Malaysia, discussed Malaysian foreign policy. Panel Three, “Regime Change and Foreign Policy in Mainland Southeast Asia,” was moderated by John Brandon, director of international programs at the Asia Foundation, and featured Yun Sun, senior associate at the Stimson Center, who spoke about “Democratization, Great Power Rivalry and Foreign Policy in Myanmar” and Pongphisoot Busbarat, former Dorothy Borg Postdoctoral Fellow at Columbia University, who discussed “Thai foreign policy in an Era of Military Coups.” Panel Four, moderated by Lien-Hang Nguyen, Dorothy Borg Associate Professor of History at Columbia University, turned its attention to the foreign policy of Vietnam and the Philippines. Carlyle Thayer, emeritus professor at the University of New South Wales, spoke on Vietnam, while Richard Javad Heydarian, assistant professor at De La Salle University in the Philippines, spoke on the Philippines. The final panel was moderated by Ann Marie Murphy of Columbia University and Seton Hall University, and featured Donald Weatherbee, Donald F. Russell Distinguished Professor Emeritus at the University of South Carolina, who considered “ASEAN’s Declining Centrality in the Face of the Sino-American Competition,” while Emirza Adi Syailendra, research analyst at the Indonesia Programme of the S. Rajaratnam School of International Studies, discussed Indonesian foreign policy.
2. ***Asian Views on America’s Role in Asia***, held Wednesday, November 16, 2016 at Columbia University. This panel, which focused on illuminating the Asia Foundation’s findings in its policy report “Asian Views on America’s Role in Asia,” was held in collaboration with WEAI, SIPA, and the Asia Foundation. After David D. Arnold, president and chief executive officer of the Asia Foundation, introduced the report, a series of speakers discussed the different regions it highlighted. Andrew J. Nathan, Class of 1919 Professor of Political Science at Columbia University, and Yoon Young-kwan, professor

emeritus at Seoul National University, discussed Northeast Asia; Steven Wilkinson, Nilekani Professor of India and South Asian Studies at Yale University, and C. Raja Mohan, director of the India Center at the Carnegie Endowment for International Peace, covered South Asia; Ann Marie Murphy and Thitinan Pongsudhirak, professor and executive director of the Institute of Security and International Studies at Chulalongkorn University, discussed Southeast Asia. Ellen L. Frost, senior advisor & fellow at the East-West Center and visiting distinguished research fellow at the Institute of National Strategic Studies of the National Defense University, provided an American point of view. Finally, Xiaobo Lü, Professor of Political Science at Barnard College, made concluding statements and conducted the audience Q&A.

3. ***Addressing An Uncertain Future: APEC and Free Trade in the Asia Pacific***, held January 19, 2017 at Asia Society. In collaboration with the National Center for APEC (NCAPEC) and the U.S.-APEC Business Coalition, Asia Society brought together Nguyen Thanh Hai, deputy director-general in charge of policy issues at the Vietnam 2017 National APEC Secretariat; Dr. Vu Tien Loc, chairman and president of the Vietnam Chamber of Commerce and Industry; Monica Hardy Whaley, president of NCAPEC; and Farisa Zarin, managing director and global head of global public affairs at Moody's Corporation to discuss the path ahead for APEC and Asia-Pacific trade in general. The discussion was especially valuable given the recent election of Donald Trump as U.S. president, who holds anti-trade and anti-multilateralism positions. Moderated by Wendy Cutler, vice president and managing director of the Asia Society Policy Institute (ASPI) on the eve of President Trump's inauguration, the panelists discussed the impact of his election, and specifically his commitment to pulling the United States out of the Trans-Pacific Partnership (TPP). The panelists agreed that, without the United States, the TPP was no longer viable and that China would likely work to fill the trade leadership vacuum in the region. The panelists also discussed Vietnam's plans for hosting APEC in 2017 given all of the uncertainty in the global trading regime. Vietnam has not hosted APEC since 2006, when the trade environment was very different.
4. ***Forecasting for 2017: Politics and Security of Korea and East Asia***, held February 2, 2017 at The Korea Society. This event featured Korean and East Asian analysts and subject-matter experts Sue Mi Terry, managing director for Korea at BowerGroupAsia, and Sean King, senior vice president at Park Strategies. They discussed their concerns about North Korea, the continued rise of China in the region and the effects of the Trump Administration's early anti-trade stance. Stephen Noerper, senior director of The Korea Society, moderated the discussion which covered academic, business and geopolitical points of view. Ms. Terry was certain that North Korea would continue with its provocations; they are preparing to launch a mobile intercontinental ballistic missile. Kim Jong Un is continuing his predecessors' determination to continue a nuclear program, though he will wait to launch the test in the event that the Trump Administration wants to engage in talks without preconditions, which would enhance his international standing. Ms. Terry stated that her main concern is that a progressive candidate would not ascend to the Korean presidency; the leading candidates have all said they will pursue engagement with North Korea, which is at odds with what the Trump Administration will pursue. When Korea and the United States are not on the same page, there is no progress – we may see a divergent path, which is one of North Korea's "divide and conquer" tactics. Mr. King stated that Beijing was relieved that Hillary Clinton was not elected president due to a variety of factors; however, now they may be re-thinking their support of Trump given his phone call with Taiwan. With regard to trade, Shinzo Abe, in the wake of the United

