

*2<sup>nd</sup> Euro-Asia Summer Seminar*

*East Asia and the European Union in Global Governance: Comparative Perspectives*

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Lecture: *De jure* and *de facto* Economic Integration in East Asia

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Abstract:

In East Asia, *de facto* economic integration has first deepened up to a substantial level while *de jure* economic integration has followed with a time lag. Then we observe multifaceted feedbacks between *de facto* and *de jure* in both directions.

Three points are to be made. First, *de facto* economic integration in East Asia has rapidly advanced, but the East Asian economy is still far from “being perfectly integrated.” Uneven development of *de facto* economic integration has in fact provided a basis of unprecedented international production networks in the region. Second, *de facto* economic integration has developed primarily with market forces, but not with the absence of policy support. Policy environment setting economic and politico-economic conditions was extremely important for the development of *de facto* economic integration in East Asia. Third, the fact that *de facto* economic integration starts before *de jure* economic integration certainly affects the path of the following political effort. In particular, MNEs themselves become influential actors who directly and indirectly influence the process and contents of *de jure* economic integration.

Similarities and differences in the path of economic integration between Europe and East Asia provide useful insight on the multifaceted nature of regionalism.