

THE GLOBAL PANEL 1996

HAGUE, NETHERLANDS, 3 DECEMBER 1996

WORKING TOGETHER FOR A "WORLD CENTURY"

One thousand years ago, as Europe moved towards the second millennium, the then `civilised world' was in the grips of despair. The learned Christian clerics and therefore the people of Europe were convinced that exactly one thousand years after the birth of Jesus Christ the world would come to an end.

2. Doomsday was at hand. Business therefore wound down. Politics therefore wound down. Human enterprise and endeavour therefore wound down.

3. There was in the "civilised world" of that time unmitigated despondency. For if mankind and the world were coming to an end, what was the point of planning or working for the future. As the second millennium approached, the world that was Europe waited for and prepared for the ending.

4. Today, as we approach mankind's third millennium, I would like to speak of and to plead for a new beginning. A new beginning not for Europe, not for the Americas, not for Africa, not for Asia. Rather, a new beginning for the world, for all of mankind.

5. Let me plead for a new beginning for a concerted and determined effort by Asia, by Europe, by the Americas, by Africa, by all of mankind, to build for the first time in world history a single global commonwealth of common wealth and co-prosperity, where the full dignity of all the children of Adam will be catered to and nourished.

6. As we all know, the nineteenth century was the century of Europe. Europe with its empires and industrial economy dominated the world. Much of the twentieth century was the century of America. America with its wealth and military power dominated much of the world. There are now many, especially from my part of the world, who fervently believe that the twenty-first century will be the century of Asia and should be the century of Asia. They believe that Asia will inherit the future, will dominate the world.

7. I believe that this is a mirage wrapped in incredible arrogance. The century of Asia will not come. The era of Asian dominance over this planet will not arrive. This will not happen. Nor should we in Asia aspire to a new hegemonism.

8. The age of imperialism is long gone. The age of hegemony has passed. They must be buried and their burial celebrated. There must be no resurrection of imperialism, no touting of hegemonism, no glorification of dominance or domination in the 21st century, be it political, economic and cultural.

9. The curse of imperialism will not be any less because it is Asian imperialism. The crushing weight of hegemonism will be not an iota lesser because it is Asian hegemonism. The damnation that is domination will be no lesser if it is Asian

domination.

10. What we must work for in the 21st century is not the century of Asia but the century of the world, a new world characterised by "liberte, egalite, fraternite," a new world populated by flourishing, responsible and productive democracies, made more remarkable by the emergence of billions from the dark pit of poverty, a new world characterised by much greater mutual respect, much greater mutual appreciation, much greater consideration of the interests and feelings of others; and much greater concern for the global commons which is the responsibility of all nations, east, west, north and south.

11. It goes without saying that we cannot afford a world buffeted by a clash of civilisations. Some are already gleefully postulating and predicting that the clashes between nations will be replaced by the clashes of civilisations. Instead, we should all want all the civilisations to co-exist. Co-existence must be our mission. I believe that a barren co-existence of civilisations too is intolerable. Why must we merely tolerate difference? Why not relish them? How rich can your life be if all you do is live on Dutch cheese and deny yourself the delights of the cuisine of France, Italy, China, India, Thailand ... the Malay world? Why not enjoy, celebrate and feast? Surely you do not want to live in standard houses, wear standard clothing and listen to standard music composed by culturally correct composers.

12. I believe we must build a new world civilisation which takes the best that each and every one of us has to offer. We must build a world civilisation that has been enriched by the celebration of numerous civilisations, cultures and value systems; Asian, European, African and whatever. We must have a feast of civilisations.

13. What we must work for is not the century of Asia or of Europe or of America. What we must work for and towards is mankind' s first "world century".

14. It was never possible in the more distant past because of cultural or ideological arrogance, because of the tyranny of geographical distances and the limited state of technology. It was never possible in the more recent past because the world was divided into rival camps and camp followers and those few who managed to escape through the cracks of the great divide.

15. A World Century is now possible for the first time. The constraints have removed themselves. We must make it our mission in the new millennium.

16. No single nation, no single people and no single region should inherit the future. All nations, all people, all regions should have the opportunity. I hope that all people of talent and diligence, who earn the right, will inherit the future. I believe the future should belong to all who have the will and who are willing to put in the effort. Globalisation yes; but hegemonic uniformity and conformity; No. Let there continue to be freedom, not just of individuals but of countries too.

17. Please do not get me wrong. By all this, by speaking against "the Asian Century", I do not mean that Asia is not rising or should not rise or that it will not

go far, very far.

18. Not too long ago, we who are now seen in terms of dragons and tigers were all regarded, without exception, as dead ducks. We were all -- including even Japan, including South Korea, including China, including Indonesia, including my own country, Singapore, Thailand, the Philippines, Vietnam, Taiwan - we were all at one time or another, given up as lost causes, as hopeless societies so obviously destined for the dustbins of history.

19. Over the last generation especially, we have shown the world, including those in many continents who now despair and have lost hope, what so-called hopeless countries and so-called hopeless peoples can do.