States pulling out of the TPP, has emerged as the leader in the region. Further, although Australia alleges that the TPP can go on without the United States, it cannot. Mr. King covered many other regional topics including current affairs in the Philippines, Thailand, Vietnam, and other countries.

5. **26th Annual Graduate Student Conference on East Asia**, held February 24-25, 2017 at Columbia University. This was a forum for promoting and circulating new ideas within East Asian studies and an opportunity to engage with fellow graduate students across disciplinary and regional frontiers. Featuring 24 panels, participants explored categories such as nation, society, politics, objects, space, economics, race, class, mind, identity, culture, body, art, and nature. They focused particularly on work that crosses national, temporal, and disciplinary boundaries in order to critically rethink the categories that both bind and sub-divide area studies.
6. **Korea-China Relations**, held March 7, 2017 at The Korea Society. This event featured a conversation with John Park, director of the Korea Working Group at Harvard University and co-author of *Stopping North Korea Inc.* (MIT, 2016) upon his return from Beijing and a U.S.-South Korea-China trilateral meeting in Seoul. Mr. Park, in a conversation moderated by Mr. Noerper, shared his insights into the trilateral dynamics between China and both Koreas given recent attempts to check North Korea's nuclear weapons development program under the context of the new U.S. Administration. He said they are de-emphasizing the North Korea issue as China and South Korea continue their rift, making North Korea the winner of the situation. This represents a shift in which South Korea had previously been trying to create a closer relationship with China in order to punish the North. China has the power to stop trade to North Korea, but there is no hope for that kind of pressure now.
7. **America as a Pacific Power? The New U.S. Administration and Asia's Economy**, held March 9, 2017 at the Asia Society. As part of an ongoing series on President Trump and Asia, the Asia Society hosted a high-level panel to discuss how President Trump's "America First" policy could affect America's role as a Pacific economic power. The panel included Ms. Cutler; Peter Grey, former Ambassador of Australia to Japan and the World Trade Organization (WTO); Shotaro Oshima, former special representative of Japan for the Trans-Pacific Partnership (TPP) and former Ambassador of Japan to the Republic of Korea; and Daniel Rosen, founding partner and China lead of the Rhodium Group. The discussion was moderated by Rana Foroohar, Global Business Columnist and Associate Editor at the *Financial Times*. The panelists discussed the possible effects of the "America First" on trade, investment and currency policies, especially with China, which would have effects across the region. Mr. Grey stated that the degree of surprise of the election and its surrounding lack of clarity is the biggest concern he is dealing with. Ms. Cutler highlighted two falsehoods that lead to this situation: 1) that trade and trade agreements are the root cause of the loss of manufacturing jobs in the United States; and 2) that only Asia gains from trade with the United States. Instead, the loss of manufacturing jobs is due to technological changes and advancements, as well as increases in productivity, changes in consumer preferences, and trade to only a small degree. The United States gains a lot from trade with Asia and the region's appetite for U.S. exports will continue to grow. Further, there has been a rise of Asian investment in the United States, which creates high-paying American jobs. Mr. Rosen foresees a heavy effort by the White House to change the international economy; however, the President will not be able to do it all. For example, he did not announce China as a currency manipulator on "day one" as promised. On trade, it's unlikely that we will see a 45% tariff across the board, but, there will be an

aggressive application of trade remedies. Mr. Oshima said that they must wait and see what really comes down from Washington as policy; until then, they cannot respond.

