

**GLOBALISATION AND LINKAGES TO 2020
CHALLENGES AND OPPORTUNITIES FOR OECD COUNTRIES**

International High-Level Experts Meeting

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

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**GLOBALISATION AND LINKAGES TO 2020:
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International High-Level Experts Meeting

1. OECD's study on "Globalisation and Linkages to 2020: Challenges and Opportunities for OECD Countries" is based on a 1995 Ministerial mandate. OECD Ministers requested that the final report be submitted to their meeting in 1997.

2. In the context of this study, an international high-level experts meeting was held on 17th and 18th June 1996 (a summary of the discussions is at Attachment 1). The invited experts came from most parts of the world and a variety of backgrounds -- political, business, academic and policy-making. There were experts in trade, investment, macro-economic policy, modelling, agriculture, development, environment, technology, finance and geopolitics. The list of the invited experts is at Attachment 2.

3. The meeting addressed four main themes:

- globalisation and linkage-intensive development: lessons for future developments;
- forces shaping the coming 25 years;
- challenges and opportunities for OECD countries: policy requirements in a globalising world; and
- globalisation and the role of OECD.

A copy of the agenda and programme is at Attachment 3.

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Summary of discussions

1. *Today's globalising world economy provides a co-incidence of interests for OECD and non-OECD countries, for perhaps the first time in history.* The enormous opportunities for co-operation with the developing world are beneficial for sustained economic growth in the developed world. The integration of developing countries into the world economy will help improve living standards, eliminate poverty and disease, and reduce the risks of a population time bomb and severe damage to the global environment. A strategic combination of policies, especially trade, investment and aid, would support this co-incidence of interests.

2. *A vision of the year 2020, in the "Globalisation and Linkages to 2020" project, could spur us on to the realisation of this co-incidence of interests.* Although some regional arrangements have goals for free trade and investment, no such goal exists at the multilateral level. A goal of global free trade and investment by 2020 would be an ambitious vision, for a "golden age". It would not be realised without enormous political will from OECD countries. Protectionist forces could endanger progress in globalisation -- unemployment and rising wage inequalities are often attributed to free trade. OECD can provide intellectual leadership for the achievement of this vision through the policy recommendations of its study on "Globalisation and Linkages to 2020".

I. Globalisation and linkage-intensive development:
lessons for future developments

3. *Globalisation has become the dominant trend in the world economy, notably through the rapid development of a growing number of non-OECD economies.* These dynamic and emerging market economies are "linking" themselves to the global economy through trade, investment, capital flows and technology exchanges. Increased ecological interdependence has been another powerful aspect of globalisation, notably through transborder pollution, such as acid rain.

4. *The first half of the 1990s has seen the most impressive and important period of East Asia's integration into the world economy.* For the first time since its economic take-off in the 1960s, East Asia grew strongly through an OECD recession, as intra-regional linkages intensified. The boom in the large Chinese economy boosted growth of its neighbours, there was an explosion of foreign direct investment and Japanese imports grew strongly despite the recession. Regional economic integration through trade and investment, especially between China, Hong Kong and Chinese Taipei, has been a notable characteristic of this strong development. The expansion of Chinese labour-intensive exports was accommodated by a reduction in such exports from the Newly Industrialising Economies (NIEs) (Hong Kong, Korea, Singapore and Chinese Taipei), which are now net importers of these goods. China could similarly accommodate India's prospective expansion of labour-intensive exports.

5. ***Trade and investment liberalisation has been a major driving force.*** A number of East Asian economies have substantially liberalised trade and investment, in particular China, Indonesia, Korea and Chinese Taipei (some sectors, such as agriculture, aviation and petroleum, have not been touched by this liberalisation). Investment liberalisation partly reflects competition among countries for investment funds. Investment liberalisation has contributed to trade liberalisation as investors push for freer trade, and vice versa. The eventual realisation of APEC's goal of free and open trade and investment in the Asia-Pacific region will further this. Although border trade barriers are not the most important obstacles to integration, their reduction puts pressure on other internal barriers. The multilateral system needs to "finish the job" on border barriers. There is a need for a global goal of a "borderless world". The APEC Economic Leaders Meeting in November 1996 and the Singapore WTO Ministerial in December 1996 provide opportunities for pursuing this goal. Progress towards a borderless world depends in large part on OECD countries.

