



Asia-Pacific
Economic Cooperation

Advancing
Free Trade for Asia-Pacific
Prosperity

CHANGES AFOOT IN THE APEC ECONOMY

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Trade Growth Declining



- The traditional growth driver
- Merchandise trade declining
- Energy and commodity slowdown
- China slowdown and on-shoring
- Trade liberalisation and political economy

But Globalization Continues



- **Investment flows still strong**
- **Services trade growing**
- **SMEs becoming more international**
- **People movements growing strongly**
- **Information and data flows booming**

But Growth is Slowing



- Low productivity and the secular stagnation argument
- Demand-side features and policy
- Supply-side features and policy
- Potential growth constrained
- APEC slower than the rest of the world?

Big Changes in Demography



- New middle class populations
- Growing urban dwellers
- Changing consumption & savings
- Ageing populations
- More retirees
- Ageing workforces

Big Changes in Technology



- **Traditional technology reaching limits?**
- **The arguments about new technologies**
- **Disruptive technologies**
- **Disruptive trading channels**

A Disruptive Period?

- Recovery from the GFC?
- Or another Kondratiev/Kuznets wave?
- Thinking about the future

Thank you



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