8. **Trade Talks: KORUS FTA at 5**, held March 10, 2017 at the Korea Society. This event featured panelists who were charged with assessing the performance and progress of the Korea-U.S. Free Trade Agreement (KORUS FTA) five years after it was entered into force. The discussion, moderated by Korea Society President Tom Byrne, included Jong Hoon-Kim, former Minister for Trade for the Republic of Korea (ROK); Ms. Cutler; and Tami Overby, senior vice president for Asia at the U.S. Chamber of Commerce. Although the trade deficit between the United States and Korea has expanded since the inception of the agreement, Ms. Cutler said there is no valid reason to be concerned about the agreement itself. It is unfair to judge a trade agreement on a bilateral trade deficit. In this instance, economic growth has been sluggish in Korea, leading to a dampening of imports, while the United States has continued to grow, maintaining a strong demand for imports. Ms. Overby, who has been following U.S.-Korea trade for 29 years, said that back in the 1980s, the U.S. and Korea had a contentious trade relationship; but due to the hard work of both governments, a balanced agreement was created. She agreed with Ms. Cutler, saying there are many success stories to tell. For example, the United States currently has a surplus in services, and Korea is the largest procurer of U.S. military services. So there is much more to the puzzle than the deficit number. Mr. Kim, who joined from the phone, asserted that while the U.S. deficit is significant, we must take into account that Korea's tariff rates were much higher pre-KORUS, and as such, Korea had a much deeper cut on the whole. Given the starting point, KORUS is definitely a "win-win" agreement for both the United States and Korea.
9. **Global Pivotal Powers: MIKTA and the Search for a Strategic Rationale**, held May 4, 2017 at The Korea Society. This event featured a discussion on the growing influence of MIKTA: Mexico, Indonesia, Korea, Turkey, and Australia, and their informal partnership to support effective global governance. The event brought together Professor Gordon Flake, CEO of the Perth USAsia Center, and Stephen Smith, former foreign and defense minister of Australia, and was moderated by Mr. Byrne. Professor Flake described MIKTA as a "middle power grouping" that came about in 2013. MIKTA is not a formal grouping; it has no secretariat. Essentially, MIKTA is made up of foreign minister meetings that take place on the sidelines of pre-existing international meetings such as the G20 and UN General Assembly. In a nutshell, MIKTA consists of five disparate countries who have similar-sized economies; they are all members of the G20 and their economies rank 12th through 18th out of the 20. They are all market economies that are very internationally engaged. They have more global influence than they do in their own regions, so together, they amplify each other. Mr. Smith catalogued the distinctive relationships between Australia and the other MIKTA members. Australia's historic geographical isolation has aided the desire to join global initiatives such as MIKTA.
10. **Thailand Update Conference**, held April 19, 2017 at Columbia University. This conference featured three panels exploring various issues in Thailand: politics, the economy, and media and justice, with two panels devoted to politics. The first featured a conversation between Tyrell Haberkorn, a research fellow at the Australian National University, and Puangchon Unchanam, a Ph.D. candidate in political science at the CUNY Graduate Center. The second featured Allen Hicken, Ronald and Eileen Weiser Professor of Emerging Democracies at the University of Michigan, in conversation with Professor McCargo. The third panel, on the economy, featured Arwiphawee Srithongrun, associate professor of public administration at Wichita State University, and Kanda Naknoi, associate

professor of economics at the University of Connecticut. The final panel was a discussion between Frank Munger, professor of law at New York Law School, and Penchan Phoborisut, assistant professor of communications at California State University-Fullerton, on the topic of media and justice.

B. OTHER PROGRAMS AND MEETINGS

ASC faculty members participate in a wide range of Asia-Pacific academic activities, including meetings and conferences, which are too numerous to list in detail. Some of those events that involved the ASC's co-directors or core faculty are listed below.