6. ***The past five years have seen a sea change in economic policies in Latin America.*** Trade has been dramatically liberalised; massive privatisation has been undertaken, especially for infrastructure; Mercosur has been established, locking in liberalisation; and great progress has been made in macroeconomic stability. This has promoted linkages, notably for trade and investment. Some capital controls have been kept, in light of concerns about the volatility of capital flows. Sustainability of "linkage-intensive" development will require continued growth and exchange rate stability in OECD countries, and increased domestic savings in Latin America. Historically, periods of growth have been associated with increased integration.

7. ***Important progress in linkage-intensive development has also been made in a range of African countries.*** It is important not to present Africa as an undifferentiated continent. The economic and political failure of large countries, such as Nigeria and Zaire, has an important impact on the overall performance of Africa, but is by no means representative of a great many African countries.

8. ***The irreversibility of globalisation is not guaranteed.*** Corporate strategies towards developing countries are positive, but that has not always been the case, such as following the oil shocks and the debt crisis. The present corporate enthusiasm for investing in developing countries reflects their increasing supply of skilled labour (a relatively new phenomenon) and the growth of per capita income, which has led to a take-off in consumption. The fragile enthusiasm for developing countries could be threatened by problems such as corruption and red tape, and policy capriciousness. Policy convergence in developing countries would reduce transactions costs for the corporate sector.

9. ***The acceleration of globalisation in recent years was attributed to several factors:***

- a change in attitudes towards market-oriented policies, as reflected in the liberalisation taking place in Asia, Latin America, Central and Eastern Europe and to a lesser extent Africa. Liberalisation is not a concession, but enlightened self-interest, and is not based on reciprocity. However, such liberalisation has not involved the United States or the European Union -- in general, OECD countries have much lower tariff barriers than non-OECD countries. Taking liberalisation further may now require multilateral efforts

with reciprocity. While liberalisation has been a powerful force in globalisation, vested interests can marshal their forces to impose domestic regulatory barriers.

- post-Bretton Woods capital mobility has meant that countries now compete for financial and human capital, which leads to pressures for liberalisation. At the same time, capital volatility has had adverse effects in some instances.

- the development of "competent societies", notably through skilled labour, has enabled many developing countries to participate in the global economy. Countries which have not developed this competence are excluded from the global economy. "Although you can open the investment door, nobody might walk in." Thus, the priority of development co-operation must therefore be facilitating the emergence of competent societies through support for capacity building in the fields of human capital, infrastructure and good governance.

- rapid technical progress, especially information technologies and telecommunications networks.

10. ***Globalisation results in loss of policy independence in some areas, but greater freedoms in others.*** Governments are less free in their conduct of macroeconomic policy, though markets tend to punish governments for bad policies. Regulatory competition between countries leads to better policies in many areas, but for the environment it can lead to a global lowering of standards. Deeper integration can give greater freedom, such in the cases of Malaysia and Thailand, which are running high current account deficits. These are financed because of markets' confidence in policies and prospects. Economic integration can also stabilise political relationships.

11. ***Globalisation is beneficial, but it provokes structural adjustment and creates winners and losers.*** Skilled labour is often a "winner", relative to unskilled, in both OECD and non-OECD countries. Cities are at the centre of globalisation, while rural areas can be marginalised, raising questions for social sustainability. In countries like China, some regions are participating actively in the global economy, whereas others are also being marginalised. Globalisation can give rise to negative externalities, notably for the environment, which require international co-operation. Benefiting from globalisation requires the capacity to adapt. This would be enhanced by further labour market reform, regulatory reform in a broad range of policies and improving the capacity of rural and urban areas to support economic innovation and shape social and physical infrastructure. Many OECD countries have not demonstrated a great capacity to adjust in recent decades, as reflected in high unemployment rates.

