
International Conference on
The End of Double-Digit Growth Implications for Economic Sustainability in Asia
Organized by
Konrad-Adenauer-Stiftung, SOPAS Program Asia, Chulalongkorn University
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**Economic Sustainability of Asia
at the End of Double-Digit Growth**

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Asia during the Global Crisis: Growth

	2010	2011	2012	2010-12	2013	2014	2013-14
Central Asia	6.8	6.8	5.6	6.4	5.4	6.0	5.7
East Asia	9.8	8.2	6.5	8.2	6.6	6.6	6.6
South Asia	8.4	6	5.1	6.5	4.7	5.5	5.1
South East Asia	8.4	6	5.1	6.5	4.7	5.5	5.1
The Pacific	5.5	8.3	7.5	7.1	5.2	5.5	5.4
Average	9.2	7.3	6.1	7.5	6.0	6.2	6.1

Source: ADB, outlook 2013 update.

2010-12 A Global Crisis?

Asia average growth 7.5% (range 6.4-

8.2%)

2013-14 is an Asia/Global adjustment?

Asian expected average growth 6.1% (range 5.1-6.6%)

Worry of 1.5% less?
Making the 5+%
in every region
continue

Observation: No trade protectionism but more FTA

No capital control but sterilization and bubble in the k-market

Asia during the Global Crisis: Current Account %

	2010	2011	2012	2010-12	2013	2014	2013-14
Central Asia	4.8	7.7	5.1	5.9	2.4	4.5	3.5
East Asia	4.3	2.4	3	3.2	2.7	2.6	2.7
South Asia	-2.3	-3.6	-4.2	-3.4	-3.2	-3.2	-3.2
South East Asia	6.3	5.4	3	4.9	2.0	2.3	2.2
The Pacific	21.7	42	15.2	26.3	4.8	4.4	4.6
Average	3.5	2	1.8	2.4	1.6	1.6	1.6

Source: ADB, outlook 2013 update.

2010-12 The first adjustment

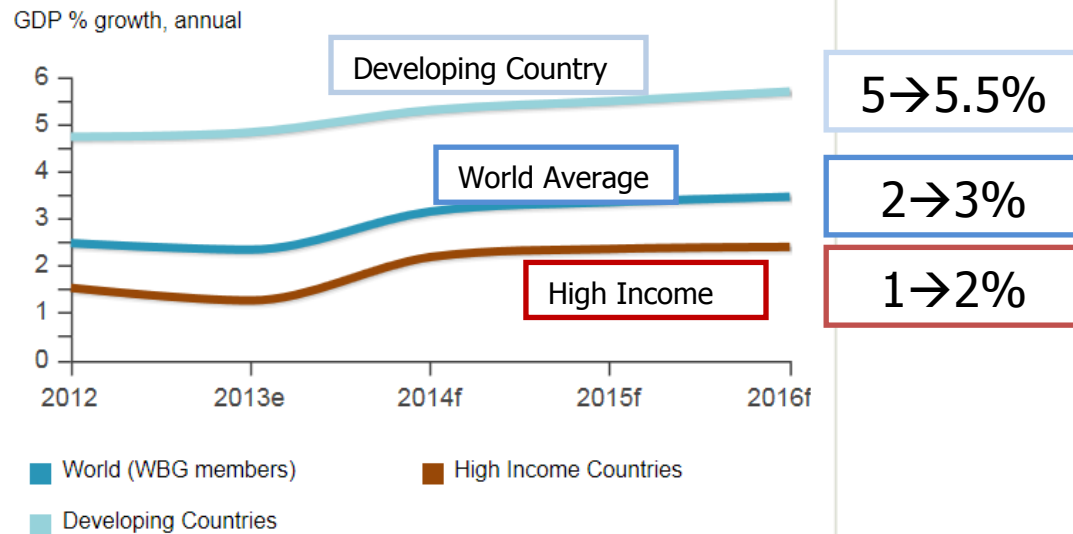
Asian C/A surplus from 5% (before crisis) to 2.4% of GDP

2013-14 is a second adjustment?