1. ***Conference on Financial Innovation and Stability***, Leir Retreat Center, Connecticut, September 16-17, 2016. Professor Patrick chaired Session Five of the annual Leir conference, "Regulation of International Capital Flows," which considered the impact of the International Monetary Fund's position change regarding the regulation of cross-border investment inflows. Mike Dooley, professor emeritus at the University of California at Santa Cruz, and Gyfi Zoega, professor of economics at the University of London, considered a global perspective of the account surpluses of some of the world's foremost economies.
2. ***A Reuters Newsmaker with Shinzo Abe, Prime Minister of Japan***, Thomson Reuters, New York, NY, September 21, 2016. Professor Patrick attended this panel discussion which, in addition to a keynote speech by Prime Minister Abe, featured Daniel Loeb, CEO of Third Point LLC. Steve Adler and Kevin Krolicki from Reuters moderated the discussion.
3. ***Trade Issues Today***, Columbia University, New York, NY. September 30, 2016. Dean Janow delivered concluding remarks at this conference held at Columbia Law School covering trade-related topics such as currency manipulation; mega-regional agreements and the world trade system; globalization; labor markets; trade with China; and income inequality.
4. ***Columbia University Seminar on Southeast Asia in World Affairs***, Columbia University, October 2016 – April 2017. Professor Patrick and Ann Marie Murphy of Seton Hall University co-chair this annual seminar, which is concerned with the contemporary political economy of Southeast Asia, in particular its international dimensions. The agenda includes current problems of economic and political change in the countries of the region, as well as issues in relations with the United States, Japan, China, and Russia. The seminar membership includes policymakers from the public and private sectors, as well as scholars, and the group as a whole has a strong policy orientation. There are generally four lectures, and this year was no exception:
 - a. *Assessing Thailand's 2016 Constitutional Referendum* by Duncan McCargo, Columbia University and University of Leeds, England, UK, October 13, 2016
 - b. *Thai Foreign Policy in an Era of Military Coups* by Pongphisoot Busbarat, University of Sydney, Australia, November 10, 2016
 - c. *Philippine Foreign Policy under the Duterte Administration: A Return to Equi-Balancing with Vengeance?* by Reanato de Castro, De La Salle University, Philippines, December 1, 2016
 - d. *Is Malaysia Falling Apart? A Pre-Election Stocktaking* by Meredith Weiss, Albany, State University of New York, April 6, 2017

5. **Keidanren Committee on U.S. Affairs**, Tokyo, Japan, October 28, 2016. Professor Patrick spoke on a panel at this meeting of the Keidanren Committee on U.S. Affairs in Tokyo on the subject “The Present and Future Prospects of U.S.-Japan Economic Relationship” with Takatoshi Ito.
6. **Symposium on Building the Financial System of the 21st Century: An Agenda for Japan and the United States**, Harvard University, October 28-30, 2016. Professor Patrick participated in this event, in which speakers were relatively optimistic about the U.S. and Japanese economies. Sessions addressed the potential for new financial meltdowns, the effects and limitations of monetary policy, and the implications of the upcoming U.S. Presidential and Congressional elections for U.S.-Japan relations. Participants were generally positive about the current health and stability of Japanese and U.S. banks and other financial institutions. However, they expressed concerns about the intractability of deflation in Japan and other economies, and about the possibility of new financial crises arising as a result of economic or political forces around the world. The upcoming U.S. election was seen as having introduced additional uncertainty into the global economy.
7. **Asian Business Dialogue on Corporate Governance 2016**, ACGA Annual Conference, Tokyo, Japan, November 15-16, 2016. Professor Patrick attended this conference, whose theme was “Corporate Governance in North Asia: Contrasting Paths to Reform.” Its purpose was to provide a place for attendees to “discuss topical issues of corporate governance and ESG” while simultaneously better understanding how to manage recent corporate governance reform efforts in their regions.
8. **China’s Future Economic Growth**, New York University, December 9, 2016. Professor Patrick moderated a panel on demographic change during this day-long conference. Other panels discussed macroeconomic forecasts and total factor productivity, patents, and trends in education. There was also a keynote speech by Arthur Kroeber, managing director of GaveKal Dragonomics, on the question, “Will China’s Economy Continue to Slow Down?” This conference was organized by the NYU Center on U.S.-China Relations, and its director, Professor David Denoon, served as moderator.
9. **The World Economy and the Role of the State in Economic Growth in East Asia**, Beijing, China, March 17, 2017. Dean Janow co-hosted a conference with Tsinghua University, the Columbia Global Center in Beijing, and SIPA’s Center on Global Economic Governance to explore a variety of economic issues in China and Asia including technological advancement and economic integration; regulation and competition policy; innovation, trade and the digital economy; and the future of global economic relations.
10. **Tax and Trade in the Trump Administration**, New York, NY, April 17, 2017. Dean Janow convened a half-day forum at SIPA featuring leading experts from academia, the private sector, and think tanks to discuss trade policy under the Trump administration. Sessions covered the potential border tax adjustment and its implications; approaches to regional, multilateral, and bi-lateral trade agreements; and other topics.
11. **Global Digital Futures Forum 2017**, New York, NY, May 5, 2017. Dean Janow moderated a panel discussion titled, “What Would Internet Fragmentation Mean for Global Trade?” It featured experts from leading global tech companies such as Alibaba and Paypal, as well as members of academia, industry groups, and non-profit organizations.
12. **Meetings**, Tokyo, Japan, May 8–30, 2017. Professor Patrick met with Japanese business leaders, policy makers, and academics. He opened CJEB’s annual Tokyo conference on