II. Some forces shaping the coming 25 years

12. ***The lessons of geopolitics and history are that a great sense of modesty is necessary when projecting the coming 25 years.*** Accidents do happen in history, nothing is irreversible and nothing was bound to happen. Retrospective fatality is erroneous. The post-Cold War economy is characterised by globalisation, while the political scene is witnessing increased fragmentation and local wars. Economic developments will not alone shape our future. In the globalising world economy, societies and individuals are faced with an identity crisis and a crisis of confidence in the future. There is a widespread perception that the future will be worse than the

present. In recent years, there has been a complexification and acceleration of history. Nevertheless, over the last decade there has been a rapid turnaround with the very widespread adoption of pluralist democracy and market economy.

13. ***Several political trends will likely be relevant to the future.*** The quest for democracy transcends cultural differences. At the same time, there may be a crisis in government, which could be too big for small problems and too small for large problems. Russia has moved from having too much government in the Cold War era, to now having too little government. Everywhere, there is a loss of confidence in government -- people want better government, but are sceptical about the ethics of government and the effectiveness of representative democracy. Civil society has emerged as a major actor, which is particularly noticeable for ecological issues.

14. ***The 21st century may be the first century not dominated by the West.*** A continuation of globalisation will reinforce the gradual shift in global economic weight towards the Asia-Pacific region, that has been underway for 50 years. However, if low growth were to now occur in China or Indonesia, for political or other reasons, it could be destabilising for the whole region. Incapacity to absorb the growth of the labour supply and increased unemployment could lead to large migration pressures, notably through great numbers of refugees.

15. ***Technology will continue to be a major force, but as unpredictable as in the past.*** Technical change is the result of innovation and technology diffusion. Attempts are made to forecast "incremental innovation", but technological discontinuities are not foreseeable. Microelectronics and modern biotechnologies were just emerging in the late 1970s, and their future impact on economic development was completely unforeseen at that time. The impacts of microelectronics and information technologies more generally have already been considerable, but further productivity growth and structural change are expected. While biotechnology has not yet had major impacts, some suggest that it could lead to dramatic increases in life expectancy, agricultural yields and in the capacity to manage the environment.

16. ***The rapidly increasing knowledge-intensity of products and processes in the OECD's economies is a clear trend.*** This requires both greater specialisation and flexibility. The policy priority is for developing the capacity for change and lifelong learning. Technological advances are leading to an increasing differentiation among skilled and unskilled labour, particularly in developing countries.

17. ***Access to foreign technology and management methods was a major objective of China when it developed its "open door policy" in the late 1970s.*** A principal thrust of the Chinese reforms of their science and technology system, particularly in recent years, has been to promote innovation and technology diffusion with vigour. This has led to a reduction in the role of government, and an adaptation to the demands of the business sector. A second thrust of Chinese policy of the last decade has been to attempt to make domestic technology diffusion functional and to accelerate the importation of foreign technology via an important programme of "technological renovation". China's capacity to manage and accelerate the process of technical change, and develop entrepreneurial and management skills, will be of fundamental importance for the prospects for continued linkage-intensive development.

18. ***While the NIEs may experience declining growth in labour productivity in the period to 2020, the scope for increases in labour productivity growth is very large in lesser developed Asian economies.*** According to past trends, Asian labour productivity growth rises until GDP per capita reaches \$10,000, after which it starts slowing. Productivity growth slows with decreases in the opportunities for total factor productivity growth, as countries move closer to the world frontier. Following the slowdown in Japan, growth rates have declined in the NIEs. Thus, the NIEs will likely see further declines in labour productivity growth in the period to 2020. Nevertheless, there is great scope for improvements in labour productivity of large populations in China, India, Indochina and Indonesia.

19. ***The world's resources are sufficient to provide enough food for a likely world population of 8 billion in 2020, without degrading the environment.*** Population growth along with rapid urbanisation, income increases and dietary changes will substantially increase food demand over the next 25 years. World cereal demand could increase by 55 per cent, and meat demand by 75 per cent. This will put tremendous pressures on production and marketing. And most of the increases in food production will have to come from yield increases. But there is tremendous scope for increasing agricultural yields in China, India and central and eastern Europe.

