



18th PECC General Meeting

Political Implications of
the Crisis in Regional
Economies

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Analyses the Political Implications From a Broad Vision (1)

- Financial crisis has led to debate: Which developing module, Road or system are better?

Market economy or planned economy?

Capitalism? Socialism? Or a combination?

Washington Consensus ? European values? or Beijing Consensus ?



Analyses the Political Implications From a Broad Vision (2)

Changes of comprehensive national ability
of the big powers:

- Russia, China, India, Brazil etc are on the rise.
- US, Japan, and some European countries are on the decline.



Positive Effects

- More coordination among the big countries
- More multilateral cooperation Such as G8+, G20, BRICs, VISTA, Next-11 and other new developing countries
- Influence Foreign policy stand or orientation

For example, USA decides to withdraw its troops from Iraq, takes less unilateral actions and has more multilateral cooperation, uses more smart or soft power rather than force, changes its nuclear stand



Negative Effects

- Cause Domestic problems such as unemployment, social unrest, instability, power shift, for example, in Thailand, Japan, Myanmar, the Philippines and China too
- If regional issues were not handled properly, they would Lead to possible conflicts and even a war so as to shift the crisis, such as tension on the Korean peninsula, in South China Sea and in East China sea



Way out (one)

- Jointly fight against financial crisis because we are on the same boat
- Make full use of existing dialogue mechanisms to increase mutual understanding and trust ,reduce wrong judgment
- Strengthening more multilateral cooperation
- Abolish cold war mentality and adopt the new security concept



Way out (two)

- Solve domestic trouble by itself, don't shift crisis onto others
- Refrain from use of force or sanctions to solve international or regional issues in this particular time in order to prevent conflicts or even a war
- Solve the potential issues through dialogue and negotiations, if the problem could not be settled right now, postpone them



Future

- Establish a sound countries' relationship on the bases of relevant international law
- To bring a win-win result to all of us
- Learn from each other and perfect its own social system
- China's proposal: to establish a harmonious world



End

Thank you

Good by!

