

Closed-door dialogue with and invited presentation to Madam Christine Lagarde, Managing Director of the International Monetary Fund, on the theme of “The New Economy in Asia”, Lee Kuan Yew School of Public Policy and Monetary Authority of Singapore, 14 November 2017.

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Notes

During his presentation on global production networks in Asia, Prof Yeung shared three pertinent trends and three policy issues with Madam Lagarde, several chief economists of international banks, and a few officials from the Monetary Authority of Singapore and the International Monetary Fund.

Pertinent trends: Prof Yeung discussed (1) the massive consolidation among top 10-20 firms in all major segments of the electronics industry; (2) the key intersections of electronics, particularly semiconductors and computing, with other cutting-edge technologies, e.g. autonomous cars, data analytics (cloud servers and data centres), and AI (computing and other devices); and (3) Asia’s domination in manufacturing and supply chains, but limited technological innovations in R&D centres based in Asia.

Key policy issues: Prof Yeung suggested focus on (1) promoting trade facilitation in production inputs and intermediate goods and services to support and sustain cross-border production networks in all industries; (2) promoting greater role of SMEs in developing countries because of their critical importance to how localities and regions can “couple with” or “plug into” GPNs; and (3) moving on from developing national champions and national industries to developing specialized niches within global production networks in Asia.