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"Genesis of a New Asia Order"

Firstly I would like to thank the Nikkei Conference organisers for the invitation to this 9th Nikkei Conference. I hope I can do justice to this very interesting subject, the "Genesis of a New Asia Order". Asia is ripe for a rebirth, a renaissance. It has been a long time in coming but the conditions are right for a New Asian Order.

2. What in fact should a New Asian Order be like? Should it be like the Europe of the post War Years when bitter enemies embrace each other, slowly at first, but more rapidly and more widely with the passage of time; embrace each other to form what in fact is the United States of Europe? Or should Asian countries ally themselves with the powerful countries of the West against potential Asian enemies? Or should they remain separate, eyeing each other with distrust, ready to go for each other's throats? Or could there be a fourth or a fifth alternative? Should they form regional alliances in order to compete with each other or something else altogether?

3. Whatever may be the choice, the decision must be taken by Asians and not by anyone else. It is no doubt in the interest of Asia that a reborn Asia should help in the shaping of the International Community and the shape of the world. A foreign i.e. European International Order without Asian inputs can never really serve Asia.

4. Asia is not homogenous as Europe is homogenous. Asians are as different from each as they are from Europeans or Africans. And of course the difference goes deeper than just ethnicity or skin colour. Culturally they are different and culture in fact is what distinguishes one race from another.

5. These differences make it difficult for Asians to cooperate - even if their interests coincide. Right now Asians are faced with European domination - all

Asians are. But they are ambivalent about it. Some may want to assert themselves while others see no harm in being regarded as irrelevant as long as they survive and thrive. Yet surely all Asians must realise that unless they contribute to a New World Order it is likely to disadvantage them in the long run. And a disadvantaged Asia is not the kind of New Asia that any Asian would like to see.

6. If there is anything about Europe that Asians must emulate, it is the willingness to forget and forgive. Asians are still bugged by their past quarrels and wars, the atrocities and the shame of foreign rule. And because of this they find it exceedingly difficult to cooperate for the common good.

7. In this atmosphere a united Asia is unthinkable. Asians must therefore learn to look ahead more and more, and overlook the baggage of the past. If Asians cannot do this then there can be only Old Asia and no New Asia. And Old Asia has shown it cannot handle the ideological dominance of Europe.

8. There are things like the International Financial Order, the International Economic Order, the International Political Order which require a common stand by Asian countries. It is not a question of rejecting all of these, of all that comes from the West. But surely all these regimes can benefit from the experience, support and critical inputs of the Asians.

9. Let us take the International Financial Regime. It had led to the destruction and impoverishment of almost the whole of the most rapidly growing part of Asia. It has done Asia a whole a lot of harm. And obviously it can do Asia more harm in the future.

10. But Asia seems paralysed and is quite unable to put up a common stand on the need to revise and to change this very damaging regime. It is not going to cost Asian countries anything really. We know that prior to the Internationalisation of Economic regimes we had all grown very fast by comparison to other continents and other regions. We do not need the kind of abuses the present financial regime are open to. The currency traders contributed nothing to our well-being. Why should we not insist on the revision of this unhealthy regime?

11. But we have not said anything together about this depredation of the currency traders. We support the system which enrich a few people at the expense of whole countries and regions. Currency trading which is nothing more than the manipulation of currencies by people who do not own a single cent of the currency

involved is by default supported by Asians. Five years on, companies, industries and nations are still struggling to recover. And many will go under. Still we Asians have said nothing.

12. The only way the International Financial Regime will change is when the Europeans are attacked and bankrupted by the same currency traders. And when this happens the new regime will again be European, and will not be in the interest of Asians.

13. Yet Asians cannot but have ideas on how the International Financial system or other international systems should be structured. Obviously if the ideas are ours then our concerns and interests will be taken care of.

14. There was a time in the late 20th century when we were talking about the 21st Century being an Asian Century. I had disagreed because I believed that the future is not for any continent in the world but for the whole world. We could even then feel the world shrinking into a global village. And in a village it is not possible to divide areas and people and to have one part of the village better developed than the rest. It is just too small.

15. Globalisation is of course about the inevitability of the continents of the world, the countries of the world becoming immediate neighbours of each other. Asia really cannot develop isolated from the rest of the world.

16. But even among members of a village community, some can contribute more than others. But the contribution must be for the common good. Or there would never be peace and stability in the village.

17. We now know that the 21st century is presently not an Asian century. Asians watch as the assertive nations of the West impose their will on Asia, and the world. And the world has become so destabilised by the European nations that it is going to be very difficult to recover and it will never be able to go back to the prosperity of the great years immediately after the Second World War.

18. In a global village Asia cannot really regenerate in isolation, oblivious to what is happening in the rest of the world. We have seen this and we are seeing more now. The attack on the World Trade Centre in New York is physically not an Asian affair. But we know that we are all involved now. We have to fight terror because terrorism affects us, politically, economically and socially.

19. The subsequent actions taken have affected us even more. But we have had no part in the planning and the strategy or the fight against terrorism. We are merely being instructed to do things and even forced into participating without our ideas being taken into consideration.

