

2ND ASEAN & ASIA FORUM

RISKS & OPPORTUNITIES



SIIA HIGHLIGHTS



Welcome Address



By Associate Professor Simon Tay
Chairman, Singapore Institute of International Affairs
Schwartz Fellow, The Asia Society, USA

Associate Professor Simon Tay, opened the conference by welcoming all who had taken the time to attend the Forum, especially all panellists and speakers who would be sharing their insights and perspectives with conference delegates. In particular, he thanked Dr. Noeleen Heyzer, Under-Secretary-General of the United Nations and Executive Secretary of the Economic and Social Commission for Asia and the Pacific (UN ESCAP), as well as YB. Tan Sri Muhyiddin Bin Hj. Mohd Yassin, the Deputy Prime Minister of Malaysia, who delivered the opening and closing keynote addresses respectively.

Assoc. Prof. Tay noted that the 2nd ASEAN-Asia Forum came at a time of global crisis, economically, environmentally, socially and politically. There is a corresponding need for the region to come together in response. This forum discussing the risks and opportunities that our region faces today could not be more timely, and thus, the SIIA, together with its co-organizers, the Economic Research Institute for ASEAN and East Asia (ERIA), the International Foundation for Arts and Culture of Japan (IFAC), conceptualised the 2nd ASEAN and Asia Forum as a platform where public, private and civil society could interact and discuss these shared concerns.

It was also noted by Assoc. Prof. Tay that the Forum was very well-attended, with over 300 delegates from the business, public and academic sectors. This was an encouraging sign of a sense of shared future among all sectors of ASEAN society; that the peoples of the region recognise the importance of dialogue in the process of overcoming the challenges that the world and our region face today.

He closed his address by thanking SIIA's co-sponsors, co-organizers, and supporters, and especially acknowledged the invaluable assistance given by H.E. Dr. Kao Kim Hourn, Cambodian Secretary of State and Foreign Affairs and International Cooperation, as well as Professor Tommy Koh, Ambassador-At-Large for the Ministry of Foreign Affairs.

Opening Keynote Address



By Dr. Noeleen Heyzer
Under-Secretary-General of the United Nations
Executive Secretary, Economic and Social
Commission for Asia and the Pacific (UN ESCAP)

In the opening keynote, Dr. Noeleen Heyzer commented that turning regional risks into opportunities would require fundamental shifts in thinking and processes. It would require increased coordination between governments, and an increased engagement with other non-state actors if we are to deal with threats and recognize the opportunities within these threats in an emerging multipolar world.

The Asia-Pacific of today faces multiple threat with the primary threat being the current financial crisis. However, other threats and long-term crises, such as food security, energy security and climate change now risk being overshadowed by the urgency of the former.

Dr. Noeleen outlined six specific challenges that the region faces, the first being the **low levels of integration within our economies**. Standing alone, individual Asia-Pacific economies are in a weaker position to absorb the blows of the economic crisis, as compared to other regional economic blocs. The next challenge she outlined was the **hidden crisis of food security**, as the financial crisis has reduced easy access to nutritious food. Poverty remains a major cause of food insecurity. A severely underrated crisis, Dr. Heyzer believes that the war for global food security will be decided in the Asia-Pacific, as more than 64% of the world's undernourished adults and children live in this region.

The Asia-Pacific region also suffers from over-dependency on fossil fuels. The lack of access to energy services undermines the region's **energy security**. Related to this challenge is the fourth challenge of **climate change**. Natural phenomena such as glacial melt, increased rainfall, increased droughts, rising sea levels and the higher incidence of severe weather

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will greatly impact agricultural fisheries, islands and low lying states, affecting livelihoods everywhere.

The frequency of disasters is also increasing in the Asia-Pacific: 97% of global casualties associated with natural disasters happened regionally. The Asia-Pacific experiences 42% of world's natural disasters, but 65% of all its victims, which is an alarming indication of our readiness to deal with such

crises. The effects of climate change will add to the intensity and frequency of natural disasters.

The sixth and final challenge that Dr. Heyzer outlined was the **lack of social protection systems within the Asia-Pacific region:** in view of the global economic crisis, millions could lose their jobs and slide into poverty. Only 30% of the region's elderly receive pensions, and only 20% have access to healthcare. Strong social protection systems provide the foundation for economic growth by freeing up spending power, especially of the middle-class and of the poor, and provide income security for individuals and households.



Dr. Heyzer stressed that our response to these risks and opportunities is critical. The food crisis, the urgency of energy security, and major climate change are manifestations of development gone wrong. Now that the world's economic power is shifting to include the Asia-Pacific, the opportunity that financial stimulus packages afford for government, business and civil society to create a new, more inclusive development paradigm should be seized.

In a six-part counter-point response to her earlier six challenges to the region, Dr. Heyzer stressed the need to (1) develop a foundation for social protection; (2) enhance regional trade and investment through measures such as the early conclusion of the development agenda of the Doha Round, accelerate regional economic integration agreements, and remove non-tariff barriers; (3) improve access to food and promoting sustainable agriculture; (4) improve energy efficiency and scaling up renewable energy

sources, particularly through Public Private Partnerships (PPP), expanding the energy grid through a Trans-Asia energy system and deploying off-grid solution for remote rural areas, as well as promoting a "Green New Deal" in the form of 'green' industries, green jobs and green growth; (5) implement climate change mitigation and adaptation measures; and (6) mainstream disaster risk reduction measures with long term planning.

According to Dr. Heyzer, these challenges can only be met with the foundation of a stable and supportive financial system; thus it is more important than ever that regional cooperation and coordination is achieved. What is needed is a financial architecture with more inclusive practices of multilateralism, where new economic powerhouses have a seat at the table. New systems of economic governance and sound regulation are also needed in order to balance free market capitalism and the responsibility that governments and civil society have towards their publics.

Alongside the challenges outlined, Dr. Heyzer acknowledged the existence of parallel fault lines running along the lines of gender, ethnicity and class. The pressure from the challenges may increase along these fissures and cause widening disparities and social injustice.

In order to address these threats, a more holistic and comprehensive framework of engagement is needed. The UN provides a region- and system- wide platform that may be used to address the economic crisis. The Economic and Social Commission for Asia and the Pacific (ESCAP) is the regional platform for the Asia-Pacific to share lessons learned and leverage regional strengths and resources to develop cooperation. Dialogues such as 2nd ASEAN-Asia Forum should continue to operate in tandem with existing systems of regional engagement in order to develop common understandings, solutions, and partnerships, in order to have a more balanced Asian-Pacific community.

