

## **Hong Kong in the Era of Asian and Global Trade Regionalism**

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Global trade talks are stalled and there is today a global proliferation of bilateral free trade agreements (FTAs), Asian sub-regional integration (e.g. the ASEAN Free Trade Area), moves towards Asian and East Asian trade integration be it in the form of an ASEAN “Plus Three” or “Plus Six” scenario, and even renewed talk of a 21-member APEC-wide FTA. There is now widespread concern about the WTO. China, which has an important role in determining the future shape of regional trading arrangements in the Asia-Pacific, is itself an active player in the FTA game. In light of this and Hong Kong’s close integration with the Mainland economy, what is the true role today of Hong Kong’s independent trade authority under “one country, two systems”? Should Hong Kong, notwithstanding its status as a separate customs territory, see itself simply as part of the Mainland in the face of growing global trade regionalism? This would assume only a minimal role for Hong Kong trade diplomacy outside the WTO. What are Hong Kong’s reasons for not pursuing FTAs of its own in the face of what has become a world-wide race towards FTAs?