20. Despite the predictions of many who cannot see how we can continue to run at such sizzling speeds over such a long time without losing steam or collapsing from over-heating and sheer exhaustion, I believe we will persevere. Despite the predictions of those who believe that we will soon hit the wall of resource constraints, I believe we will proceed apace. Despite the predictions of those who believe that we cannot make the necessary productivity and value-added quantum leaps, I say watch and see how, God willing, we do what needs to be done. Despite the predictions of those who think that we cannot surely go on for much longer without coming to blows with each other, I believe we will not fight. We will continue to patiently build the East Asian Peace, the East Asian community, the web of East Asian cooperation which we must have in order to ensure that we can continue with our rapid march towards a better life for our peoples.

21. We are not going to lose steam. We are not going to collapse from sheer exhaustion. We are not going to lose political and social discipline. We are not going to be diverted from the primacy of economics and our almost ideological commitment to pragmatism. We are not now going to go down the slippery slope towards mediocrity. Those who expect us to do so will, I think, be somewhat disappointed.

22. Indeed, one has to be blind not to see that even as a different and very new world has inevitably been in the making, with the end of the Cold War, a very different and new Asia has inevitably been on the rise.

23. Remember the Southeast Asian dominoes which the learned Western journalists told us would fall one by one as soon as Vietnam falls - well, they have not fallen. Instead they have helped a victorious Vietnam to rebuild and made it such an attractive place that Vietnam's defeated enemies just had to go and invest.

24. As recently as 1980, just 16 years ago, the total regional GDP of the East Asian regional economy amounted to less than two third the regional GDP of Western Europe or of North America. By 1990, East Asia as a region was already three quarters the size of Western Europe and of North America. There now appears to be an overpowering consensus that by the year 2000, all three

regional economies will be roughly the same size. Parity, if not equivalence, will be reached.

25. Already the economies of APEC produce more than 60 percent of all the goods and services produced on this planet. There are many who now believe that just East Asia alone will be the same size economically as two Western Europe or two Northern Americas. They expect that by 2030, the regional economy of East Asia will be the size of Western Europe and Northern America put together.

26. I cannot see so far into the Asian future. And my optimism does not stretch to such lengths. But I do know that we are only seeing the beginning of the new Asia. That beginning has been dramatic enough.

27. The IMF predicts that in the 1990s, US\$5.7 trillion will be added to the gross world product of goods and services. Half of that will be produced by East Asia. The European Union believes that "half of the growth in world trade up to the year 2000 will be generated in East Asia."

28. The EU expects that by the year 2000, 400 million Asians of whom 300 million would be East Asians, "will have average disposable incomes as high, if not higher, than their European or US contemporaries." I wonder whether we can fully appreciate the full import of this forecast.

29. It means that within three years or just 37 months from today, there will be many more East Asians with a European pattern of demand and standard of living than there will be Europeans with a European pattern of demand and standard of living. Can it be any surprise that for sometime now Europe has been exporting dramatically more to East Asia than to the United States and the United States has been exporting dramatically more to East Asia than to Europe? Is it any surprise if even Japan exports more to the rest of East Asia than it does to either Europe or the United States? As a matter of interest, the United States exports more to my small country of 20 million consumers than to the whole of eastern Europe and Russia. To the United States, in terms of exports, we are roughly three times the size of Russia.

30. I need not cite how many telephones East Asians will be buying and connecting over the next ten years, how many cars we will drive onto how many miles of new roads, how many trains we will put on the rails, how many aircrafts we will hurl into the skies from how many dozens of airports, how many Pierre Cardin suits we will be putting on our backs, how many pills we will swallow. I do not know. God only knows. I know enough to know that the figures are huge. And there has never before been anything quite like it.

31. And let not anyone go away with the feeling that the revolutionary changes which have swept East Asia are only economics, although economics has been the major factor which has transformed every dimension and touched every East Asian.

32. We have also changed politically. Vast numbers of the middle class are

being manufactured by the day. The winds of democracy, of democracy with Asian rather than Dutch or French or Belgian or European flavour and characteristics, have been blowing in every country. I believe they cannot be stopped if we continue our process of economic advancement. Everywhere, there is much greater pluralism, but always the stress has been and will continue to be the good of the many rather than the selfishness of the few or the individual. Democracy cannot mean the will of the people if their will and their interest can be frustrated by disenchanting groups and individuals. The individual imposing his will on the many represents autocracy, whether he is in power or not. In Asia democracy will always prevail over all forms and permutations of autocracy.

33. Never before in human history have so many human beings moved so far or so fast in improving their human condition. The industrial revolution in Europe pales by comparison.

34. For the first time in world history, there is a sense of regional consciousness rising in East Asia and a sense of Asian pride rising throughout most of Asia. There has been a fundamental change in capability and empowerment. There has also been a fundamental change in heart and mind.

35. I am reminded that there was a time in Europe, not so long ago, when so many Europeans believed that what was good was in Europe and what was in Europe was good. Later the American believed and the Europeans concurred that what was good was in America and what was in America was good. Americans would still like to believe this but for how long more. The historians seem to say that Europe's fundamental cultural shift was more or less complete by the early Seventies.

