

**SPEECH BY  
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COOPERATING FOR PEACE AND PROSPERITY IN EAST ASIA

LADIES AND GENTLEMEN,

THIS YEAR, 2008 IS TURNING OUT TO BE A PARTICULARLY TRYING YEAR FOR EAST ASIA. TURBULENT WEATHER IS COMBINING WITH UNDERGROUND TECTONIC SHIFTS TO CAUSE SOME OF THE MOST DEADLY DESTRUCTION KNOWN TO MAN. THE DEVASTATION HAS BEEN PROFOUND. OVER 100,000 PEOPLE ARE DEAD AND MILLIONS HAVE BEEN INJURED OR RENDERED HOMELESS BY THE TYPHOON IN MYANMAR AND THE EARTHQUAKE IN CHINA.

2. SPIRALLING PRICES OF FOOD, FUEL AND OTHER COMMODITIES AROUND THE WORLD ARE DECREASING THE VALUE OF INCOMES AND CAUSING WIDESPREAD HARDSHIP AMONG THE REGION'S POOR. INFLATION IS AT A 26-YEAR HIGH IN SINGAPORE, A 12-YEAR HIGH IN CHINA AND A 10-YEAR HIGH IN HONG KONG AND TAIWAN. IN MALAYSIA INFLATION WOULD HAVE BEEN HIGH AS WELL EXCEPT FOR SUBSIDIES ON SOME ESSENTIAL COMMODITIES PROVIDED BY THE GOVERNMENT.

3. THE PRICE OF FOOD, ESPECIALLY RICE, ARE AT AN ALL-TIME HIGH IN NEARLY ALL COUNTRIES. FOOD SECURITY HAS NOW BECOME THE REGION'S BIGGEST CONCERN. CRUDE OIL SOLD AT A RECORD US\$130 PER BARREL YESTERDAY. THIS WAS SIMPLY UNIMAGINABLE JUST FIVE YEARS AGO, WHEN THE PRICE WAS US\$30 A BARREL. THE SITUATION HAS CAUSED DISSATISFACTION AMONG THE PEOPLE AND CREATED SOCIAL UNREST IN SOME PLACES.

4 THE WORST, IT APPEARS, IS YET TO COME. THE UNITED NATIONS HAS FORECAST A SERIOUS GLOBAL ECONOMIC DOWNTURN, FUELLED BY THE HOUSING AND FINANCIAL WOES BESETTING THE U.S ECONOMY GLOBAL GROWTH THIS YEAR IS ESTIMATED TO BE ONLY 1.8 PERCENT, LESS THAN HALF OF LAST YEAR'S GROWTH RATE OF 3.8 PERCENT. REGIONAL GROWTH WILL POSSIBLY DECLINE BY 2 PERCENT, THOUGH IT WILL REMAIN ABOVE 5 PERCENT. FOR NEXT YEAR, 2009, GLOBAL GROWTH IS ESTIMATED AT ONLY 2.1 PERCENT. THE ECONOMIC OUTLOOK IS THEREFORE GRIM.

LADIES AND GENTLEMEN,

5. PERHAPS, WE CAN EXPRESS SOME RELIEF THAT DESPITE THE DIRE ECONOMIC FORECASTS, EAST ASIA HAS BEEN A REGION OF EXCEPTIONAL DYNAMISM AND GROWTH. DURING THE PERIOD 1990 TO 2005, NO LESS THAN 240 MILLION PEOPLE WERE RESCUED FROM EXTREME POVERTY IN CHINA ALONE. IN VIETNAM IT WAS 27 MILLION, AND IN INDONESIA IT WAS A SIMILAR NUMBER. THIS IS INDEED A REMARKABLE ACHIEVEMENT.

6. YET POVERTY REMAINS AN ENORMOUS PROBLEM IN OUR REGION. IN 2005, NEARLY 170 MILLION PEOPLE WERE SURVIVING UNDER CONDITIONS OF EXTREME

POVERTY. IN THE SAME YEAR, 585 MILLION POOR EAST ASIANS LIVED ON USD 2 A DAY. THE NUMBER SWELLS AND THE PROBLEM BECOMES OVERWHELMING WHEN NATURAL DISASTERS STRIKE, LIKE THE TSUNAMIS, EARTHQUAKES AND TYPHOONS. THEREFORE, THE ERADICATION OF POVERTY MUST REMAIN CENTRAL IN THE STRATEGIC PLANNING OF EAST ASIAN COUNTRIES.