20. ***To meet the challenge of providing adequate food to all the world's population, many policy changes will be necessary*** (at present, 800 million people do not have access to enough food for a healthy and productive life). Major policy action is required to: strengthen the capacity of developing country governments in agricultural policy; invest more in poor people; accelerate agricultural productivity through expanding national and international research focussed on developing countries; assure agricultural sustainability and sound management of resources; reduce food marketing costs in low-income developing countries; and expand official development assistance and re-orient it to low-income countries. Subsidies to the agricultural sector in OECD countries greatly exceed official development assistance.

21. ***Many forces shaping the future depend on what we do.*** Globalisation may lead to political tensions, and a major issue is how we deal with differences. No one economic or political system need necessarily dominate and differences can co-exist. Technological change creates winners and losers, and some groups may feel that they no longer have a stake in society. It is crucial to develop the capacity to manage change and make economies more flexible, in the context of ageing populations. New domestic institutions will be necessary for the rapidly-changing world, notably for personal insurance against change. Policy will also be important in managing bottlenecks, especially for the environment, labour market, infrastructure and transport. The private sector could play a much bigger role in the provision of infrastructure, as it did in Latin America in the 1930s.

III. Challenges and opportunities for OECD countries: policy requirements in a globalising world

22. ***The international trade and investment agenda has been strongly marked by the acceleration of globalisation over the last decade.*** The World trade/GDP ratio has increased three times faster than in the previous decade (and twice as fast as in the 1960s) and the FDI/GDP ratio has doubled. The sharpness of these trends may not necessarily continue, as pre-World War I levels are being

restored. For the United States, the share of merchandise trade in national income fell from 6.1 per cent in 1913 to 3.6 per cent in 1950, before rising again to 7.0 per cent in 1990. At the same time, many developing countries have not been touched by globalisation -- in 44 developing countries the trade/GDP ratio fell over the last decade, and two-thirds of all FDI to developing countries go to only 8 countries.

23. ***International trade seems to have increased the level of competition, as have domestic technology changes.*** The margins of comparative advantage between countries have narrowed, as both the differences in know-how and the relative costs of transport and communications costs have declined. A small shift in costs now has strong impacts on competitiveness. There has also been a vast increase in the exposure of tradeable industries. In the United States, there is evidence of increased labour turnover, as well as lower real wages for unskilled workers. North-South trade is often blamed for these trends -- this has not, however, been soundly substantiated.

24. ***Nevertheless, increased turnover in labour markets and a greater sense of vulnerability have increased protectionist pressures.*** In addition to traditional protectionist pressures, it was argued that this is reflected in claims of "eco-dumping" and calls for a social clause. This "externalises" the need for domestic adjustment. We need to develop new domestic institutions and promote policy reform to facilitate globalisation, notably through labour market reform, and education and training.

25. ***There are several environmental dimensions of globalisation.*** Ecological linkages are pervasive, through pollution flows across borders, destruction of the ozone layer, depletion of the world's fisheries and prospective global climate change. While OECD countries are responsible for more than half of greenhouse gases, such emissions are growing most strongly in developing countries that are urbanising quickly. By 2020 or earlier, China will exceed the US in greenhouse emissions. China's economic growth threatens Japan and Korea through acid rain. The prospective population growth of both China and India could also have dramatic environmental (and social and migration) implications. The greatest threats to the global environment are still poverty and war.

26. ***A number of environmental issues require worldwide collective action to achieve the "golden age".*** First, increased interdependence through trade and investment is linked to the environment, when environmental policies can be perceived as causing a competitive disadvantage. Thus, industries may lobby for relaxation of environmental standards, which could set off a "race to the bottom". This market failure requires international co-operation. Second, globalisation can also lead to "psychological spillovers", where certain communities feel distress at the other countries' environment policies. Third, in a globalised world, countries face many "common" environmental problems, for which it is enormously beneficial for countries to co-operate by technology transfer, exchanging data and information, and undertaking comparative studies.

