

ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

**BULLETIN ON**  
**ASIA-PACIFIC**  
**PERSPECTIVES**

**2003/04**

**ASIA-PACIFIC ECONOMIES:  
MAINTAINING DYNAMISM**



**UNITED NATIONS**

**ESCAP WORKS TOWARDS REDUCING POVERTY AND MANAGING GLOBALIZATION**

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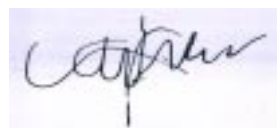
## FOREWORD

This issue of the *Bulletin on Asia-Pacific Perspectives* provides an assessment of the most recent developments in the global economy and their impact and implications for various economies or groups of economies within the ESCAP region. A more detailed review is undertaken in the annual *Economic and Social Survey of Asia and the Pacific*, published in April. The assessment benefited greatly from the collective wisdom of eminent persons from 14 member countries of ESCAP.

The mid-term review comes in the wake of several adverse developments in 2003, including the war in Iraq, the outbreak of SARS and geopolitical tensions in North-East and West Asia. Nevertheless, aided by an environment of exceptionally low interest rates and the dynamics of lower costs for finance, among other positive ripple effects, the global and regional economies have shown unexpected strength in 2003. Barring new negative shocks, growth in production and income in 2004 could be a percentage point higher than the rate expected for 2003 as a whole.

Issues in global and regional interdependence and in the promotion of sustainable development remain the focus of the shorter articles in the *Bulletin*. These articles provide a perspective on some of the major policy challenges facing countries in managing stable and equitable economic growth and social development against the backdrop of the Millennium Development Goals as set forth by world leaders in 2000 as well as unexpected, adverse external shocks. This issue of the *Bulletin* therefore embodies the ongoing and concerted efforts that are being made to enhance the role and relevance of the secretariat in the ESCAP region.

Finally, I wish to put on record my deep appreciation to the eminent persons who so generously gave of their time in support of our work in the secretariat and to the high-level experts for their written thoughts and perspectives on major issues of concern to us all.



Kim Hak-Su  
Executive Secretary



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Experts from outside the ESCAP secretariat contributed to the *Bulletin* in signed articles and in comments and suggestions at various stages of preparation. Chapter I, as the anchor article on international developments and regional implications, and chapter V, on coping with epidemiological disease outbreaks: lessons from SARS, were discussed at a Meeting of Eminent Persons on Current and Prospective Economic and Social Performance in the ESCAP Region, held in Bangkok, on 20 and 21 October 2003. The Eminent Persons, who attended the Meeting in their personal capacities, and other participants were: Hal Hill (Australia), Mustafizur Rahman (Bangladesh), Aiguo Lu (China), Arjun Sengupta and Bibek Debroy (India), Djisman Simandjuntak (Indonesia), Shinichi Ichimura (Japan), Ragayah Haji Mat Zin (Malaysia), Yuba Raj Khatiwada (Nepal), S.M. Naseem (Pakistan), Vladimir V. Popov (Russian Federation), Linda Low (Singapore), Pisit Leeahtam (Thailand) and Vo Tri Thanh (Viet Nam).

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## ABBREVIATIONS

ADB	Asian Development Bank
AFTA	ASEAN Free Trade Area
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
BIS	Bank for International Settlements
BTA	bilateral trade agreement
CD-ROM	compact disk read-only memory
EU	European Union
FDI	foreign direct investment
FTA	free trade agreement/area
GATT	General Agreement on Tariffs and Trade
GDP	gross domestic product
HIPC	heavily indebted poor countries
HIV/AIDS	human immunodeficiency virus/acquired immunodeficiency syndrome
ICT	information and communication technology
IMF	International Monetary Fund
MEA	multilateral environmental agreement
ODA	official development assistance
OECD	Organisation for Economic Cooperation and Development
PTA	preferential trade agreement
R and D	research and development
SAARC	South Asian Association for Regional Cooperation
SAPTA	SAARC Preferential Trading Arrangement
SARS	severe acute respiratory syndrome
SMEs	small and medium-sized enterprises
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
WHO	World Health Organization
WTO	World Trade Organization