7. BUT, THE PRESERVATION OF HUMAN DIGNITY ALSO REQUIRES THE PROTECTION OF CIVIL AND POLITICAL RIGHTS. THESE INCLUDE THE FREEDOM OF EXPRESSION, THE FREEDOM TO CHOOSE LEADERS, THE RIGHT TO PERSONAL SAFETY AND PEACEFUL CONDITIONS AS WELL AS THE RIGHT TO JUST REDRESS FOR THE WRONGS BEEN DONE IN THE SOCIETY. I MUST QUICKLY ADD, HOWEVER, THAT IN ORDER TO PRESERVE SOCIAL HARMONY AND STABILITY, THESE RIGHTS MUST NECESSARILY BE EXERCISED WITH FULL RESPONSIBILITY.

8. IT IS NOT DIFFICULT FOR GOVERNMENTS, INCLUDING THOSE IN EAST ASIA, TO RATE THEMSELVES ON THE SCALE OF GOOD GOVERNANCE. PEOPLE ARE NOT PROTECTED WHEN OPPRESSION EXISTS. LEADERS NOT CHOSEN BY THE PEOPLE CANNOT CLAIM TO REPRESENT THEM. THE PEOPLE'S WELFARE IS NOT SERVED WHEN CORRUPTION PERMEATES IN THE SYSTEM. AND THE QUEST FOR JUST REDRESS WILL REMAIN UNFULFILLED IF THE JUDICIARY IS UNRELIABLE. WITHOUT GOOD GOVERNANCE, DEMOCRACY IS AN EMPTY SHELL.

LADIES AND GENTLEMEN,

9. LET ME ALSO TOUCH UPON ANOTHER PERENNIAL CHALLENGE CONFRONTING EAST ASIA. EVERY SINGLE COUNTRY IN EAST ASIA HAS TERRITORIAL DISPUTES WITH OTHERS IN THE SAME REGION. FORTUNATELY, WE HAVE NOT GONE TO WAR TO RESOLVE THEM. THERE ARE SEVERE IDEOLOGICAL CONTRADICTIONS AMONG SOME OF US. BUT WE CONTINUE TO TRADE HEAVILY WITH ONE ANOTHER. WE ALSO INVEST MASSIVELY IN EACH OTHER'S ECONOMIES. THERE HAS BEEN NO FIGHTING ON THE KOREAN PENINSULA FOR OVER HALF A CENTURY. RELATIONS BETWEEN JAPAN AND CHINA ARE MUCH BETTER. SO TOO ARE RELATIONS BETWEEN CHINA AND TAIWAN.

10. YET PEACE IN EAST ASIA REMAINS TENUOUS. REGIONAL SECURITY IS BEING THREATENED LESS BY MILITARY PREPARATIONS OR MANEUVERS ON THE GROUND BUT MORE BY THE VAGARIES OF REGIONAL POLITICS. CHANGES IN THE POLITICAL LEADERSHIP HAVE BEEN KNOWN TO BE ACCOMPANIED BY DRAMATIC SHIFTS IN POLICY. THE PROGRESS IN RECONCILIATION PROCESSES HAVE BEEN REVERSED. WARMING RELATIONS SUFFER RELAPSES. STRUGGLES FOR INFLUENCE BETWEEN DISTANT POWER CENTERS CAN THROW A SPANNER IN THE SMOOTH PROGRESS OF NEGOTIATIONS. DURABLE PEACE CANNOT TAKE ROOT IN THE MIDST OF SUCH VAGARIES.

LADIES AND GENTLEMEN,

11. DESPITE ALL THE CHALLENGES THAT I HAVE ENUMERATED, I AM UNABASHEDLY OPTIMISTIC. BUT EAST ASIA MUST STRIVE VERY HARD IF IT IS TO BECOME A REGION OF TRUE PEACE AND REAL PROSPERITY. OF COURSE, THERE CAN BE NO DOUBT THAT REGIONAL PEACE AND PROSPERITY BEGINS AT THE NATIONAL LEVEL. IT DEPENDS VERY MUCH UPON WHAT EACH OF US CAN DO FOR OURSELVES. AS WITH CHARITY, DEVELOPMENT BEGINS AT HOME. ESSENTIALLY, SALVATION LIES IN OUR OWN HANDS.

