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The subject for today is "Trust and Governance for a New Era".

2. In the world today there is no trust or little trust and governance, world governance that is, is not good. We have in fact made a mess of the world. Two millenium of experience and mountains of knowledge have not made us much more capable at managing our affairs than stone age people.

3. We now live in fear, every one of us. We fear the terrorists and the terrorists, their supporters or alledged supporters fear us. We fear flying, we fear traveling to certain countries, we fear night-clubs, we fear letters, parcels and cargo containers, we fear white powder, shoes, Muslims, pen knives, metal cutlery, etc etc. They, the other side, fear sanctions, starvation, shortage of medicine. They fear military invasion, being bombed and rocketed, being captured and detained.

4. People who are neutral, not involved, innocent - they too live in fear. They are the collaterals. Just as the Afghans and the Iraqi civilians are collaterals the passengers on the hijacked planes and those people working in the World Trade Towers are also collaterals.

5. Actually we are in the midst of the Third World War, not the war against terrorists but the war between terrorists and the peace loving anti-terrorists alliance, the war between the Axis of Evil and Satan. Both sides are convinced that they are right, that theirs is the fight against evil. Evil and Satan must be destroyed.

6. Frightened, the world is taking measures to secure and defend at tremendous cost. But the main result is not security or freedom from terror attacks. The main result is to disrupt life, undermine investments and business, and generally to adversely affect economic growth world wide.

7. It is going to be a long war because hatred, anger, bitterness rules our hearts. We both want revenge. We

both will retaliate. You kill our people, we will kill your people. And so it will go on and on. Sanity has deserted both sides.

8. The world has become small. It is said to be a village. But we have not made much progress in the management of our world despite its diminished size. Just as in the stone age the man with the biggest club rules, in our modern and sophisticated global village the country with the biggest killing power rules.

9. When the Cold War ended we thought that the world would see peace and prosperity. After all the people who believe in peace and universal justice won. The evil Empire has been overthrown.

10. But the loss of a counter balance has resulted in the great exponent of justice and fair play to become unbalanced. While the Communists were there the Capitalists curbed their greed and avarice. They showed a friendly face.

11. But now there is no more other side. The friendly face of capitalism is not needed any more. Now capitalists can do what they like and what they like is simply to make more money for themselves.

12. Why is there a need for borders? Why should countries protect their puny inefficient economies? The world has become too small to be divided into countries with different system of Governments and laws. There should be just one global entity and one system, the great democratic system and the freedom that is supposed to go with it. If the new democracies do not know how to manage the system, that is too bad. Democracy is such a good system that everyone must adopt it. It is blasphemy to say anything against democracy. If you do, if you resist then you will be considered a heretic and starved to death, or bombed out of existence.

13. In a free world there must be competition. The strongest and the most efficient will win. If you are small and weak and inefficient it is best that you go. In athletics it may be reasonable to have different classes of competitors. But in the competition between countries and corporations there should be no categorisation or classification, nor should handicaps be given. The biggest and the most efficient should be allowed to dominate and take all. It is good for everyone.

14. And so we see the great banks and corporations merging and acquiring each other to ensure that the tiny banks and businesses in the poor countries will not stand a chance, will be swept aside.

15. Big is beautiful again. Big is good. Unfortunately there is no guarantee that the big will not cheat, will not fall, will not go bankrupt. But we must not take notice of Enron, Global Crossing, Arthur Anderson, United Airlines etc. They are the exceptions which merely prove the rule.
16. Today the disparity between the rich countries and the poor countries is greater than ever. The richest countries have a per capita of more than of US\$ 30,000, the poorest US\$ 300. Of the world's 6 billion people one billion are underfed, underclothed and without a roof over their heads. Many scrounge in rubbish heaps for food, clothing and materials for their shelter.
17. In politics, the post Cold War world is no better. The misfortunes of the weak are their problem. The strong will dominate.
18. Socially we have not advanced either. We talk a lot about the sanctity of human lives and human rights. We are opposed to death penalties. But actually whole populations have been sentenced to death and in many instances the sentence has been carried out. When war is declared against a country a death sentence is passed on the people and when war is executed the sentence is carried out. And still we talk glibly about the sanctity of life.
19. The exploitation of the world by the greedy, the double standards and the hypocrisy about human rights and respect for human lives, the oppressions of the weak by the strong, the disregard for human sufferings; the expropriation of other peoples' land and the expulsion of the people, all these have been aggravated by the ending of the Cold War and the victory of the righteous over the evil.
20. The worm finally turned. The weak have now hit back in the only way they can. Groping for the enemy, the strong hits out blindly in every direction, in every part of the world. No one is free. Fear rules the world.
21. With the onset of this third World War, the world is in a state of turmoil. We now live in fear, even the rich are not as prosperous any more, while the poor are actually poorer.
22. We have not made such a good job managing this Global Village of ours. There is no trust and no good governance.
23. So how do we create trust and good governance in the new era? I don't think it can be done by seeking for a military defeat of the enemy and forcing them to submit. The forces against the Axis of Evil are not

going to win because the target is wrong. All that can happen if they are defeated is to create more anger and a call for more revenge and retaliation by the people who are incensed by the injustice they believe they are experiencing.

24. On the other hand the other side are not going to win either. The enemy is just too big and too powerful.

25. The only solution is through compromise. Trust must be built. The initiation must come from the good people. They must recognise that people do not tie bombs to their bodies or crash their planes for the fun of it. They must have a reason for it. We have to remove the reasons. Out terrorising the terrorists will not work. But removing the causes for terrorism will.

26. Good governance is simple if we curb the greedy and forget about self-regulating markets. Governments are not yet anachronistic. They have a role to play.

27. We need a paradigm shift, we need a new mind-set if we are going to put an end to this Third World War. We need victory for both, a victory where both sides will benefit.

28. The world is big enough and rich enough for everyone. There is no need to take everything for ourselves. A win-win solution is possible.

29. If we can overcome our anger and hatred, our craving for revenge, our unlimited greed, we can manage the world and achieve trust and eventually good governance.