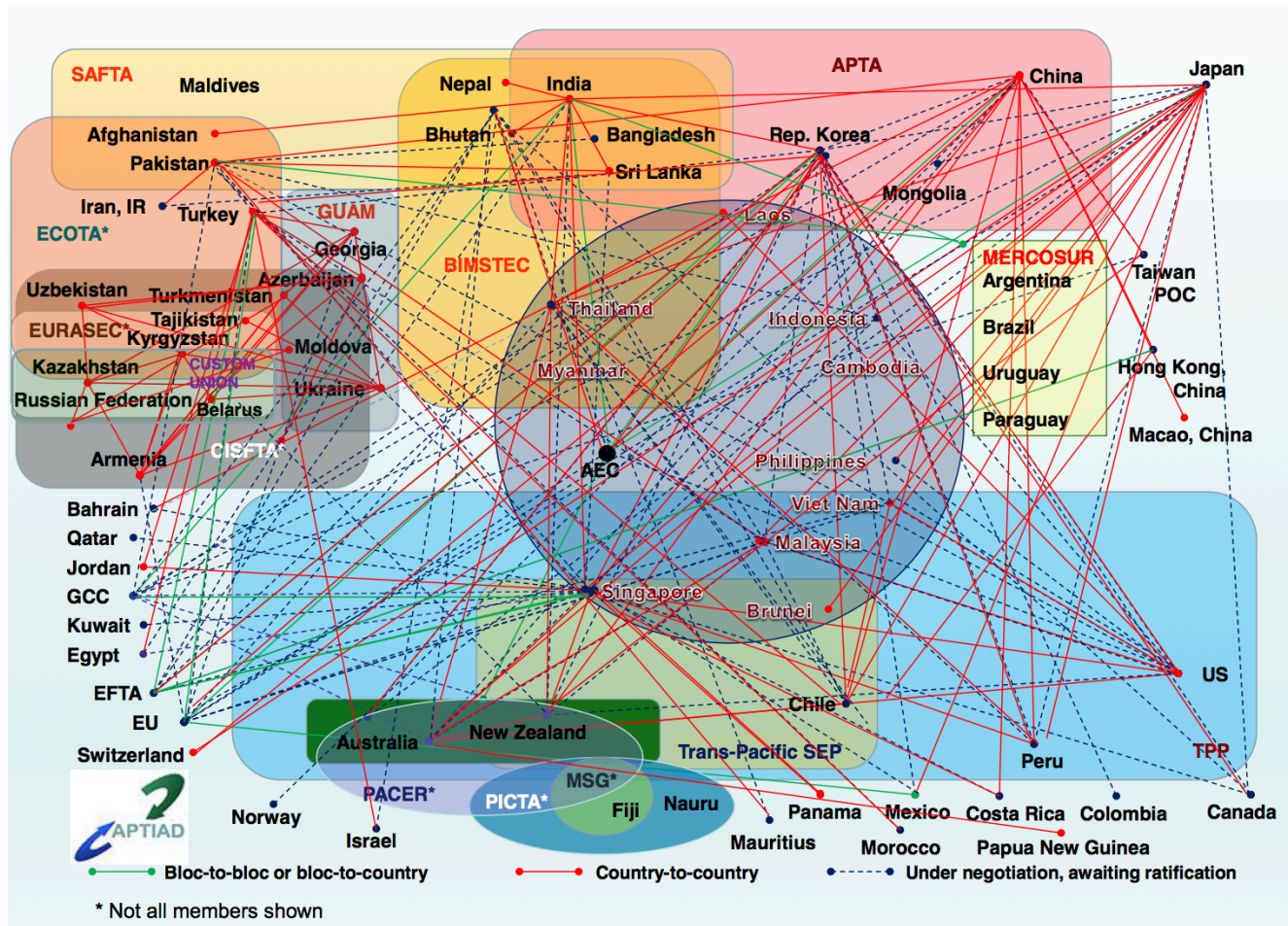


# **MULTILATERAL INSTITUTIONS**

# Australia's change of heart

- Small/ middle power = equalizer
- Entrepreneurship
  - Hawke APEC in 1989
  - Keating APEC's Leaders' meetings
  - ASEAN regional forum 1994
  - Asia Pacific community 2008 -failed
- Realism?
  - Engaging with China via APEC – hostile trade blocs
  - East Asia Summit and Japan
- Wesley 'the problem is that formal institutions are no longer effective for dealing with the rapidly evolving regional situation.'
- Rudd 'none of us are naïve about the capacity of nascent institutions to deal with strategic distrust built up over the decades.'