12. ECONOMIES THAT ADOPT THE WRONG DEVELOPMENT MODELS, NATIONS THAT DO NOT EDUCATE AND EMPOWER THEIR PEOPLE AND COUNTRIES THAT ARE ESTRANGED FROM THE REST OF THE WORLD WILL FIND IT DIFFICULT TO LIFT THEMSELVES OUT OF POVERTY AND BACKWARDNESS. THEY WILL BE LEFT BEHIND. THE FUTURE BELONGS TO THOSE WHO GOVERN THEMSELVES WELL, DEVELOP THEIR HUMAN CAPITAL AND ENGAGE FULLY WITH THE FORCES OF PEACE AND PROGRESS.

13. BUT MY FOCUS TODAY IS NOT ON WHAT EACH OF US WILL DO ALONE. MY CONCERN IS ON WHAT WE CAN DO TOGETHER. I WISH TO SPEAK ABOUT WHAT WE CAN AND SHOULD DO AS A REGION.

14. COMING FROM THE SOUTHERN PART OF EAST ASIA, LET ME BEGIN WITH ASEAN. THIS WILL BE A YEAR OF MOMENTOUS DECISION FOR THE MEMBERS OF ASEAN. ONCE ALL TEN MEMBERS OF THE ORGANISATION RATIFY THE CHARTER SIGNED IN NOVEMBER LAST YEAR, A NEW ERA OF COOPERATION WILL BEGIN. IF SOME MEMBERS DO NOT, THEN THE FRAMEWORK OF REGIONAL COOPERATION WILL REMAIN UNCHANGED.

15. IT IS MY SINCERE HOPE THAT WHEN THE LEADERS OF ASEAN MEET IN BANGKOK THIS NOVEMBER, IT WILL MARK THE DAWN OF THE NEW ERA AND BE A TIME FOR REJOICE. TRUE, THE CHARTER IS STILL AN IMPERFECT DOCUMENT. IT REFLECTS A CONSENSUS DOCUMENT AGREED TO BY MEMBERS WITH DIVERSE SYSTEMS AND DIFFERENT LEVELS OF DEVELOPMENT.

16. AT ONE END, THERE ARE THOSE WHO SEE THE CHARTER AS TOOTHLESS AND AS OSSIFYING ASEAN TO ITS PRESENT LEVEL OF DEVELOPMENT. THEY SAY THAT THE CHARTER WILL HAVE NO ABILITY TO INDUCE CHANGE IN AREAS SUCH AS HUMAN RIGHTS. THERE ARE NO MEASURES TO ENFORCE COMPLIANCE. AT THE OTHER END, THERE COULD BE MEMBER COUNTRIES THAT SEE THE CHARTER AS TOO INTRUSIVE, AN INSTRUMENT THAT DEMANDS STANDARDS WHICH ARE UNACCEPTABLE OR IMPOSSIBLE FOR ITS LEADERS TO MEET.

17. MALAYSIA HAS ALREADY RATIFIED THE CHARTER. I REMAIN HOPEFUL THAT THE REMAINING FOUR COUNTRIES WILL SEE THE PRAGMATIC WISDOM OF RATIFYING THE DOCUMENT WITHOUT ANY FURTHER DELAY. THE CHARTER AS IT STANDS REPRESENTS THE OPTIMAL CONSENSUS THAT IS POSSIBLE FOR THE MEMBERS AT PRESENT. THE CHARTER WILL SUBSTANTIALLY STRENGTHEN THE INSTITUTIONS OF ASEAN AS WELL AS ITS PROCESSES OF DECISION-MAKING, OVERSIGHT AND COMPLIANCE. IT ESTABLISHES A SUFFICIENT FOUNDATION FOR COOPERATION AND COMMUNITY-BUILDING TO PROCEED AT A MORE PRODUCTIVE PACE.

18. AS ALWAYS, IMPLEMENTATION IS THE KEY. THIS IS THE BANE WHICH PLAGUES ALL REGIONAL AND MULTINATIONAL ORGANIZATIONS. HOW ASEAN ACQUITS ITSELF IN THE FACE OF THE EMERGING CHALLENGES WILL DETERMINE ITS SUCCESS AND CREDIBILITY. ASEAN CERTAINLY NEEDS MORE RESOURCES, BOTH IN HUMAN AND FINANCIAL TERMS, GIVEN THE INCREASED EXPECTATIONS OF THE MEMBERSHIP AND THE ESCALATING DEMANDS ON THE SECRETARIAT IN JAKARTA.

