

This report summarises the roundtable discussions. In keeping with Chatham House rules, comments are not attributed to individuals. While every attempt has been made to be faithful to the points raised, some amount of interpretation and reordering is inevitable. There was no attempt to reach a consensus on any given point, and on some points, there were clearly differing opinions. Due to the time limitations, many insightful points raised were not given due attention. Some of these are presented, with limited commentary, in Annex B. There was strong support for follow-up roundtables, both to reassess the evolving situation and to discuss in greater depth specific aspects of the crisis such as the role of China, social impacts, and business opportunities for Canadian firms.

The Asia Pacific Foundation of Canada would like to thank the roundtable guests for their participation, without which this report would not be possible. Special thanks also to Dr David Dodge who did a superb job of moderating the meeting. Any errors and omissions are of course the sole responsibility of the editor.

## 1.0 Analysing the Crisis

### National Idiosyncrasies and Structural Change

On a day which opened with the news that the Hang Seng stock market index shot up 14 percent overnight, it was perhaps surprising that no one took the view that the Asian crisis was merely a cyclical downturn. The feeling that changes underway in Asia were of a structural nature was widely held, even though opinions differed as to the pace and extent of the changes. Some of the signs of structural change already underway or likely to take place include:

- impending default of large amounts of corporate debt, especially by ethnic Chinese firms in the region
- imposition of capital controls
- decline in intra-regional trade and investment
- "dumping" of goods by exporters
- build-up of social pressures
- the growing role for the IMF as a "backbone" for weak governments.