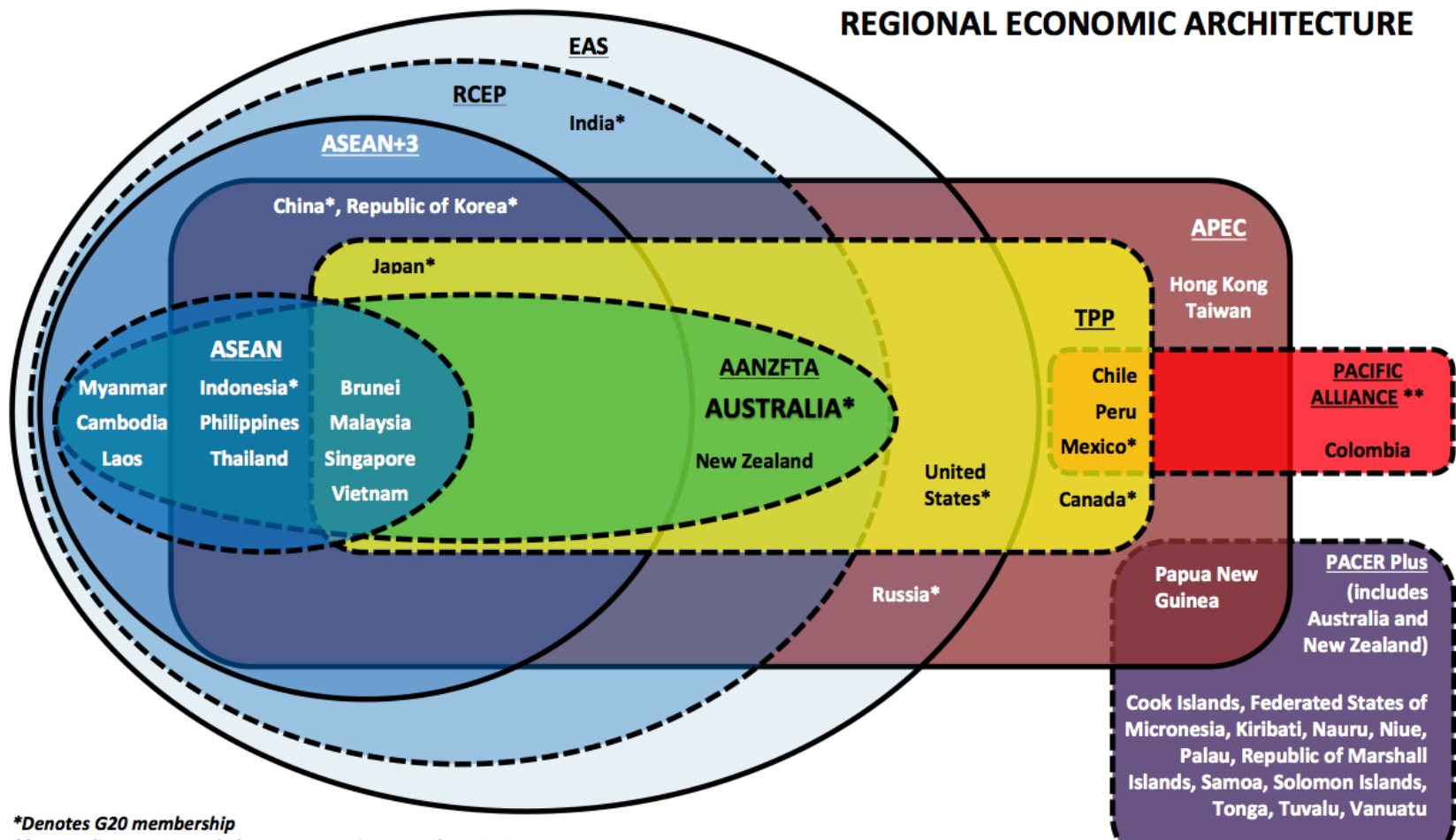
# Noodle Bowl



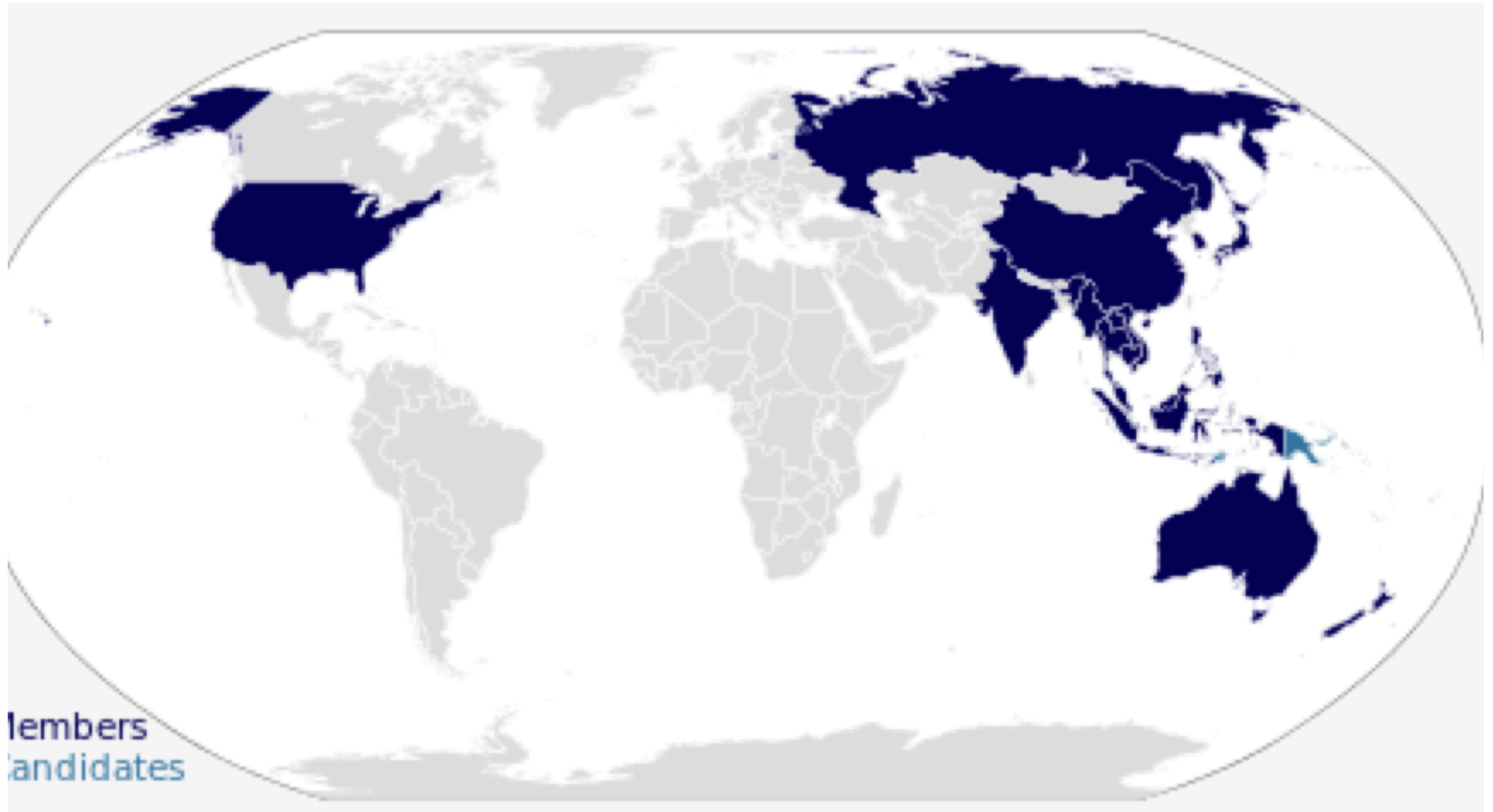
# Domino Theory

- Phase 1: Mid 1980s
  - Setting up “Factory Asia”, ie, fragmentation, offshoring, cross-national production chains
- Phase 2: 1990-2000
  - Opening of China
  - Deepening of “Factory Asia”
- Phase 3: Invitation from China to ASEAN
  - Negotiate a China-ASEAN FTA
  - Triggered a domino effect throughout East Asia and beyond

