

One Asia Foundation International Lectures, Fall 2019 Semester  
“Humanities General Education: The Asian Community: The Construction and  
Transformation of East Asiaology” Lecture Series (7)  
Title: Recent Trends in Economic Partnership in the Asia-Pacific

For the 7<sup>th</sup> One Asia Foundation International Lectures, we invite Professor Tomohiko Kobayashi, Otaru University of Commerce. Professor Kobayashi specializes in international law, international economic law and used to serve as Deputy Director in the Trade Policy Bureau, Multilateral Trade System Department, Ministry of Economy, Trade and Industry. The lecture is summarized as the following:

Professor Kobayashi first introduces what is “international economic law,” which was defined as “International rules that restrict states’ regulatory power to intervene in private trading activities.” Consecutively, Professor Kobayashi presents hot topics involving international trade, including US-China trade war, round negotiation stalls for a decade, Korea-Japan trade dispute, etc.

Then in order to help students understand the stream of commerce, he asked seven students to play the roles of buyer, seller, custom officials, customs broker, carriers, insurer, storage corporation. Through the simulation of the process of goods export and import, students and teachers not only can understand the multiple legs of international trade, but also different/diverse interests of each actor and the impact of customs office and domestic regulations.

Professor Kobayashi leads students to play a “The Dice are Cast” game. The class was divided into four teams and the goal of each team is to maximize the points that it earns during 5 rounds. However, the tricky part is that the numbers on the dices for different teams were written with different foreign languages that students do not understand. Students need to decide how to report their score through internal discussion. This game involves strategic problem. Thus, during the process of game, students understand that the so-call rule is not designed for all but discussed and negotiated by many individuals who attempt to maximize their own profit.

Professor Kobayashi uses pyramid set to describe the structure of the international trade law and helps everyone understand what is the meaning of learning international trade law. International trade law not only affects citizens’ daily lives but also brings impact to national industrial structure. Besides, Professor Kobayashi also introduces the philosophy of international economic law, i.e. trade is “individual” liberty and should be implemented spontaneously. Though traditionally some countries tend to interfere private trade activities, a country should not interfere excessively. The restriction on a country’s interference can realize “Liberalization” and “Non-discrimination.”

“Non-discrimination” and “liberalization” is the basic principles of the WTO. The principles “Non-discrimination” refers to “Treat equals equally” and the rules include “Most-Favored-Nation (MFN) treatment” and “National Treatment (NT).” The rule of

“Most-Favored-Nation (MFN) treatment” prohibits discrimination among goods from different countries and the rule of “National Treatment (NT)” prohibits unfavorable treatment of imported goods compared to local product. The principle of “Liberalization” minimizes governmental intervention in trade including prohibit quantitative restrictions, imposing customs duties that exceeds the promulgated level is prohibited, etc.

Professor Kobayashi concluded with the following:

1. Trade is driven by self-interests of private parties
2. States have legitimate incentives to regulate trade
3. Aim of int'l trade law is to prevent excessive government regulations on trade
4. WTO's long-term objective is to raise the standard of living
5. Non-discrimination and trade liberalization are means to attain WTO's goal
6. FTAs coexist with WTO as legitimate exception
7. Negotiations are required to create rules and to move forward

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