May 25, “Japan’s Global and Domestic Futures: The U.S. Relationship and FinTech,” and moderated a keynote speech, “The U.S.-Japan Relationship and American Trade Policy” by Alan W. Wolff, chairman of the National Foreign Trade Council, former U.S. deputy trade representative, and senior counsel, Dentons US LLP. Dean Janow spoke on the second panel, “The U.S.-Japan Relationship and American Trade Policy.” Professor Patrick also attended a dinner celebrating the 100th anniversary of the America-Japan Society.

13. **Meetings**, Seoul, Korea, June 5-9, 2017. Professor Patrick met with policy makers, business leaders, academics, and students from Seoul National University. He also gave a talk about the Japanese economy and Abenomics at the Institute for Global Economics along with ASC Core Faculty member Gerald Curtis, Burgess Professor of Political Science Emeritus, who talked about the election of Donald Trump as U.S. President. Professors Patrick and Curtis also gave a talk to the Seoul Financial Forum on “The Trump Administration’s Asia policy and the Korean Peninsula.”

C. GRADUATE STUDENT FELLOW PROGRAM

The ASC continued its successful Graduate Student Fellow (GSF) program. GSFs attend and report on various events throughout the year, and help promote events to their fellow students. A recent graduate student served as a GSF this year: Jenna Barzelay at SIPA, who graduated with a concentration in international finance and economic policy.

IV. DISCUSSION PAPERS

The APEC Study Center added the following Discussion Paper to its series during 2016-17. This paper is available at www.gsb.columbia.edu/apec/discussionpapers.

80. **Lessons from Koizumi-Era Financial Services Sector Reforms** by Naomi Fink, Europacifica Consulting & RMIT University, November 2016.

V. ACADEMIC COURSES

There are a substantial number of courses taught at Columbia Business School (CBS), Columbia Law School (CLS), and the School of International and Public Affairs (SIPA) that are directly relevant to the ASC through the combinations of their substantive and country specific or regional focus. In addition to courses in history and political science, the following graduate courses, offered during the 2016-17 academic year, were particularly relevant for students interested in APEC.

CHINA AND INTERNATIONAL LAW

This seminar was offered at CLS in the spring, and taught by Thomas Kellogg, lecturer-in-law, and Benjamin Liebman, Robert L. Lieff Professor of Law. Over the past thirty years, China has gone from one of the most isolated countries in the world to a major player in international affairs, a leading exporter, and a much more influential voice on regional security matters. Yet even with the rapid economic growth and increased influence that China has achieved over the past several decades, it maintains an ambivalent attitude towards many key aspects of international law and the architecture of global order. This class explores China’s ambivalent

engagement with international law in the context of its increasing prominence as an emerging power, and in particular addressed the question of how China might adapt to the existing world order, and the ways in which it might look to influence its evolution. The class covers a range of issues, including China's membership in the WTO; its engagement with the international human rights regime; its approach to international cooperation on issues like global warming and nuclear non-proliferation; international law aspects of the dispute over the South China Sea; and others.

