

THE ASIA BUSINESS LEADERS: THE BANGKOK DIALOGUE

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SHAPING A BETTER WORLD: ASIA AND EUROPE AS EQUAL PARTNERS

Once upon a time, not so long ago, Asia was merely a place to be exploited by the Europeans. In a Euro-Centric world, 'East Asia' was the Far East, distant, mysterious and hopeless. Yet today, we meet immediately after the first meeting in world history between East Asia and Western Europe. Ten years ago, or even five years ago, this would have been unthinkable. Today we meet almost as equals; almost because some of us in Asia are still overawed by the West. We still feel colonised or defeated. And indeed we are justified in feeling so, for new forms of colonisation, including thought colonisation, have replaced physical occupation and the gunboat. The control of the international media by the West renders independent thinking impossible.

2. Perhaps this is a rather strong statement to make. But then for the past 100 years or so European thoughts and values embodied in various ideologies had dominated the world. Socialism, Capitalism, Communism and various mutations of these originated in Europe as a result of the political, economic and social problems faced by Europeans.

3. But having taken root in European societies, these ideologies were exported to the rest of the world, including the East. Because the imperial powers were largely capitalist free-marketeers, resentment by the subject peoples or those threatened by Europeans rendered communism and socialism, with their egalitarian principles, very attractive. On the other hand, the Communist imperialism of the USSR tolerated no other ideology or system.

4. And so most of the countries colonised or dominated by the capitalist free-marketeers and the Communist opted for or were forced to become Socialist and Communist. By the middle of the 20th century Western or European thoughts dominated the whole world. Even the religions of the world, which mostly originated from the East, had to explain their teachings in terms of Western thoughts and ideas, about the equality, fraternity and liberty of the human soul. Not to conform to these ideas would make even religions less than acceptable to the dominant cultural values of the world.

5. And so when it is said that Western control of the international media renders independent thinking almost impossible, it is really not too far fetched.

6. When society accepts a certain set of values and regards these as universal, then to deviate would be heretical. At any given time, it is safer to conform than to reject or deviate. But then values change, cultures change and even ideologies change with time. Today Socialism and Communism are no longer the ideologies that anyone would fight and die for. Indeed they are almost totally discredited.

7. We know now how Socialism and Communism destroyed the economies of prosperous nations and impoverish and even made slaves of the people. There was not even equality of poverty. Some Socialists and Communists were privileged and rich, while the majority languished in poverty. The egalitarian society these ideologies promised never really materialised. Worse still, the citizens of Socialist and Communist states were almost without exception poorer than the workers in the capitalist free-market countries.

8. And so after three-quarters of a century the people who conceived the Socialist and Communist theories and practised them decided that these ideologies were wrong and they should be discarded. It was all a big mistake. The massacres and the brutalities perpetrated were all a waste. The indoctrination and the thought control had not brought about a worthwhile culture and value system.

9. We need not discuss why the greatest Communist country and the many Socialist fellow travellers gave up their beliefs. What is important is that Western thinking was faulty, western intellectuals had made the wrong analysis of what ails their societies and had prescribed the wrong remedies. The cost had been high but more important is the fact that these Western intellectuals were totally wrong.

10. Now if they could be wrong at such great cost before, can they not be wrong again? Can we believe that the present Western thinkers are absolutely right? Is it not possible that they may again be wrong, at least to some extent; to some degree?

11. Eastern people are more concerned about spiritual things. Westerners are more concerned about material things. Capitalism, Socialism and Communism are all materialistic ideologies. The basic idea is that if you have material well-being, you must be happy. And if the material things are distributed equally, then all must be equally happy.

12. The obsession with equality permeates all European or Western thinking. This is truly laudable. It is just and it is fair. But when it comes to certain things, it falls far short of justice or fairness.

13. It is fine for everyone to be equal before the law. We can uphold that, although in practice the equality is far from the ideal. For example a rich criminal with the best lawyers can actually get away with murder while a poor suspect with an assigned third rate lawyer may not be able to prove his innocence, even though he is perfectly innocent. The equality is only apparent but far from being truly equal.

14. But when it comes to international relations the big powers are more equal than the others. A poor country may have equal rights to apply sanction against a rich country but in fact it cannot do so. Again the equality is not real or meaningful. It is merely lip-service. In practice the poor country will always be denied equality.

15. But equality is always emphasised in trade. The World Trade Organisation (WTO) is urged to create level playing fields, i.e. equal conditions for everyone in international trade and investments. If the weaker economies agree to open up their country to unrestricted foreign investments, then they can have equally attractive conditions for their own investments in the rich countries.

16. Thus foreign direct investments should not be conditional but be absolutely unrestricted. Their products should be allowed to compete freely in the local market against products of national companies. Frankly, Malaysia would not be able to go into the automobile industry at all but for differential tax treatment. If Malaysia does not produce its own cars, imagine the drain on foreign exchange as it is forced to buy either imported cars or cars produced locally by the powerful, technologically advanced, cash-rich Japanese and Western countries. The deficit in the balance of payment would be horrendous.

17. In fact but for the right and the ability to regulate the economy in favour of locals in certain areas, while allowing and even providing incentives for foreign investments in other areas, it is doubtful that Malaysia would be as prosperous as it is today. If the Malaysian market is seen as attractive today it is because of the judicious use of the regulatory powers of the Government to encourage locals and also to provide incentives for direct foreign investments. Without these powers to give unequal treatment, it is likely that Malaysia will become another basket case dependent on aid and the generosity of others.

