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| **Lecturer** | Prof. Sang Chul Park |
| **PJO\* Offer** | YES |
| **PJOE\*Offer** | YES |
| **Major, year, level of studies for PJO (\*required)** | 2nd cycle preferably |
| **Semester of 2022/2023** | Summer |

\* PJO – course in foreign language for Polish students / PJOE – course in foreign language for Polish and Erasmus+ students
\*\* leave appropriate

BASIC INFORMATION ABOUT THE SUBJECT (INDEPENDENT OF THE CYCLE)

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| **Module name** | **Mega FTAs and Reshaping Global Supply and Value Chains based on the US and China Conflict** |
| **Erasmus code** |  |
| **ISCED code** | 0311 |
| **Language of instruction** | English |
| **Website** | [https://www.umcs.pl/en/courses-in-english-2021-2022,21582.htm](https://www.umcs.pl/en/courses-in-english-2021-2022%2C21582.htm) (for PJOE) |
| **Prerequisites** | Foreign language capacity and social science background |
| **ECTS points hour equivalents** | Contact hours (work with an academic teacher): 15Total number of hours with an academic teacher: 15Number of ECTS points with an academic teacher: 1,5Non-contact hours (students' own work): 15Total number of non-contact hours: 15Number of ECTS points for non-contact hours: 1,5Total number of ECTS points for the module: 3  |
| **Educational outcomes verification methods** | Lecture and presentation, discussion, Q & As |
| **Description** | It is no doubt that the global trade has contributed to a rapid economic growth in the world since the Second World War. However, the growth of the trade volume started to slow down in the global economy particularly after the global financial crisis in 2008. It started to grow shortly after 2015, but faced again to decline due to the global trade conflicts between G2 under the Trump Administration in 2018 and the COVID-19 Pandemic in 2020. In particular, the Pandemic represents an unprecedented disruption to the global economy and world trade, as production and consumption are scaled back across the globe. As a result, the world trade volume in goods bottomed in the second quarter of 2020 and was estimated to grow to 10.8 percent in 2021 compared to 2020, while the global GDP was predicted to grow 5.3 percent in 2021. The large annual growth rate for merchandise trade volume in 2021 was regarded mostly as a reflection of the previous year’s slump. Despite the rapid recovery of the global merchandise trade volume in 2021, regional disparities remained largely. Imports of Asia in 2021 were expected to rise 9.4 percent compared to 2019, while imports of least developed countries would have fall 1.6 percent. Additionally, global trade in services was expected to lag behind the global trade in goods particularly in sectors related to travel and leisure due to continuing the Pandemic based on dangerous variants of COVID-19. Therefore, the world trade could meet its target earliest in the third quarter of 2022 based on the WTO’s forecast if the Russia-Ukraine War ends as early as possible. In Jan. 2022, there were 350 free trade agreements (FTAs) in force, and among them 174 FTAs were signed and in effect in the Asia and Pacific region. 77 FTAs are still on negotiation, 15 FTAs are signed but not yet in effect. All FTAs are either bilateral or plurilateral. Singapore is the leading country with 37 FTAs, and China and Korea follow with 32 FTAs respectively. Other Asian countries, India with 30 FTAs and Japan with 27 FTAs play also significant roles in terms of FTA due to their national economic sizes in the region. In addition to bilateral and plurilateral FTAs, the Asia Pacific region has become the common ground for mega FTAs after completing Regional Comprehensive Economic Partnership (RCEP) led by ASEAN officially, but practically by China in Nov. 2020 and Comprehensive and Progressive Trans Pacific Partnership (CPTPP) led by Japan in Dec. 2018. China has negotiated the RCEP with ten ASEAN member nations and six nations with which ASEAN have existing trade agreements. The ambition of the RCEP is to promote regional economic integration in East Asia and to expand it to the Asia Pacific region continuously. Among 15 nations in the RCEP, seven nations participate in the CPTPP as well. The CPTPP aims to rebalance of the Japanese political and economic interests against Chinese emerging in the region as a part of global strategies.In order to complete the RCEP, China has pushed hard. It already announced to protect the free trade mechanism in the World Economic Forum (WEF) in 2017 in order to overcome protectionism based on the trade conflict with the U. S. Finally, the RCEP was completed in Nov. 2020 although India withdrew from it in the final stage. Before completing the RCEP, the CPTPP entered already into force on 30 Dec. 2018. Among the three major economies, only Japan has participated in the two Mega FTAs at the same time, while China and Korea have participated only in the RCEP. Due to the rapidly changing global trade environment related to the security issue and newly building global supply chains (GSCs) led by the U.S., China and Korea strongly expressed their intention to join the CPTPP as well at the end of 2021. This lecture focuses on approaches of the three major economies for mega FTAs such as the RCEP and the CPTPP how these will develop and affect to China, Japan and Korea in the near future. Additionally, it deals with possible impacts of the trade conflicts between the USA and China on the three major economies in particular and on the ASEAN member nations in general. Furthermore, it also analyzes what are implications for East Asian economic collaboration and competition to deal with the reshaping the new global supply and value chains. Last, but not least, it touches upon why and how the reshaping the new global supply chains is taking place in the region. |
| **Reading list** | 1. Basu Dasu, S. (2017) The Future of Trade Diplomacy, Perspective, Feb. No. 9, ISEAS Yusof Ishak Institute
2. Chaisse, J. (2020) The Regional Comprehensive Economic Partnership’s Investment Chapter: One Step Forward, Two Steps Back?, Columbia FDI Perspectives, No. 271, Feb. 10.
3. Francois, J. and Elsig, M. (2021) Short Overview of the Regional Comprehensive Economic Partnership, Policy Department for External Relations, Brussels: European Parliament
4. Graceffo, A. (2017) China at Davos: US-China Relations are the focus of the World Economic Forum, Jan. 23, Foreign Policy Journal
5. Hearn, A. H. and Myers, M. (2015) China and TPP: Asia Pacific Integration or Disintegration? The Dialogue, China and Latin America Report, July
6. Hoang, N. H. and Hoan, T. Q. (2019) Vietnam and the CPTPP: Achievements and Challenges, Issue 2019, No. 41
7. Hopewell, K. (2021) Would China’s move to join this transpacific trade pact push the U.S. to rejoin? It’s complicated, Sep. 27. The Washington Post
8. Johnston, E. (2017) 16 Nation RCEP Talks Resume in Wake up of TPP’s Demise, Japan Times, Feb. 27
9. Kawai, M. and Wignaraja, G. (2008) EAFTA or CEPEA: Which Way Forward? ASEAN Economic Bulletin, No. 25, pp. 113-139
10. Kawai, M. and Wignaraja, G. (2011) Asian FTAs: Trends, Prospects, and Challenges, Journal of Asian Economics, Vol. 22, p. 14
11. Kumar, M and Charlton, B. (2017) RCEP will step into gap as Trump pulls out of TPP, Jan. 23, Oxford Analytica Daily Brief
12. Kim, B-U (2021) Report of Analysis on the Supply Chain Weakness of Korean Industry and Its Trajectory, Sejong: KIEP
13. Lee, C. M. (2020) South Korea Is Caught Between China and the United States, Oct. 21, Carnegie Endowment for International Peace
14. Park, C. Y., Petri, P. A., and Plummer, M. G. (2021) Economic Implications of the Regional Comprehensive Economic Partnership for Asia and the Pacific, ADB Economics Working Paper Series, No. 639, Oct., Manila: Asian Development Bank
15. Park, S. C. (2016) Korea’s Trade Strategies for Mega Free Trade Agreements in Regional and Global Economic Integration, International Organizations Research Journal, Vol. 11, No. 4, pp. 19-40
16. Park, S. C. (2021) The Regional Comprehensive Economic Partnership (RCEP) Without Indian Participation: Can It Work as a Mega FTA?
17. Park, S. C. and Pasierbiak, P. (2018) Japan’s Role in East Asian Economic Regionalism, Institutions and Economies, Vol. 10, No. 2, pp. 121-145
18. Pederson, A. (2021) Sharper: Supply Chain Security, Oct. 06, Center for New American Security
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| **Educational outcomes** | KNOWLEDGE1. Technology transform in the industrial revolutions
2. Impacts of high technology on the global economy
3. Changing structures of the global economy toward digital economy