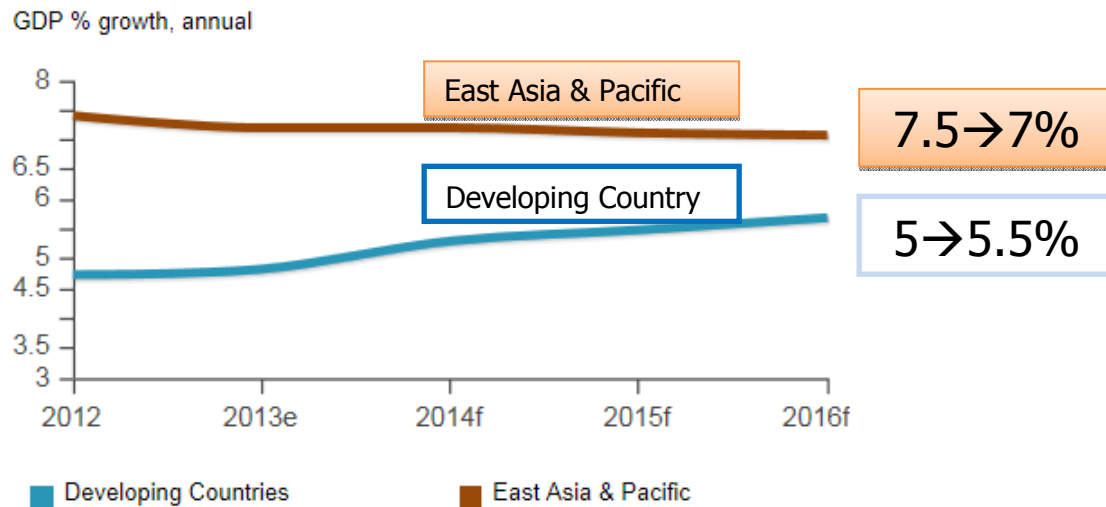
Asian C/A surplus from 2.4% to 1.6% of GDP

Worry of less C/A surplus?
Seeing as
Asia is do the work to bring
global economy back to normal

