



A Study on the Policy of the Chinese Frontier Trade

The purpose of this study is analyzing the China's frontier trade policy and then suggesting the Inter-Korean Exchanges & Cooperation policy initiative. The core principle of the WTO is non-discrimination. Members generally not favor other partners and treat them indiscriminately. An exception to this rule is Regional trade agreements(RTAs). Members are permitted to enter into RTAs under specific conditions. As a member of WTO, China has a frontier trade policy In light of WTO' regulations.

China adopt frontier trade policy, for give border inhabitants of China and China's neighboring countries to favorable treatment and convenience. But China's frontier trade policy is over the admitted range(within 15km from the border). China is trading business-oriented goods for business purposes beyond daily necessities in frontier trade.

China's frontier trade is developing as a general trade that promotes regional development over the living convenience of the residents of the border region. Due to the characteristic of the divided Korean peninsula, which has the same language and culture, China's frontier trade could provide meaningful implications for inter-Korean exchange.

This study aims to examine frontier trade in China and present a policy for north and south Korea's Economic Cooperation. Policy initiatives are as follows. First, promoting peddler trade market between the two Koreas. Second, promotion of border trade in production factors between South and North Korean companies located in the DMZ area. Third, the creation of inter-Korean cooperation district.

Keyword

Frontier trade, Peddler trade market, Border trade