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Reception Speech

(1) International economic order after the global recession and Asia's contribution

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There are basically three viewpoints for discussing cooperation among Asian countries after the world recession. The first is what are the characteristics of the new world economic order after the world simultaneous recession? The next is what is the new role of Asia? The last point is how can Asia contribute to such global issues an economic recession?

The first characteristic of the new order is a shift from unipolarity to multipolarity. A typical example is the change from G7 to G20. It is a new order created through collaboration between advanced countries and developing countries instead of a dependence on the United States. The second characteristic is a shift from monolithic thinking to diverse thinking. A new value system needs to be created based not only on Western standards but also on various religions, systems, values, etc. The third characteristic is a change from single-layer to multi-layer. Examples of bilateral and regional collaboration efforts include East Asian collaboration, APEC and Mercosur.

Asia's new role will to be to serve as the engine of world economic growth together with the US and Europe, to embrace new values, and to be one of the main players in multi-layer collaborative activities.

Lastly, let's think about Asia's contribution to world issues. That would be to bring the world out off the recession, to resist protectionism, to tackle the global warming, etc.

GDP data of 2007 reveal that ASEAN+6 has a GDP of 11 trillion dollars, while NAFTA and EU have 16-17 trillion dollars each. In 2007, ASEAN+6 already commanded approximately 70% the size of Europe and US. Although GDP growth rates slightly slowed in 2009, the growth rates of Asian countries are still very high in comparison with other countries. If the average growth rate is 6-7% in the next 10 years, ASEAN+6 will double in size during these years.

The issue is whether or not Japan will get in the way. If Japan grows together with Asia, the Asian economy could double. Asia would not merely escape the world recession but it would also become one of the engines to support the world economy. ASEAN+6 is currently discussing not just government spending but also comprehensive wide regional development. An organization called ERIA has been founded to discuss ASEAN+6 issues and it is striving to create a venue similar to OECD to discuss East Asian policies.

In terms of global warming, ASEAN+6 is undertaking the practical examination and collaboration of efficient energy consumption. The global warming issue can not be solved in a black box.

For Asia to make a significant contribution to the world, it must have a firm determination to collaborate. This forum is a great opportunity to create a consensus that will help realize large-scale collaboration.

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