

GTAP-related Activities 2016-2017

June 2017

Research Institute of Economy, Trade and Industry (RIETI)

The Research Institute of Economy, Trade and Industry (RIETI) is a policy think tank established in 2001. Its mission is to conduct theoretical and empirical research, maximize synergies with those engaged in policymaking, and to make policy proposals based on evidence derived from such research activities. The institute is highly regarded both in Japan and abroad for its activity over the past ten years.

Under the fourth medium-term plan covering the four-year period commencing in April 2016, RIETI will build on the achievements it has made over the previous 15 years and continue to make efforts to enhance its function as a knowledge platform and secure its position as an internationally esteemed policy think tank.

When considering Japan's economic policies in the midst of globalization, an understanding of international trade and foreign direct investment is even more important now than in the past. “International Trade and Investment” program among above ten programs, focusing on the globalization of firm activities (i.e., exports and overseas production), will study the international trading networks of firms from theoretical and empirical perspectives, while also studying trade policies and international trade and investment rules from empirical and legal perspectives.

In light of an increasing number of free trade agreements (FTAs), the objective of “A Study of Free Trade Agreements”, which is one active project of “International Trade and Investment” program is to investigate the impacts of FTAs on the economies of Japan and other countries, in order to provide the Japanese government with useful information in formulating trade policy. The analyses will take the form of ex-ante and ex-post. The ex-ante analysis is to examine the possible impacts of FTAs, which are still in negotiation or under study, by conducting simulation analyses using the computable general equilibrium models. The ex-post analysis is conducted by using the observed data after the FTAs are enacted. In addition to quantitative analysis, this research undertakes a qualitative analysis focusing on the role of FTAs in reconstructing the world trade system.

The GTAP database and model simulations have been employed for the ex-ante studies to estimate the economic impacts of FTAs, in particular, in Asia-Pacific, and presented and discussed in the various occasions; those include following conferences.

Conferences

- Kenichi Kawasaki, “Economic Impacts of TPP/EPAs”, Future Global Trade Regime

Seminar, Japan External Trade Organization (JETRO), RIETI, World Economic Forum (WEF) and International Centre for Trade and Sustainable Development (ICTSD), Tokyo, July 12, 2016

- Kenichi Kawasaki, “Brexit - Emerging Variety of EPAs -”, 2016 Asia-Europe Trade Roundtable, University of International Business and Economics (UIBE), Beijing, October 29, 2016