27. ***To confront the environmental challenge of globalisation requires:*** improved management of worldwide ecological and public health issues; providing financial and technical support for the developing world's efforts to undertake environmental investments; channelling private international finance to environmental infrastructure; strengthening the capacity of national and local governments to meet the challenges of urbanisation, especially in terms of social and physical infrastructure; ensuring that every development project

includes appropriate environmental controls; and managing the increasingly significant environmental damage resulting from regional conflicts. In this context, more coherent international environmental governance would be very beneficial. Economic issues cannot be separated from environmental issues, and the polluter pays principle should be the basis of environmental policies.

28. ***Evidence of a "race to the bottom" in environmental policies to attract investment was also questioned.*** It was suggested that most governments tend to provide other incentives to attract investment, such as tax incentives. In any event, experience has shown that a stable macroeconomic climate and an open, predictable and transparent foreign investment regime are more effective means for attracting foreign investment.

29. ***Development co-operation has an important role to play in helping developing countries participate in the global economy.*** More coherent development co-operation efforts and policy signals are necessary on the part of donors. In this regard, there is a need to re-focus measures against corruption, from trying to chase corrupt people, to improving governance and institutions that can deal effectively with the corruption problem.

30. ***There was a proposal for developing "rules" for faster growth in the world economy.*** The world has a vast potential for economic growth, if we learn the lessons of the past. Trade involving evolutionary competition has been perhaps the most important driving force behind world growth, in addition to the growth of capital and human skills. Capital mobility has already played an important role in fostering competition between countries, governments and policies. Institutional competition could ultimately bring about policy harmonisation. This process would be enhanced by the evolution of norms. OECD could accelerate this process, by fostering a co-operative learning experience and pushing towards a consensus for more growth and employment.

31. ***When concluding on the challenges and opportunities for OECD countries from the further integration of non-OECD economies into the world economy, it is instructive to examine how other OECD countries reacted to the post-war development of Japan.*** In that case, there was great resistance to adaptation and change, in the form of restrictions on imports from Japan, voluntary export restraints, anti-dumping duties and market-opening measures.

32. ***How different might be the reactions to the further integration into the world economy of East Asia, Latin America, Central and Eastern Europe, and possibly Africa ?*** There has been much progress towards free trade, through the Uruguay Round and regional and other efforts. Nevertheless, there are reasons for caution. Comparative advantage shifts more rapidly. And people perceive the costs of change more than the benefits. There is also a tendency to associate change with increased imports, rather than other factors. Protectionist pressures may be greater, and the instruments for protection may be wider. While complying with multilateral liberalisation, anti-dumping duties can be readily applied. And "eco-dumping" and labour standards were argued to provide other avenues for protection. There is a need to develop mechanisms and domestic institutions to deal with increased job insecurity and minimise protectionist pressures. Ultimately, however, economic and social problems of OECD countries must be addressed through domestic policy reform, including through radically freer labour markets. To be effective, many of the appropriate measures will have to be implemented at the local and regional levels.

IV. Globalisation and the role of OECD

33. ***OECD has evolved greatly in the globalising world economy.*** It has been "globalising" itself, notably through new Members and dialogue activities via the Policy Dialogue with the Dynamic Non-Member Economies of Asia and Latin America, the Centre for Co-operation with Economies in Transition, the Emerging Market Economy Forum, and specific programmes of dialogue and co-operation with China, India and Russia. Further, analysing the many facets of the process of globalisation, and their policy implications, has become the central theme in OECD's work, as the challenges and opportunities of globalisation have become a high priority of policy-makers in OECD countries.

34. ***We may indeed be entering a new epoch, a globalised world economy. And OECD is at a watershed in this changing world.***

- Designing policies to promote globalisation and facilitate adjustment and adaptation will remain a central task of OECD. Particular attention should be focussed on the winners and losers of globalisation, the need for adjustment and the negative externalities of globalisation, notably for the global environment. OECD should harness more than ever its capacities in multidisciplinary analysis. It can tackle complex and technical issues which many countries cannot do alone, and for which there are economies of scale for all countries.