18. If a basket case is expected to accord the same treatment to itself as it does to the rich and the powerful, it will lose every time and all the time. A level playing field is

fair when the contestants are of the same built, but it is totally unfair when midgets are pitted against giants.

19. Yet at the GATT, the WTO, the ILO and other fora, the stress of the powerful is on unqualified equality. Workers in under-developed or developing countries must be given the same pay as those in developed countries. Vast sums of money must be expended on environmental protection in the developing countries as are supposedly expended in developed countries for this purpose. Workers should stage strikes regularly as evidence that they are free etc. etc.

20. Failure to do all these would result in anti-dumping measures or countervailing duties or just plain economic arm-twisting. It does not occur to the rich and the powerful that equality can also be achieved by their lowering their inflated wages, benefits and entitlements.

21. Equality is great but sometimes equal treatment results in aggravating the disparities between the parties concerned. On the other hand discrimination, favoured treatment and affirmative action are more likely to result in equality and justice.

22. A classic case of double standards about equality is the treatment accorded to the mooted East Asia Economic Caucus (EAEC). The EAEC is proposed as a forum for East Asian countries, developed and developing, to discuss mutual economic problems and to help the development of the less developed members.

23. But some East Asian countries were actually instructed by Western countries, which had already formed their own trade blocs, that they should reject this forum. Clearly, what is right for the Western countries is not right for Eastern countries. Equality is not the great principle that the Western countries make it out to be. Equality is only good if it results in economic and other gains for the West, but if it is perceived to be a threat to them, then equality should not be advocated.

24. And so for years now the East Asian countries have not been allowed to talk to each other. The East Asia-Europe meeting just held barely managed to get the participation of the East Asian countries as a loose group, though not all. But already there have been indications that in future such meetings should include non-East Asians as well.

25. Asians are often accused of being racist. But what is one to make of this objection against Asians talking to each other when the objectors themselves have done more than that, formed

trade blocs, cartels and have in fact taken unilateral action to block specific East Asian goods from their markets without even giving a fair hearing?

26. Freedom is another sacred cow which everyone must worship. Asian countries are forever being accused of not giving freedom to their own peoples.

27. What about the freedom of independent Asian countries? If they are not allowed to form their own association, then can they be really free? What is the difference between the Russian action to force the Czechoslovak Republic or Hungary to stay within the Communist bloc and the denial of the freedom of association of East Asian countries? At least, Russian imperialism has been curtailed. Can one say the same of other hegemonic powers? Or will double standards prevail with freedom as it prevails with equality?

28. East Asia is set for a renaissance. The process that began with the Japanese economic miracle has now spread to North East and South East Asia. The prosperity of nations should contribute to the development of other nations. Malaysia prospered because of Japanese investments largely. Japan would not have invested in Malaysia and in other countries if it had not itself prospered.

29. Today South East Asian countries have already begun to invest in other developing countries, helping them to create jobs and to develop. At the same time they, the South East Asian countries, have become good markets for the developed countries. Obviously, it is a win-win situation which beggaring your neighbour will not result in.

30. It is not an accident that the countries of the Association of South East Asian Nations have almost uniformly prospered. They have learnt from each other the right formula for development. They have all opened up their countries to foreign direct investment. In Africa and Latin America where socialist ideas were spread, nationalisation and rejection of foreign investment have, without exception, undermined their economies. Socialistic centrally-planned economies are to be found in East Asia too. But ASEAN has acted as a counterbalance and today, even if Communist and Socialist ideologies are still upheld by some, the free market economy, as pursued by ASEAN, has become universally accepted.

31. If the EAEC is given free rein, the free market system will be truly propagated. The weaker economies in the regions will benefit. East Asia will prosper and will act as supplementary engines of growth for the rest of the world.

32. The EAEC is an idea whose time has come. It can speed up the rebirth of East Asia. A rejuvenated East Asia practising the free market system will eventually lay to rest the last vestiges of Communist and Socialist economic theories, if not ideologies. If indeed the Europeans and the North Americans believe in the free market and the associated democratic system, the best thing they can do is to support the formation of the EAEC.

33. Blocking it or being suspicious of it or diluting it with non-East Asians will only slow down the march to East Asian prosperity. It may cause bitterness and it will antagonise countries which really want to be friendly with the West.

34. The East-Asia Europe meeting just held is a good beginning. It will help dispel the unwarranted fears of a resurgent East Asia. East Asia wants fair trade as much as the European Union. If we differ in our views, it is because we are looking from our own viewpoints; from our own stage of development. But some discussions can help to dispel suspicions on the part of both parties.

35. The East-Asia Europe meeting is an example of near-equality. Not only is the playing field level, but the contestants too are fairly evenly matched. No one can bully or be bullied. Only good can come from this dialogue. When East Asia is fully reborn, it will not be a bitter East Asia wanting to get its own back on the nations which tried to delay or prevent its renaissance. East Asia will remember who helped and will contribute when required.

36. Let there be no Boston Tea Party. Let there be full or meaningful representation. Let there be democracy in the management of world trade. Let us remember that poor nations and poor regions help no one, not the prosperous nor the impoverished. Prosper thy neighbours and thou shall prosper thyself.