20. It is not right that we should be dragged into the fight against terrorism without being given a say in the planning and execution of the strategies adopted. It cannot be that Asians are without ideas on how the fight should be waged. They may not be the best ideas but even bad ideas need to be given a hearing if only to prove that they are bad.

21. But what about Asia itself. We may not be able to unite the way Europe unites but there must be something we in Asia can do for ourselves, and for the world.

22. There is extreme disparity in the development of Asian countries. While a few are developed or very nearly developed many are very poorly developed. This lack of development is mainly due to the difficulties in governing the countries.

23. We are now being exhorted to become democratic. It is believed that only a democratic system of Government can deliver. Actually systems only work if the people working it understand its workings.

24. We know that the West took 200 years to make democracy work. Their initial democracies can hardly be called democracies today. The practice was very limited to landed property owners. It was only gradually that the majority of the people were given the vote. Women only got their rights to vote in the middle of the last century.

25. The liberal democracy that we see in the West today had evolved over many decades. The people and their political leaders gradually learnt the intricacies and the weaknesses of the system and were able to appreciate the limits of the political freedom that democracies confer on them.

26. Countries in Asia and other parts of the world which had never known democracy need not go through the same evolution of 200 years. But neither should they adopt the democratic system overnight. When forced to do so they will become disoriented and become anarchic rather than democratic. In the turmoil caused by this sudden change their country would be destroyed. There would be no economic development, social or political stability.

27. There is a na'ive belief and even insistence that

the destruction of a country because of democracy is better than the stability and prosperity resulting from a non-democratic system. And so today war and conquests are considered legitimate if it is to force a country to adopt a democratic system of Government.

28. We seem to have gone overboard with democracy. There is obvious fanaticism not too different from the religious fanaticism of old when wars to spread religious were considered right. Today we condemn those religious wars but we cannot condemn the ideological democratic wars of today.

29. Undoubtedly democracy is the best form of Government, but Asian countries should adopt it gradually. The people must be allowed time to learn and understand the limits of democratic freedom and process. Democracy is for the good of the country. It is unacceptable to destroy the country and kill the people in order that democracy may be adopted.

30. Asia must devise its own formula for governance. If a country is unable to practise liberal democracy then it should be allowed to be less liberal. The most important thing about a democracy is the right to change the Government through the ballot box. Continuous disruption of public life through demonstration, national strikes, media excesses and the negation of the role of Government may enhance the democratic ideology but they are not absolutely essential to the democratic process.

31. The most important thing is that a country must be stable and must grow economically. People must have a good life. Every now and again the Government must face the electorate and accept the decision of the electorate.

32. Asians must help each other to develop an acceptable form of Government. It may not be as liberal as the Governments of the West but it would still provide good governance in accordance with the capability and need of the country. As people prosper and are better educated and experienced, the system would undergo evolutionary change and emerge as equitable, fair and conducive to the development and well being of the people and the country.

33. Asia needs also to devise its own financial and economic institutions in keeping with its values and needs. Asian countries are neither at the same stage of development, nor do they have the same culture and values.

34. A single currency is not for Asia for a very long time to come. But a trading currency can be devised

which relates to the other trading currencies of the world. Asian currencies should each have their own exchange rate against the trading currency.

35. The rate of exchange should not be subjected to market speculations. Should there be a need for an Asian country to devalue or revalue its currency, the Asian countries involved in the arrangement should decide. As my knowledge about finances can be written in the back of postage stamp, I will go no further.

36. An Asian trading group should also be aimed at. But it must not be rigid. It should really be intended to help the poor countries obtain reasonable prices for their export, while paying equally reasonable prices for their imports.

37. Physical communication in terms of roads, railways, ports and airports never fail to stimulate the growth of a country. To ensure that these are constructed the best way is for these facilities to be built on a Build, Operate and Transfer arrangements by donor countries. After a given period it should be handed over to the country concerned.

38. For land locked countries the most important infrastructure is the railways. Just as ships are designed to carry the enormous amount of fuel and freight, the railway system should be similarly designed. We know that in Europe huge trucks move huge amounts of goods and food to every corner from every corner. For Asia roads are too expensive. The rail system is far better.

39. Our vision in Southeast Asia is to be able to send heavy goods by rail from Singapore to Europe via Kunming in China, Central Asia and on to the existing railway system which links it to Europe. It will be an alternative to sea transport and it can be faster.

40. Asians can do all these things. It will not be easy of course, but it will not be impossible. Much time will be needed but there is sufficient funds in Asia for these to be implemented.

41. In a hundred years time the world will be more multiracial. People are more mobile and borders cannot stop them. Europe and America will have huge Asian populations. And they will claim their rights. This is inevitable.

42. But if Asia can grow and prosper, migration will be slower and adjustment can be made without too much disruption. As no country in the world will be single-ethnic, the mixture of races in every country will reduce the possibility of any one race dominating the

world.

43. Asia must be prepared for this change in the 21st Century. The New Asian Order must be premised on this change, this New World of multi-ethnic countries where national loyalties will be tempered with a commitment to internationalism. The New Asian Order must be a part of a New World Order which is shaped by Asians together with those of other continents in the world.