- OECD has to lend its analytical support to the WTO for strengthening the open and rules-based multilateral system. OECD makes a unique contribution through its multidisciplinary approach to analysing trade and investment issues.

- Developing more 'rules of the game' and policy guidelines, and spreading international best practice for a globalising world economy, to ensure that globalisation remains a "positive-sum game", should be a higher priority for OECD.

- Accession of some non-OECD economies to the prospective Multilateral Agreement on Investment (MAI) would be beneficial. However, it would be useful for the MAI negotiations to take into account the environmental effects of foreign investment. It was suggested that this could be done by linking the MAI to OECD's "Guidelines for Multinational Enterprises" which contain, inter alia, a section on environmental protection.

- The extent to which policies need to be co-ordinated and standardised in the context of increasing integration, is a specific analytical issue which OECD could very usefully address. Some regional integration arrangements seek to co-ordinate and standardise perhaps too many aspects of economic activity. As the area of economic integration widens, it is probably necessary to have a greater acceptance of differences. Too much international co-ordination and standardisation could create difficulties, tensions and frictions for globalisation.

35. ***OECD should be more actively responsive to the concerns of politicians and the public in general.*** Policy recommendations should be based on more concrete, empirical analysis, which address many of the widely-held preoccupations and misconceptions, rather than on theoretical arguments. In particular, more evidence of the adaptability of economies in the past to the forces of globalisation would be more convincing to politicians and policy-makers. A good communications strategy needs the right raw material.

36. **Better communicating the OECD "policy message" to have a greater influence on policy formulation is of critical importance.** A broad consensus exists on many aspects of the policy requirements for a globalising world economy. But policymakers, politicians or the general public are not always convinced, and many misconceptions persist. Sometimes, it is interest groups that block reform, against the greater good. It is necessary to identify clearly the necessary targets for OECD's policy message and maximise its influence on policy. To this end, OECD should:

- get "closer to the ground" in explaining to governments and the public that globalisation is a "good thing" and the policy requirements to take advantage of it;

- refine its press strategy to take account of the fact that the press tends to focus on "bad news" of globalisation, while rarely mentioning the "good news";

- work more closely with politicians, such as by bringing groups of Ministers together more frequently;

- help governments themselves transmit policy messages to their own publics; and

- develop a role as an educator in economic matters, by explaining concretely the nature of globalisation and the adjustment processes -- a certain degree of independence in its work is necessary in this task.

International High-Level Experts Meeting
17th-18th June, 1996

List of experts

- Mr. Jagdish Bhagwati**, Professor of Economics, Columbia University, US
- Mr. Kwesi Botchwey**, Visiting Scholar, Harvard University, US; former Minister of Finance, Ghana
- Mr. Lans Bovenberg**, Deputy Director, Central Planning Bureau, the Netherlands
- Mr. Daniel Esty**, Yale University, US (former Deputy Chief of Staff of the US Environmental Protection Agency)
- Mr. Winston Fritsch**, CEO, Kleinwort Benson do Brazil (former Professor of Economics at the Catholic University of Rio de Janeiro, and former Secretary for Economic Policy of the Finance Ministry at the time Fernando Henrique Cardoso was Brazil's Finance Minister)
- Mr. Ross Garnaut**, Professor of Economics, Australian National University and former Australian Ambassador to China, Australia
- Mr. Herbert Giersch**, Former President, Kiel Institute of World Economics, Germany
- Mr. Stephen Guisinger**, Professor of International Management School of Management, University of Texas at Dallas, US
- Dr. Peter Havlik**, The Vienna Institute for Comparative Economic Studies (WIIW), Vienna, Austria
- Mr. David Henderson**, Former Head, Economics and Statistics Department, OECD, UK
- Mr. Sinichi Ichimura**, International East Asia Research Institute, Japan
- Ms. DeAnne Julius**, Chief Economist, British Airways, UK
- Mr. Thorvald Moe**, Director General, Ministry of Finance, Norway
- Mr. Dominique Moïsi**, Deputy Director, Institut Français des Relations Internationales, France
- Mr. Jim Mullin**, Mullin Consulting Ltd. Canada, former Vice President, International Development Research Centre, Canada
- Mr. Per Pinstrup-Andersen**, Director-General, International Food Policy Research Institute, Washington, US
- Mr. David Turnham**, Former Head of Division, OECD Development Centre, Principal Author of "Linkages: OECD and Major Developing Economies"
- Mr. Naohiro Yashiro**, Professor of Economics, Institute of International Relations, Sophia University, Japan