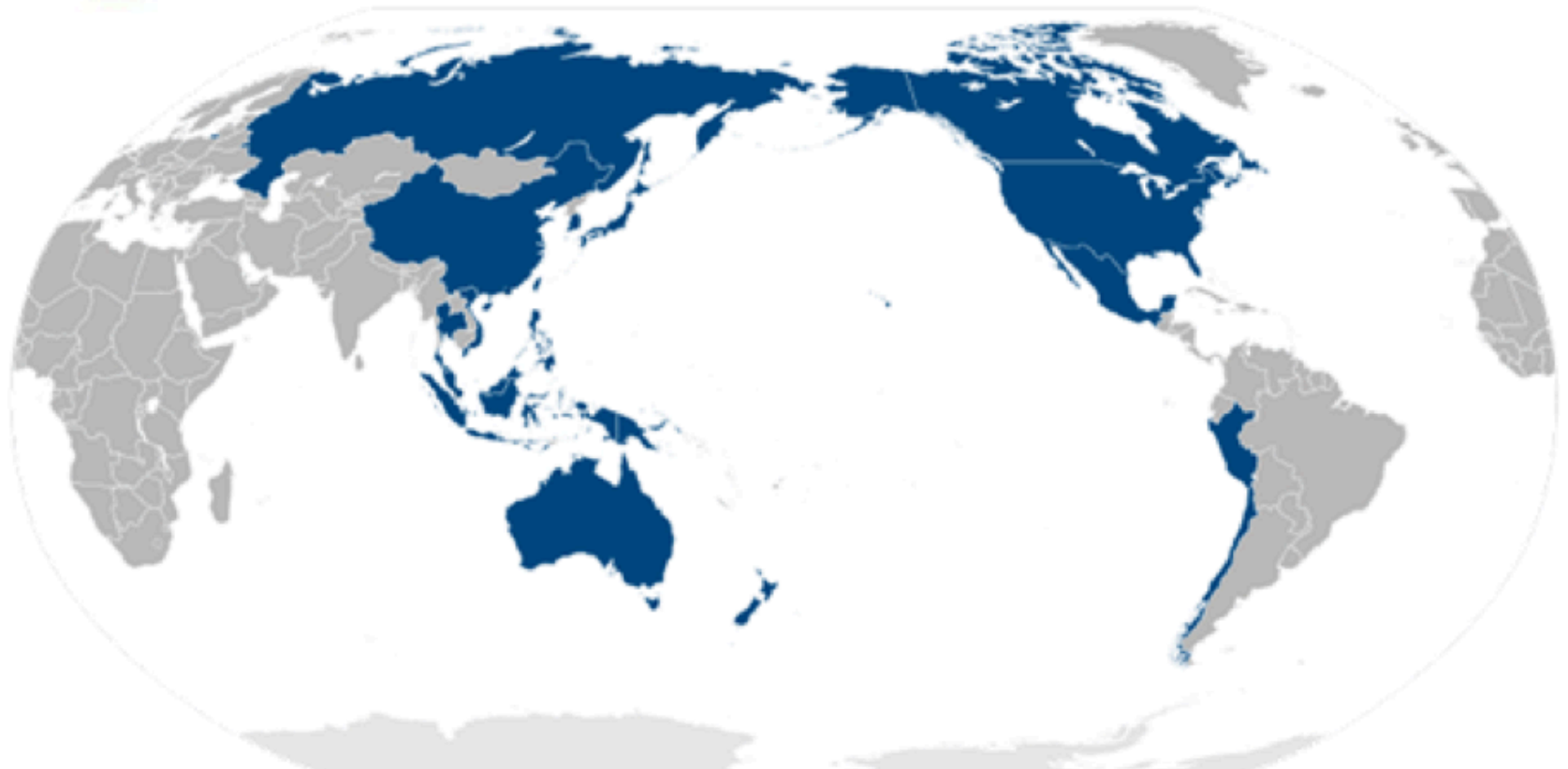
# Australia's participation in regional economic architecture



# East Asia Summit



# APEC



**APEC accounts for over 45% of world trade**

# ASEAN Regional Forum and ASEAN defence ministers Meeting Plus

- Brunei
- Cambodia
- Indonesia
- Laos
- Malaysia
- Myanmar
- the Philippines
- Singapore
- Thailand
- VietNam
- Australia
- China
- India
- Japan
- New Zealand
- ROK
- Russia
- the United States.