19. THE IMMEDIATE CHALLENGE FOR ASEAN IS TO RESPOND EFFECTIVELY TO THE HUMANITARIAN DISASTER IN MYANMAR, A MEMBER STATE. ASEAN CAN PERSUADE THE GOVERNMENT TO BE MORE RECEPTIVE TO FOREIGN ASSISTANCE. THE ASEAN SECRETARY GENERAL IS ALREADY WORKING WITH THE UNITED NATIONS AND

COUNTRIES SUCH AS CHINA. ASEAN HELD A FRUITFUL MEETING IN SINGAPORE ON MONDAY 19 MAY. HOPEFULLY, THE FLOW OF FOREIGN ASSISTANCE WILL BE BETTER FACILITATED FOLLOWING THE DISCUSSIONS IN SINGAPORE. ASEAN MANY NEED TO HAVE A FRESH LOOK AT THE HUMANITARIAN ASSISTANCE CENTRE WHICH IT HAD AGREED TO ESTABLISH IN 2004. ASEAN SHOULD BEGIN IMPLEMENTING THE AGREEMENT ON DISASTER MANAGEMENT AND DISASTER RESPONSE THAT IT SIGNED IN 2005.

20. ONCE THE CHARTER IS IN PLACE, WE SHOULD ALSO BE ABLE TO LOOK FORWARD TO A MORE CONCERTED ASEAN ROLE IN COORDINATING EFFORTS TO MANAGE ESCALATING FOOD PRICES IN THE REGION. COOPERATING IN AND FACILITATING THE SUPPLY OF RICE AMONG ASEAN MEMBERS WOULD BE A PRIORITY IN THE WAKE OF THE FAST EMERGING FOOD SECURITY PROBLEM. THIS INCLUDES THE STRENGTHENING OF THE ASEAN FOOD SECURITY RESERVE AND THE EAST ASIA EMERGENCY RICE RESERVE INVOLVING THE ASEAN PLUS THREE DIALOGUE PARTNERS.

21. THE CHARTER SHOULD ALSO EXPEDITE EFFORTS TO REALIZE THE ASEAN COMMUNITY. THE HOLDING OF ASEAN SUMMITS TWICE ANNUALLY INSTEAD OF ONCE, THE CREATION OF THE ASEAN COMMUNITY COUNCILS, THE COMMITTEE OF PERMANENT REPRESENTATIVES TO ASEAN, AND THE INCREASED AUTHORITY GIVEN TO THE SECRETARY GENERAL TO MONITOR AND FACILITATE IMPLEMENTATION, WILL ALL ENHANCE ASEAN'S CAPABILITY TO BRING INTO BEING THE ASEAN COMMUNITY. THE ECONOMIC COMMUNITY BLUEPRINT IS ALREADY IN PLACE. THE BLUEPRINTS FOR THE POLITICAL-SECURITY COMMUNITY AND THE SOCIO-CULTURAL COMMUNITY WILL BE ADOPTED AT THE SUMMIT LATER THIS YEAR.

22. THE KEY, MAY I REPEAT, IS IN THE IMPLEMENTATION. WE SHALL SEE.

23. JUST AS ASEAN IS CRUCIAL FOR BUILDING THE ASEAN COMMUNITY IN SOUTHEAST ASIA, SO IS THE ASEAN PLUS THREE PROCESS CRITICAL FOR COMMUNITY BUILDING IN THE LARGER EAST ASIA. THE ROLE OF THE ASEAN PLUS THREE PROCESS AS THE MAIN VEHICLE FOR BUILDING AN EAST ASIAN COMMUNITY OF PEACE, PROSPERITY AND PROGRESS WAS REAFFIRMED IN THE SECOND JOINT STATEMENT ON EAST ASIA COOPERATION ADOPTED IN NOVEMBER 2007.

24. THE COMMITMENT OF ALL TEN ASEAN COUNTRIES AND CHINA, JAPAN AND THE REPUBLIC OF KOREA TO BUILD THE EAST ASIA COMMUNITY THROUGH THE ASEAN PLUS THREE PROCESS HAS BEEN REINFORCED FURTHER BY THE DETAILED 18-PAGE WORK PLAN WHICH ACCOMPANIED THE SECOND JOINT STATEMENT.

