

Introduction

The new century began with uncertainty, without direction, nor ideology clear enough to picture what the process of future globalization would be. “New World Order”, the vision professed by the previous Bush Administration has been vanishing due to the lack of support from the rest of the world. The nation’s international economic activities were negotiated and regulated by the General Agreement on Tariffs and Trade (GATT), now with the monitoring international organization composed of all member nations of the World Trade Organization (WTO). The difficulties in the negotiations through these institutions are more visible today than ever. Today, the future of global capitalism is said to be in danger with the regionalization of world economy.

The movement towards global capitalism is an ongoing international politics of last half-century, first promoted by the United States and England after the World War II. It is based on the idea that economic prosperity everywhere can be achieved by the globalization of trade, which by result would create a maximum wealth in capitalist economies in the world as a whole. This movement was practiced by various international institutions, principally with a multilateral approach. The United States’ trade diplomacy has been focused on the opening of the foreign market. By promoting capitalism, it was hoped that it would become a vehicle for the promotion of the privatization of the domestic economy in that country, thus bringing out their competitive nature in economy.

It was believed that this economic development and rise in the standard of living of the country would promote the American way of life and the American type of democracy in the rest of the world.

In the lapse of the last two decades, as the economic growth of nations has changed, the trend of foreign trade policy practiced by these nations has changed also. At the same time, globalization's definition itself became gradually more of an increasing economic interdependence and integration of nations everywhere on the global scale. Also, it had become more evident that concepts such as a nation's "well being" and "democracy" were different, as nations started to speak out about the matters with their cultural values at heart.

The approaches for globalization practiced by nations have changed increasingly since the end of the Cold War. The European economic bloc originally threatened the very principle of the multilateral approach towards globalization was eventually admitted for the political reason of the Cold War. After the Cold War, the approach to this globalization of economy has advanced from "multilateral" arrangements at the global level, to "multilateral" regional trade arrangements (RTA) or regionalization, and then to economical "bilateral" free trade agreements (FTA). As time passed and the difficulty of the multinational negotiations under GATT became evident during the last Uruguay Round of multilateral approach, nations started to acknowledge the regionalization of the economy as another way which may well serve to reach the final goal of economic globalization.

The three megaregionalisms that exist today in Asia, America and Europe are becoming more and more contradictory to each other in their formation and ideology on how to achieve the final goal of economic globalization through their trade organization. The different national political strategies in this era of 'great competition' will form the character of the future expanding regionalism and eventually decide the future of world globalization. The successful globalization through the process of regionalization is said to be possible, if, the regionalization can a building block in a process toward economic globalization, namely in the form of an open-regionalism.

In this thesis, the principal ideology behind the formation of a megaregionalism in Asia, Asia-Pacific Economic Cooperation (APEC) is examined. Theory of globalization and surge of regionalization in its history is discussed in chapter I. The organizational principles and character of APEC as an international organization are examined through formations of APEC and its agenda focuses in chapter II. Roles of principal actors are examined to see the different positions of main players in APEC. And finally, national strategies that are practiced today, principally by Japan, the United States and Mexico, will be focused for the future role of APEC towards successful globalization in chapter IV. By examining those nations' practices on international trade policy, this thesis explores the possibility of a future role of APEC towards economic globalization.

Asia's development was much talked about and observed at the end of last century because of its economic growth. The development will be commented

upon in terms of its formation. There are three key conditions for the success of APEC as a megaregionalism: First, presence of strong leadership for equitable development in the region. Secondly, the integration of underdeveloped nations to the process of globalization. And lastly, APEC's functional ability to successfully coordinate the free trade agreements within the region.