36. Similarly, there was a time when so many Asians believed that what was good was in "the West" and what was in "the West" was good. But today, is it surprising that Asia too has witnessed a fundamental cultural shift?

37. We know that there are many fine things in "the West" and the process of learning from "the West" cannot come to an end. Only the blind and the foolish - wherever they may be -- cannot know this. But we have also discovered many invaluable things in our own values and traditions and in the values and traditions of Asia.

38. In East Asia, we have recovered a great deal from the centuries of Western dominance. The much needed sense of self worth has to a large extent been restored to whole peoples who had lost their self respect. For the first time in centuries, all of East Asia is confident, with a sense of empowerment, aware of their own potentials and possibilities.

39. This is a new Asia. This new Asia cannot continue to behave as it had done in the past. At the same time, this new Asia can no longer be treated as it had been in the past.

40. I have rejected the vision of "the Asian Century" because it is not about to

happen. Human kind must know that there is a better goal. In the economic realm, I see a better, much more preferable scenario, and that is:

- * Europe' s re-discovery of its enormous dynamism, arising from its enormous maturity and genius;
- * America' s relaunch of a massive economic spurt coming from its incredible enterprise and competitiveness;
- * the rise of Asia springing from its unbounded human resources, the capacity for hard work and superhuman effort when motivated, and their push for the comprehensive productivity of their polyglot societies;
- * the concerted and cooperative development of the vast resources, human and geological of Africa, by the Africans and the whole world. No aid, no debts but shared investments in which the Africans' willingness to share their resources and their unbounded energy must be fully compensated by the rest;
- * And finally dropping the silly confrontations inherited from the Crusades. Stop associating Islam with terrorism for we all know that Christians, Jews and Buddhists have blown up more buildings and killed more people than Muslims. Indeed, the methods and the means of terror have all been invented in Europe and America; and
- * The crusade, all crusades for the destruction of all enemies must stop. The crusade of the future must be the crusade to mend and to rebuild.

41. This is the vision and the mission which we all should believe in wholeheartedly. We must work for a rising economic tide in every corner and quadrant of this planet - that will lift every boat, no matter their geographical location or continental address.

42. How is this rising tide of dynamism and prosperity to be accomplished? Are oceans of goodwill, foreign aid and self sacrifice needed? If such things are needed, we should forget it.

43. I do not believe so. All that is necessary is reasonably enlightened self interest, arising out of even the most hazy perception of the obvious; reasonably enlightened self interest coming from a rationality that is able to see slightly beyond the end of one' s nose; reasonably enlightened self interest springing from a little bit of courage and leadership in doing what we know we must.

44. I believe that the single most important thing to do is to ensure one single change of thought. Just as Adam Smith stressed one single factor, the invisible hand, in the process by which nations create wealth, let me stress one single mind-shift in prescribing the means by which the global commonwealth I speak of can be actively pursued. Let me call this the "invisible shoulder".

45. For far too long, whether we will admit it or not, mankind and nations have been in the grips of a basically "beggar thy neighbour" mind-set. Do we relish the

sight of others doing well, especially if they are doing better than we are? Do we spend any effort at all - other than by means of psychologically satisfying charity -- in helping others to truly progress, compared to the lengths we go to beat others, to drag them down?

46. Imagine a world in which, instead of trying to beggar our neighbours, we are actively engaged in ensuring our prosperity by fostering their prosperity. We put our `invisible shoulders' to their wheel. Imagine the incredible results if the whole world is in the grips not of "beggar thy neighbour" impulses but is given the push of "prosper thy neighbour" attitudes and policies.

47. Is this unrealistic idealism? If this is unrealistic idealism, come to our region to see how unrealistic we are. We persevere because we have seen the wonders worked by this invisible shoulder in East Asia. The boats have been pushed to sea and all have risen with the rising East Asian economic tide. And we, even the tiger cubs, are going abroad, to places which western socialism had destroyed, to put our shoulders to the wheels and to achieve the same unrealistic miracles.

48. Many hundreds of year ago, Europe ventured forth out of the secure confines of its small continent and conquered the East. It brought back silks and spices and wondrous tales. It is now time for Europe to venture forth out of the secure confines of its small continent to once again conquer the East - not our lands, not our peoples, not our pride and our faith, but our markets; not to dominate our societies and economies but to be an indispensable co-venturer in the renaissance of the people who had been once the creators of great civilisations and religions.

49. I have said that the East Asian miracle was brought about in the old fashioned way, through massive investments in hard work and the sweat of our brow. Most of the countries of East Asia give pride of place for foreign investments because we could not have come so far without them. We will continue to provide pride of place for foreign investment because we cannot get to where we must go in the decades ahead without you and without your partnership.

50. You will have noticed that I began my address with a plea to the political leaders of Europe who must provide leadership to the world. I did so because this is vitally important. I end my remarks with an equally strong plea to the business leaders of Europe whose contributions to the future of mankind is every bit as important.

51. Venture forth. Help us build the new Asia. Contribute and profit fully from the making of the new world, the Commonwealth of the world where the wealth is truly common.