CHINA'S NEW MARKETPLACE

This course is offered at SIPA in the fall, and is taught by Daniel Rosen, an adjunct associate professor at SIPA, visiting fellow at the Peterson Institute for International Economics in Washington, and founder of Rhodium Group, a macro-strategic advisory firm focused on China, India and climate policy; and Arthur Kroeber, adjunct associate professor of international and public affairs and founding partner and head of research at Gavekal Dragonomics, a China-focused economic research consultancy. Through this seminar, students develop an integrated perspective on the Chinese economy and the policy environment and choices that are under consideration by and available to policy makers and business executives. The global implications of the changing nature and structure of the Chinese economy are examined. The objective of the seminar is mastery of available evidence on the current state of the Chinese economy and its global implications. It is designed to be equally useful to professionals in policy or commercial fields, both from a Chinese perspective and from the viewpoint of China's major trade and investment partners. The course is interdisciplinary and works with macro-economic and micro-economic perspectives, as well as the larger policy and legal contexts.

ECONOMIC DEVELOPMENT OF JAPAN

This lecture course is offered by the Department of Economics in the fall semester, and is taught by David E. Weinstein, Carl S. Shoup Professor of the Japanese Economy at Columbia. It covers Japan's economic organization, structure and performance from the mid-nineteenth century to the present, focusing on the postwar period. Special emphasis is placed on the character of Japanese economic policy making as well as on the behavior of Japanese enterprises, financial institutions, labor force and households. In addition, there is considerable discussion of Japan's recent economic condition.

INTERNATIONAL TRADE

This lecture course is offered by SIPA in the fall, and is taught by Benjamin Mandel, adjunct professor at SIPA and an economist at Citi Research. The course has two dimensions: theory and policy. In the former, the fundamental models of international trade theory are presented. Using these models, the class tries to understand why countries specialize and trade, what determines the pattern of trade (i.e., which country will export which good), and how trade affects relative prices, welfare, and income distribution within a country. The second part of the course deals with issues concerning trade policy. The class compares the effects of and rationale behind the usage of various policy instruments such as tariffs, subsidies, quotas, etc. The political economy of trade policy and trade policy in developing countries is also covered.

LAW AND LEGAL INSTITUTIONS IN CHINA

This seminar is offered by CLS in the spring, and is taught by Benjamin Liebman, Robert L. Lieff Professor of Law. This course is a survey of contemporary Chinese legal attitudes and

institutions in a historical and comparative perspective. It begins with a brief examination of certain key themes and practices in China's traditional legal order and an appraisal of China's early-twentieth-century effort to import a Western legal model. The major portion of the term is devoted to a study of formal and informal legal institutions and procedures in the criminal and civil processes of the People's Republic of China and China's contemporary legal reform efforts. Topics will include an examination of the roles of the legal profession and the judiciary, the sources of law in contemporary China, the criminal justice system, efforts to use law to address China's growing environmental problems, and the development of China's legal framework governing financial markets.

LAW OF THE WTO

This seminar is offered by CLS in the fall, and is taught by Petros Mavroidis, Edwin B. Parker Professor of Foreign and Comparative Law at Columbia Law School. The course aims to provide a comprehensive presentation of the multilateral trading system of the World Trade Organization (WTO), paying particular attention to the various free trade areas that the United States has recently signed (U.S.-Canada; TTIP). It is divided into three parts: trade in goods; trade in services; and dispute settlement.

STATE-OWNED ENTERPRISES IN CHINA: TRADE AND COMPETITION ISSUES

This seminar is offered by CLS in the fall, and is taught by Merit E. Janow, dean and professor of practice in international economic law and international affairs at SIPA, and codirector of the ASC, and Professor Mavroidis. The emergence of SOEs poses new challenges to the trade and investment regimes because of the hybrid nature of these entities (public, private). It further raises antitrust concerns because of their market power. Renowned experts debate these issues, and students are asked to react to the various presentations made.

VI. CO-DIRECTORS AND PROGRAM OFFICER

MERIT E. JANOW is dean and professor of practice in international economic law and international affairs at Columbia University's School of International and Public Affairs (SIPA). She is codirector of Columbia's APEC Study Center and chair of the Faculty Oversight Committee of Columbia's Global Center East Asia. Professor Janow teaches graduate courses in international economic and trade policy and China in the global economy at SIPA and international trade law and comparative and international antitrust at Columbia Law School. She serves on the faculty of Columbia University's Weatherhead East Asian Institute. Previously, she was director of the Master's Program in International Affairs and the International Finance and Economic Policy concentration at SIPA, as well as chair of Columbia University's Advisory Committee on Socially Responsible Investing. In December 2007, Professor Janow finished up a four-year term as the North American member of the Appellate Body of the World Trade Organization (WTO). The Appellate Body hears final appeals on issues of law and legal interpretation in international trade disputes between countries that are members of the WTO. For two years, ending in March 2000, Professor Janow served as executive director of a new International Competition Policy Advisory Committee to the attorney general and assistant attorney general for antitrust at the Department of Justice, Washington, D.C. This was the first such committee established by the Department of Justice to consider international antitrust matters. Before joining Columbia University, from 1989 to 1993, Professor Janow served as the deputy assistant United States trade representative for Japan and China at the Office of the United States

