Press Release

# Success Unlikely in Indo-Pacific Economic Framework Without New Market Access

PAULINA ENCK | JUNE 2, 2022

While in Japan last month, President Biden announced the launch of the Indo-Pacific Economic Framework (IPEF), a cornerstone of the administration's strategy for economic engagement in Asia and ostensibly intended to be a mechanism for countering China's influence in the region. In a new insight, Director of International Economic Policy Tori Smith examines the components of the IPEF (with special emphasis on the trade pillar), notes what the framework is missing, and considers Congress' minimal role in the negotiations.

Key points:

- The IPEF will include 13 countries: Australia, Brunei, Fiji, India, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Thailand, and Vietnam.
- The IPEF will involve negotiations on four policy pillars: (1) fair and resilient trade; (2) supply chain resilience; (3) infrastructure, clean energy, and decarbonization; and (4) tax and anti-corruption.
- IPEF participants can choose which initiatives to join, but the framework lacks market access components – the "carrots" of successful trade negotiations – making it unlikely to substantively increase trade flows between the United States and IPEF countries or counter China's influence in the region.

*Read the analysis*