

Abstracts

YAMAKAGE Susumu, ASEAN Factor in the Creation of an East Asian Community

Draft Charter of the East Asian Community is well-prepared and quite reasonable to realize. This review is focused not on the draft itself but the circumstances on which a prospective community will be based. There are various regional groupings in East Asia as well as Asia-Pacific. Even if ASEAN Plus Three is a right size, convincing arguments cannot be found in the introductory chapter. The authors' view and assessment of the fact that there are various groupings are not shown either. ASEAN is already moving toward the creation of the ASEAN Community. The would-be relationship between the two communities needs to be discussed because a regional community that would surpass ASEAN seems unrealistic.

TAKIZAWA Saburo, Comments on the East Asian Community Charter: From the Perspective of Forced Displacement and Constructivism

The issue of "People in the move", particularly those who are forced to move, is becoming one of the global issues facing the world, particularly in Asia. This paper argues that the proposed East Asian Community should address the issue squarely in view of its far-reaching implications. The article illustrates how, during the last 60 years, the United Nations and regional organizations have successfully set the forced displacement issues on the international agenda, based on the "constructivist approach" in international relations theories. The article highlights crucial roles played by a visionary Secretary-General and a competent secretariat acting as an agent in bringing about changes in values, attitudes and identity or structural changes. The article finally makes some pragmatic suggestions on the organizational design of the new secretariat.

SHIMIZU Kazushi, 'Draft Charter of an East Asian Community' and Regionalism: From the Viewpoint of Intra-ASEAN Economic Cooperation and AEC

This paper reviews and assesses the "Draft Charter of the East Asian Community" in Nakamura, T., Suami, T., Usui Y. and Sato, Y. (2008) *Draft Charter of the East Asian Community (Showa-do)*. First, we evaluate that the "Draft Charter of the East Asian Community" stated the objectives and norms for East Asia, and that this draft

charter was an important achievement originated from Japanese academics. Second, from the viewpoint of economic cooperation, we evaluate that this draft charter stated the important objectives including economic development for East Asian community. Next, the current issues relating to this draft charter is discussed. Last, this paper analyses the methods and directions to study Regionalism in the extension of this draft charter and CREP studies.

Nakamura Tamio, The Significance of “the Draft Charter of the East Asian Community” and Future Research Agenda for Comparative Study of Macro-Regionalism

This paper, written by one of the four drafters of the proposed Charter of an East Asian Community, makes a defence against critical comments on the Charter made by three reviewers in this issue. The most important message inherent in the Charter, which the critics fail to appreciate, is that it is possible and crucial to institutionalise in a legal form a flexible but principled Community among the countries of ASEAN, Japan, China and Korea, even though they have huge diversity in many respects. With a view to establishing a tailor-made Community to respond to globalisation and regionalisation in economy and socio-political issues, the drafters distilled and applied major political practices and legal techniques developed by ASEAN as well as those developed by the EU. The paper also explains how the drafters developed the idea of having a Community of thirteen countries, comprised of the ten ASEAN countries and Japan, China and Korea, in order to be more effective in forming macro-regional cooperation in East Asia.

**USUI Yoichiro, A Basic Conception of “Draft Charter of an East Asian Community”:
Evolving Customary Political Coordination Towards an East Asian Legal Order**

The paper replies to three critical review articles addressing “The Draft Charter of an East Asian Community” (published by Showado in 2007). From arguments of these three articles, the paper picks up two essential questions and three practical issues. Essential questions are: 1) What does the proposed Community mean in essence?; and 2) Whom the Community care for in the end? Three issues are: 1) political motivations of member states; 2) policy areas pursued by the Community; and 3) organizational capability of Community organs. In considering these topics, the paper sheds light upon the basic aim of the Draft Charter, that is to set up an institutional incubator for

future establishment of an East Asian legal order, and then the paper underlines prospective customary practices of informal political coordination in this institutional incubator, on the basis of which we can expect normative evolution of politics at the community level.

OTAKI Masayuki and TAMAI Yoshihiro, A Note on the Dynamic Monopolistic Competition in Monetary Economy

In the new Keynesian economics, monopolistic competition plays an important role. Many static research is based on the distortion due to the monopolistic pricing. Namely, relative prices of goods to leisure become too high and hence the shortage of consumption and excess leisure appear. Thus the equilibrium of monopolistic competition becomes second best.

However when the theory is extended to dynamics, there emerges another important effect of monopolistic competition. In the dynamic model, monopolistic power lowers the inflation rate; nominal wage depends on not only current but also future prices. Consequently the relative prices of current goods to future ones become higher by the monopolistic power. It possibly improves the lifetime utility because the unit current labor supply can buy more future goods.

Thus the detrimental effect of the reduction of real wages in terms of the current goods is entirely offset by the lowered inflation rate. Accordingly, there only remains the increase of the monopoly rent due to the product differentiation. In other words, Nash equilibrium (price-making equilibrium) can dominate Walrasian equilibrium (price-taking equilibrium) in the dynamic model.