Trade Representative, Executive Office of the President in Washington, D.C. She was responsible for developing, coordinating, and implementing United States trade policies and negotiating strategies toward Japan and China. Prior to her tenure in government, she was an associate at Skadden, Arps, Slate, Meagher & Flom, specializing in corporate mergers and acquisitions. She is a member of the Board of Directors of Japan Society, chairman of the Nasdaq Exchange LLC, and a board member of two fund clusters in the American Funds family and Trimble Navigation. She is also a member of the International Advisory Council of the China Investment Corporation, China's sovereign wealth fund. Professor Janow received a BA in Asian studies from the University of Michigan and a JD from Columbia Law School. She is the author of three books and numerous articles and is fluent in Japanese.

HUGH PATRICK is director of the Center on Japanese Economy and Business, R.D. Calkins Professor of International Business Emeritus at Columbia Business School, and codirector of Columbia's APEC Study Center. He joined the Columbia faculty in 1984 after some years as professor of economics and director of the Economic Growth Center at Yale University. He completed his B.A. at Yale University in 1951, earned M.A. degrees in Japanese Studies (1955) and Economics (1957) and a Ph.D. in Economics at the University of Michigan in 1960. He has been a visiting professor at Hitotsubashi University, The University of Tokyo and University of Bombay. Professor Patrick has been awarded Guggenheim and Fulbright fellowships and the Ohira Prize. His professional publications include sixteen books and some 60 articles and essays. His major fields of published research on Japan include macroeconomic performance and policy, banking and financial markets, government-business relations, and Japan-United States economic relations. His most recent book, co-authored and co-edited with Professor Yung Chul Park of Korea University, is *How Finance is Shaping the Economies of China, Japan and Korea* (Columbia University Press, November 2013). Professor Patrick is actively involved in professional and public service. He served as one of the four American members of the binational Japan-United States Economic Relations Group appointed by President Carter and Prime Minister Ohira from 1979-1981. He has testified before Congressional committees on numerous occasions. He is on the Board of Directors of the U.S. National Committee for Pacific Economic Cooperation, and the U.S. Asia Pacific Council. He succeeded Dr. Saburo Okita and served as chairman of the International Steering Committee for the conference series on Pacific Trade and Development (PAFTAD) from 1985-2005, having served on the Committee since PAFTAD's inception in 1968. He was on the Board of the Social Science Research Council from 1982-88, and served as its chairman from 1985-88. He was a member of the Board of Directors of the Japan Society for seven three-year terms. In November 1994 the Government of Japan awarded him the Order of the Sacred Treasure, Gold and Silver Star (Kunitō Zuihōshō). He was awarded an honorary doctorate of Social Sciences by Lingnan University, Hong Kong in 2000. He received an Eagle on the World award by the Japan Chamber of Commerce and Industry of New York in 2010. He has been a member of the Council on Foreign Relations since 1974, and is a senior scholar of the Jerome A. Chazen Institute of International Business.

ANDY WANNING is the ASC's Senior Program Officer, and has been with the Center since 2001. He holds an M.S. in Sustainability Management at Columbia University's Earth Institute, and a B.A. in Anthropology & Sociology from Lafayette College. He has been active with non-governmental organizations at the United Nations. He spent a year teaching English in Costa Rica with WorldTeach, a non-profit organization based at the Center for International Development at Harvard University. Andy is stepping down this year, to be replaced by Program Manager Taylor Cook (contact information in the next section).

VII. PROGRAM SUPPORT

Resources for the APEC Study Center's basic infrastructure are provided by Columbia University. Corporation and foundation support in the United States and Asia are sought for specific programs and projects. The APEC Study Center especially thanks the Lotte Group of Korea for their support.

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