The ASEM process emphasising **equal partnership**, favouring general process of dialogue and cooperation based on **mutual respect** and **mutual benefit**. ASEM's work is organised by the ASEM Coordinators.

Established **1996** Membership **53**

- |   |  |
|---|--|
|  ASEAN Secretariat |  Lao PDR            |
|  Australia         |  Latvia             |
|  Austria           |  Lithuania          |
|  Bangladesh        |  Luxembourg         |
|  Belgium           |  Malaysia           |
|  Brunei Darussalam |  Malta              |
|  Bulgaria          |  Mongolia           |
|  Cambodia          |  Myanmar            |
|  China             |  Netherlands        |
|  Croatia           |  New Zealand        |
|  Cyprus            |  Norway             |
|  Czech Republic    |  Pakistan           |
|  Denmark           |  Philippines        |
|  Estonia           |  Poland             |
|  European Union    |  Portugal           |
|  Finland           |  Romania            |
|  France            |  Russian Federation |
|  Germany           |  Singapore          |
|  Greece           |  Slovakia          |
|  Hungary         |  Slovenia         |
|  India           |  Spain            |
|  Indonesia       |  Sweden           |
|  Ireland         |  Switzerland      |
|  Italy           |  Thailand         |
|  Japan           |  United Kingdom   |
|  Kazakhstan      |  Viet Nam         |
|  Korea           |  |

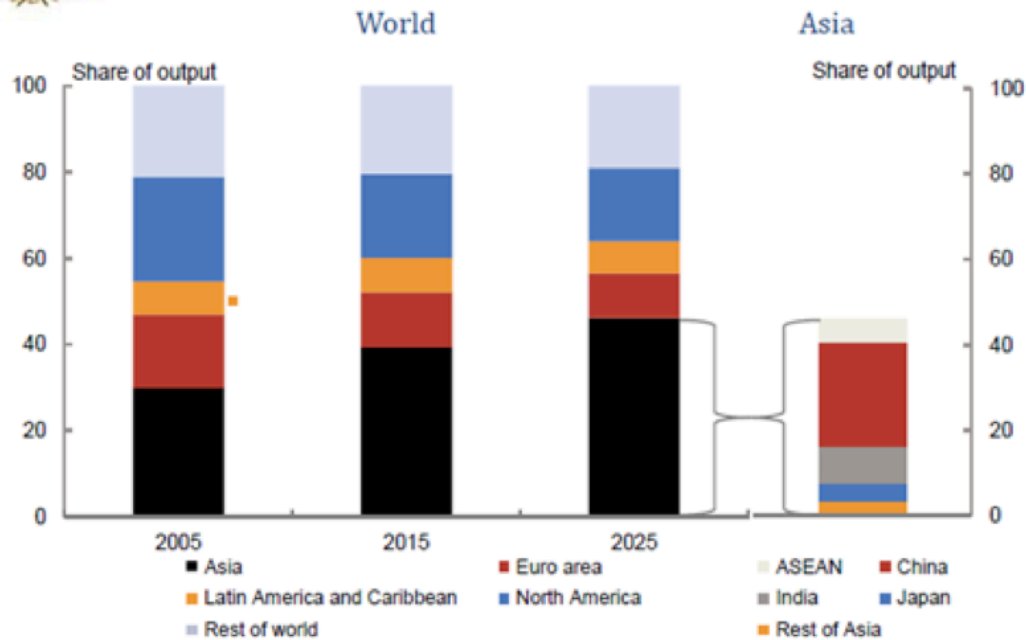


## Trans Pacific Partnership





## World Output Shares



Sources: The Conference Board (2012); IMF (2012c); Maddison (2010) and Treasury Projects

# G20

**Argentina**

**Australia**

**Brazil**

**Canada**

**China**

**France**

**Germany**

**India**

**Indonesia**

**Italy**

**Japan**

**Republic of Korea**

**Mexico**

**Russia**

**Saudi Arabia**

**South Africa**

**Turkey**

**United Kingdom**

**United States**

**European Union**