GLOBALISATION AND LINKAGES TO 2020:
CHALLENGES AND OPPORTUNITIES FOR OECD COUNTRIES

International High-Level Experts Meeting
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Agenda

Monday 17th June 1996

SESSION 1: 9.30 - 13.00

Globalisation and linkage-intensive development:
lessons for future developments

WORKING LUNCH: 13.00 - 15.00

Globalisation and the role of OECD

SESSION 2: 15.00 - 18.00

Some forces shaping the coming 25 years

Tuesday 18th June, 1996

SESSION 3: 9.30 - 13.00

Challenges and opportunities for OECD countries:
policy requirements in a globalising world

GLOBALISATION AND LINKAGES TO 2020:
CHALLENGES AND OPPORTUNITIES FOR OECD COUNTRIES

International High-Level Experts Meeting
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PROGRAMME

OPENING REMARKS

Mr. Donald Johnston, Secretary-General, OECD

SESSION 1: GLOBALISATION AND LINKAGE-INTENSIVE DEVELOPMENT:
LESSONS FOR FUTURE DEVELOPMENTS

Chair: Mr. Donald Johnston, Secretary-General, OECD

Lead speakers:

- (i) A Latin American perspective

Mr. Winston Fritsch, CEO, Kleinwort Benson do Brasil (former Professor of Economics at the Catholic University of Rio de Janeiro, and former Secretary for Economic Policy of the Finance Ministry at the time Fernando Henrique Cardoso was Brazil's Finance Minister)

- (ii) An Asia-Pacific perspective

Mr. Ross Garnaut, Professor of Economics, Australian National University and former Australian Ambassador to China

- (iii) A corporate perspective

Ms. DeAnne Julius, Chief Economist, British Airways, UK

Summing up:

Ambassador Thorvald Moe, Chief Economic Advisor, Royal Ministry of Finance, Norway, Chairman of Working Party No.1 of OECD's Economic Policy Committee

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WORKING LUNCH: GLOBALISATION AND THE ROLE OF OECD

SESSION 2: SOME FORCES SHAPING THE COMING 25 YEARS

Chair: Mr. Jean Bonvin, President, OECD's Development Centre

Lead speakers:

- (i) A geopolitical perspective

Mr. Dominique Moïsi, Deputy Director, Institut Français des Relations Internationales, France

- (ii) New information technologies and future technological change

Mr. Jim Mullin, Mullin Consulting Ltd. Canada, former Vice President, International Research Development Centre

- (iii) Prospects for productivity growth

Mr. Sinichi Ichimura, International East Asia Research Institute, Japan

- (iv) Prospects for global agriculture

Mr. Per Pinstrup-Andersen, Director-General, International Food Policy Research Institute, Washington, US

Summing up:

Mr. Lans Bovenberg, Deputy Director, Central Planning Bureau, the Netherlands

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SESSION 3. CHALLENGES AND OPPORTUNITIES FOR OECD COUNTRIES: POLICY REQUIREMENTS IN A GLOBALISING WORLD

Chair: Mr. Makoto Taniguchi, Deputy Secretary-General, OECD

Lead speakers:

(i) International trade and investment

Mr. Jagdish Bhagwati, Professor of Economics, Columbia University, US

(ii) Global environment

Mr. Daniel Esty, Yale University, US (former Deputy Chief of Staff of the US Environmental Protection Agency)

(iii) International rules of the game

Mr. Herbert Giersch, Former President, Kiel Institute of World Economics, Germany

Summing up:

Mr. David Henderson, UK, Former Head, Economics and Statistics Department, OECD

Concluding Comments:

Mr. Makoto Taniguchi, Deputy Secretary-General, OECD