SKILLS1. English capacity
2. Basic knowledge of social sciences in politics, economy, sociology etc.

ATTITUDES1. Readiness to learn
2. Goal oriented
3. Responsibility and sincerity
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| **Practice** | n/a |

INFORMATION ABOUT CLASSES IN THE CYCLE

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| **Website** | [https://www.umcs.pl/en/courses-in-english,21103.htm](https://www.umcs.pl/en/courses-in-english%2C21103.htm) (dla PJOE) |
| **Educational outcomes verification methods** | Lecture and presentation, discussion, Q & As |
| **Comments** | - |
| **Reading list** | 1. Background of global trade
2. Macro environment of global trade
3. WTO and multilateralism
4. Multilateralism versus bilateralism
5. Emerging Mega FTAs
6. Trade conflict and protectionism
7. Trade conflict between the USA and China
8. End of globalization and renewing regionalization?
9. Trade war and technology hegemony
10. Pandemic and outbreak of global supply chains
11. Trade war and reshaping global supply and value chains
12. East Asia’s role in reshaping global supply and value chains
13. Strategic technologies in the new global supply and value chains
14. New global supply and value chains and global economy
 |
| **Educational outcomes** | KNOWLEDGE1. Technology transform in the industrial revolutions
2. Impacts of high technology on the global economy
3. Changing structures of the global economy toward digital economy

SKILLS1. English capacity
2. Basic knowledge of social sciences in politics, economy, sociology etc.

ATTITUDES1. Readiness to learn
2. Goal oriented
3. Responsibility and sincerity
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| **A list of topics** | 1. Background of global trade
2. Macro environment of global trade
3. WTO and multilateralism
4. Multilateralism versus bilateralism
5. Emerging Mega FTAs
6. Trade conflict and protectionism
7. Trade conflict between the USA and China
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10. Pandemic and outbreak of global supply chains
11. Trade war and reshaping global supply and value chains
12. East Asia’s role in reshaping global supply and value chains
13. Strategic technologies in the new global supply and value chains
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| **Teaching methods** | Lectures with power points, discussion, Q & As, home works, teamwork etc. |
| **Assessment methods** | The course will be evaluated by two examinations. One is the midterm examination, and the other is the final examination. Additionally students need to submit short reports based on individual tasks which must be maximum three pages with A4 size of word format. Moreover, students and instructor can communicate with one another by internet and email closely in order to share their views and opinions that can generate new ideas and solution measures how to apply their knowledge for their future and Asian economic integration.The credit will be given by A+ (100 ~ 95 points), A (90 ~ 94 points), B+ (85 ~ 89 points), B (80 ~ 84 points), C+ (75 ~ 79 points), C (70 ~ 74 points), D+ (65 ~ 69 points), D (60 ~ 64 points), and F (less than 59: failed). |