Global Growth Situation



1. Global recovery slightly
2. Contributed by both High Income and Developing countries

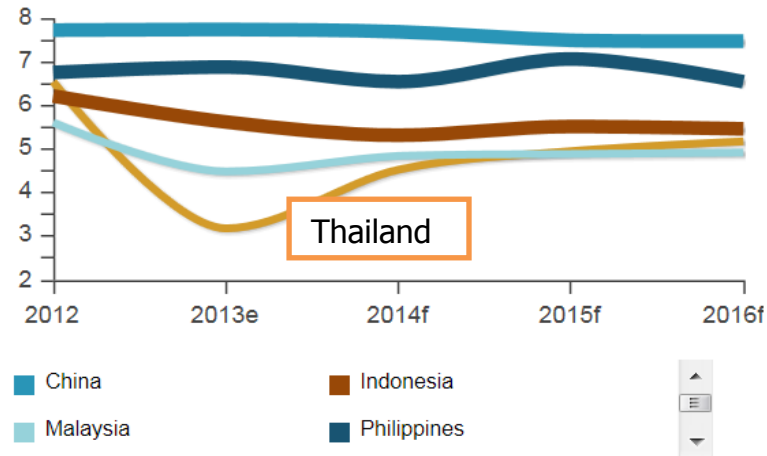


1. Only East Asia and Pacific move lower
2. But maintaining the highest rate of growth

Source: World Bank, Jan 2014

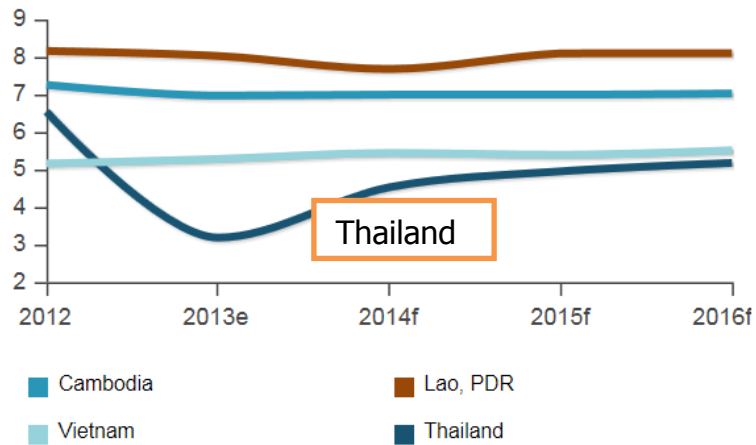
ASEAN Growth Situation

GDP % growth, annual



CHINA 7%
PHI 6%
IND 5%
MAL 4.5%
THA 4.5%

GDP % growth, annual

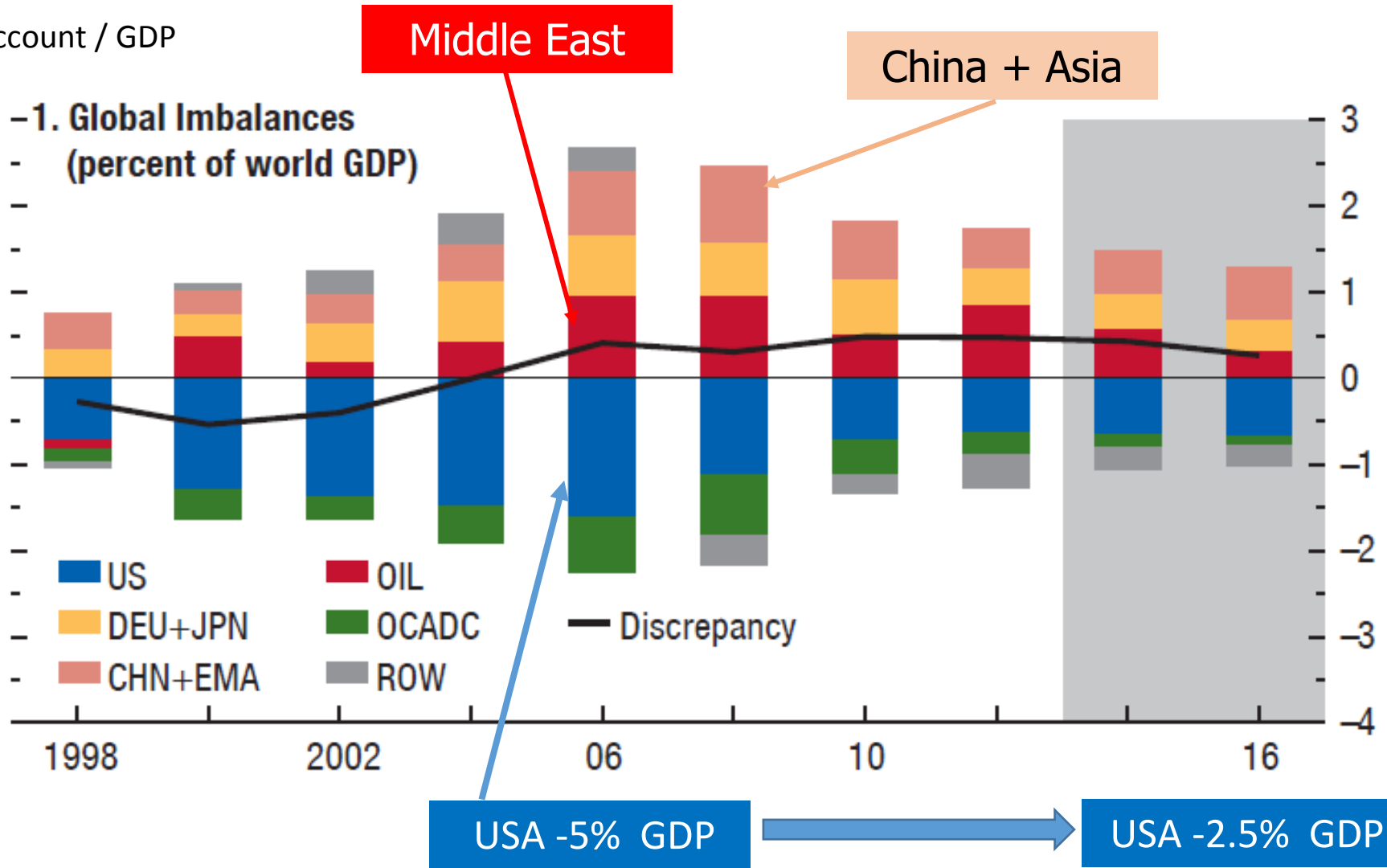


LAO 8%
CAM 7%
VIE 5%
THA 4.5%

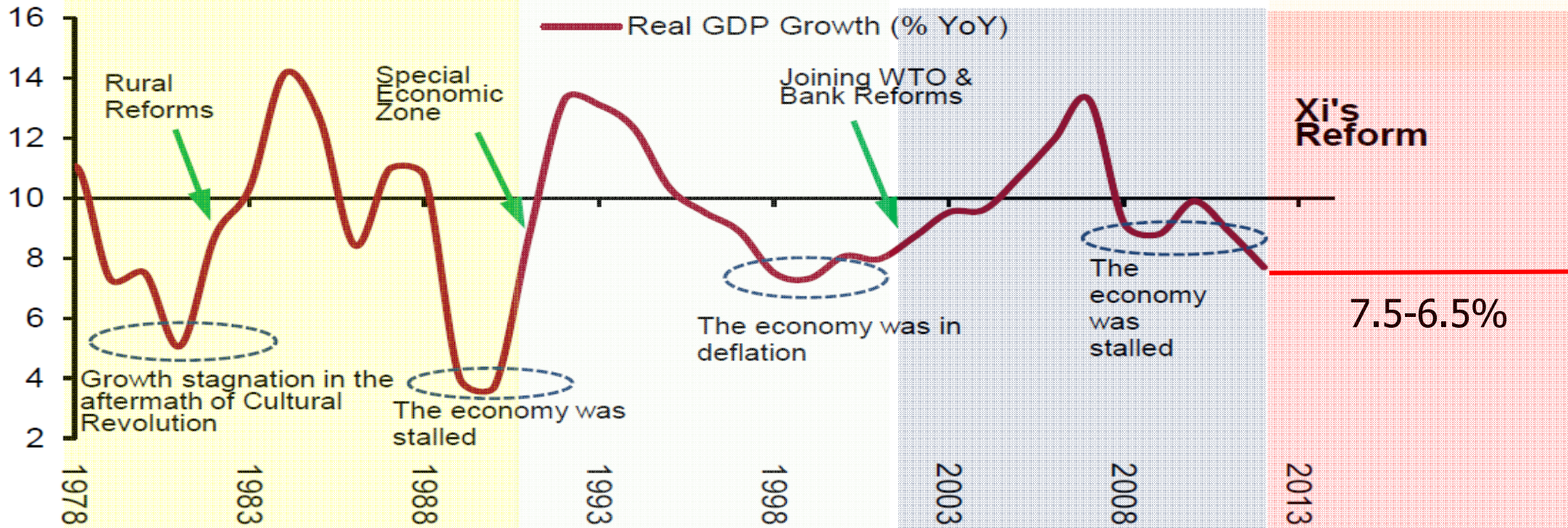
1. All ASEAN-10 grow at more than 4%, above the global average
2. ASEAN-4, like China, grow at slower rate but remain high
2. CLMV turn to be new growth center of 5-8% rate of growth

Correcting the Global Imbalance... New Norm

Current Account / GDP



Economic Reform in China



Source: Credit Suisse



1978 นำการเปลี่ยนแปลง
1989 สงมอบตำแหน่งให้ผู้นำรุ่นต่อไป

เติ้ง เสี่ยวผิง
1978-1989



เจียง ซิหมิน
เลขาธิการพรรค (1989-02)
ประธานาธิบดี 1993-2003



หู จินเทา
2003-2013



สี จิ้นผิง
2013-now

- The 8-10% rate of growth which depending on exports and current account surplus has been saturated
 - China will maintain growth rate at around 7%
 - China will not continue to have high current account surplus as before
- Must support the domestic economy
 - Use more of the market mechanism and encourage role of private sector
 - Reduce the role of government in resource allocation and let the market work
 - The government will emphasis its roles in economic stability, improve public services, supervise fair competition, and maintain law and order
 - Must improve fiscal and monetary mechanism to be more flexible
- Must make development to reduce economic disparity throughout the country