25. IT IS THEREFORE QUITE UNNATURAL THAT, DESPITE THIS, SOME COUNTRIES PERSIST IN PROMOTING THE EAST ASIA SUMMIT PROCESS IN PREFERENCE TO THE ASEAN PLUS THREE PROCESS. IT WOULD SEEM THAT THE MOTIVATIONS ARE ESSENTIALLY POLITICAL. THIS IS INDEED UNFORTUNATE, AND IT IS UNHEALTHY. IT UNDERMINES GOODWILL AND TRUST AMONG EAST ASIAN COUNTRIES. IT WILL WEAKEN THE SPIRIT OF COOPERATION ALREADY EXISTING AMONG THEM.

26. MY GOVERNMENT HAS ALWAYS HELD A PRINCIPLED AND RESPONSIBLE STAND ON THIS MATTER. WE SUPPORT BOTH PROCESSES AND WOULD LIKE TO SEE BOTH FLOURISH IN THEIR RESPECTIVE DOMAINS. BUT WE NEED TO MAINTAIN THE INTEGRITY OF THE TWO SEPARATE PROCESSES, AND ALLOW BOTH TO SUCCEED IN

THE PURSUIT OF THEIR SEPARATE AND CLEARLY DECLARED PURPOSES. THE MAIN VEHICLE FOR COMMUNITY BUILDING IN EAST ASIA IS THE ASEAN PLUS THREE PROCESS, WITH ASEAN AS THE DRIVING FORCE. THE EAST ASIA SUMMIT DOES HAVE A SUPPORTING ROLE TO PLAY IN COMMUNITY BUILDING IN THE REGION, BUT IT MUST REMAIN AS THE FORUM FOR STRATEGIC DIALOGUE AMONG THE COUNTRIES OF EAST ASIA TOGETHER WITH INDIA, AUSTRALIA AND NEW ZEALAND.

LADIES AND GENTLEMEN,

27. ECONOMIC COOPERATION BETWEEN ASEAN AND EAST ASIA WILL BE MEANINGFUL, AND REGIONAL INTEGRATION WILL BECOME REAL, WHEN THE DEVELOPMENT GAPS ARE NARROWED AND POVERTY ERADICATED ACROSS THE LARGER EAST ASIAN REGION. ONE OF THE MOST EFFECTIVE WAYS OF ACCELERATING ECONOMIC GROWTH IN THE LESS DEVELOPED COUNTRIES IS FOR THE LEADING REGIONAL ECONOMIES TO SPEARHEAD A CONCERTED INVESTMENT PROGRAMME FOR INFRASTRUCTURE DEVELOPMENT. THE INFRASTRUCTURE WILL PROVIDE THE LINK WITH HIGH GROWTH CENTERS, MARKET THEIR PRODUCE AND ATTRACT INTERNATIONAL INVESTMENT. THE RESULTING PROSPERITY CAN BE SHARED BY ALL.

LADIES AND GENTLEMEN,

28. IF ECONOMIC PROSPECTS ARE A CAUSE FOR CONCERN IN THE REGION AT PRESENT, THE POLITICAL DEVELOPMENTS APPEAR TO BE MORE ENCOURAGING. WE MUST THEREFORE NOT SQUANDER THE OPPORTUNITIES, FOR THEY MAY BE FLEETING. WE SEE THAT THE UNITED STATES AND EUROPEAN COUNTRIES, WHICH HAVE IN THE PAST SHUNNED MYANMAR, ARE OFFERING MUCH NEEDED ASSISTANCE TO THE COUNTRY. JAPAN AND TAIWAN ARE IN SICHUAN PROVINCE TO HELP THE EARTHQUAKE VICTIMS. NORTH KOREA HAS WELCOMED A PLEDGE OF 500,000 TONS OF FOOD AID FROM THE UNITED STATES. THE FIRST VISIT BY A CHINESE PRESIDENT TO TOKYO IN TEN YEARS JUST TOOK PLACE EARLIER THIS MONTH. RELATIONS HAVE IMPROVED BETWEEN THE NEW LEADERS IN TAIPEI AND BEIJING. ALL THESE HAPPENINGS ARE INDEED MOST WELCOME. WE MUST TAKE ADVANTAGE OF THE CONFLUENCE OF FAVORABLE FACTORS, SOME BORN OF EXTREME HUMAN SUFFERING. WE MUST BUILD UPON THEM SO REGIONAL FRIENDSHIP AND PEACE ARE ENHANCED.

THANK YOU.