

Keynote Address by

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“India and the World : A Blueprint for Partnership and Growth”

at the session : Regional Cooperation for Growth and Prosperity”

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Your Excellency Mr. Natwar Singh, Minister of External Affairs of India,

Distinguished participants,

Ladies and Gentlemen

I would like to thank Mr. Vir Sanghvi for the kind introduction.

It is always an honour and a pleasure to be back in New Delhi. My last visit was in June, a few days after the new Indian Government took office and I believe mine was the first visit of an ASEAN Foreign Minister. At that time, I had the opportunity to learn from the great wisdom of H.E. Prime Minister Manmohan Singh and shared with my colleague Minister of External Affairs Natwar Singh a strong desire to broaden and deepen our partnership on bilateral, regional and international issues.

For a thousand of years, Thailand and India have been connected by historical and cultural ties. In language, faith, belief, custom, traditions, and literature, we share historical roots. In trade, our merchants and tradesmen have fared prosperously over many centuries. In our way of life, so much of our Thai everyday life can be traced back to Indian origin. The BodhGaya in the State of Bihar where I had the chance to visit and pay respect yesterday, is one of the most reverent places where most Thai people would long to visit at least once in their life time. There, I had the honour of presenting His Majesty the King of Thailand's Kathina robe to the Thai Temple.

Our common heritage and cultural affinity continue to bind our

peoples together and have created a sense of family amongst us. India is and has always been recognized as a cradle of Asian civilization. In the past and in the present, we continue to value India's leading role in building a stronger Asia as well as her role in multilateral system.

So today, the Hindustan Times has done a great service in helping to reinforce and enhance the role of India and the world. This Conference provides a platform for an intellectual debate on India's role in the world of the 21st century where the strategic landscape has changed tremendously. India's role and contribution in the new strategic landscape will not only benefit herself, but also Asia and the rest of the world. This conference is also timely as we are preparing for the ASEAN-India Summit in Vientiane, Laos, at the end of this month where it will be another platform for India's role in Southeast Asia.

Today, I wish to share with you India's importance in realizing what would be the ultimate aspiration for all of us in Asia: our Asian community. I just cannot emphasize enough the leadership role that India has to play in the process of strengthening Asia-wide cooperation for mutual growth and prosperity. There can never be an overstatement on how India can indeed complement and add value to cooperative endeavours for sustainable development and mutual prosperity in our region of Asia and the world at large. I would take the opportunity to examine how emerging networks and building blocks of sub-regional cooperation in Asia, including the linkages and bridges between them, can help forge a stronger sense of community within Asia and reinforce the foundations of multilateralism.

Distinguished participants,

The debate on the opportunities and challenges of globalization continues to be a recurring theme. Globalization brings benefits to some and sufferings to others. Developing countries are grappling with the present-day realities arising from globalization. To cope with globalization is to learn to manage its impacts. To manage its impacts is to understand that globalization is human creation, human-made so it must be human-manageable for the benefit of all mankind.

The borderless world of globalization brings about the free flow of people, free flow of goods and services, free flow of financial funds and the free flow of information technology. And as long as we benefit from them we all seemed to take them for granted until, one day, we run ourselves into crises such as that of the 1997 Asian financial crisis, the 9/11 tragedy, the scourge of epidemics such as SARS and the Bird Flu, as well as the surge in oil prices. Then we started to learn how to manage the dark side of globalization.

We learn to seek a new paradigm of thinking on how to survive, how to grow, how to develop, and how to sustain prosperity for the welfare of our peoples. In Asia, we learn not to fall victims of the dark side of globalization any more. We learn to turn our abundant resources, our differences and our diversity, our richness in population, reserves

and savings into our strength, into harmony, into unity, into stability and into prosperity. And India today is so well placed to help create such strength, harmony, unity, stability, and prosperity for Asia.

However, when we look at growth and prosperity of Asia, East and Southeast Asia loom large. The economic dynamism of Japan, the Republic of Korea and the emergence of China as the growth engines of Asia are more than apparent. In Southeast Asia, ASEAN is implementing its ASEAN Free Trade Arrangement or AFTA. ASEAN is expanding the free trade arrangements with several major trading partners such as Japan, China, Korea and India. ASEAN has even agreed to move towards the realization of an ASEAN Community comprised of security, economic, and socio-cultural pillars by the year 2020. At the end of this month, the ASEAN Leaders at their Summit will adopt the Plan of Action on security and socio-cultural pillars having already adopted last year the economic pillar in realizing this goal.

Beyond that goal, ASEAN is also working towards the East Asian Community comprising the 10 ASEAN members and China, Japan, and the Republic of Korea. The movement towards an East Asian Community will have wide-ranging and long-term impact in Asia and beyond.

However, it cannot be right and should not be right to assume that Asia's growth engine is found only in East Asia. Indeed, we must look at all other parts of Asia, particularly South Asia, and encourage them to become another engine of growth too if our eyes are on the future strength, harmony, unity, stability and prosperity of Asia.

Here, in South Asia, the growth of South Asia is to encourage the progress of SAARC. And hardly need I say that for SAARC to gain a momentum and greater progress, India does play an indispensable role. India's recent role in revitalizing SAARC and in holding dialogue with Pakistan has moved this South Asian grouping forward. The more rapid growth of South Asia and SAARC is both desirable and imperative for the people of South Asia as much as for Asia as a whole.

Asia's strength should not depend on the lopsided prosperity balance. It may be the fact for the time being that East and Southeast Asia are growing faster than other parts of Asia but we must not let them run away with their economic growth and prosperity. Asia cannot afford to have its growth over-concentrated on one part of the continent, leaving others dragging so far behind if Asia is to realize its aspiration for an Asian community.

That is why Thailand recognizes the importance of South Asia, and its important role towards an Asia community. Thailand recognizes the necessary linkages between South Asia and Southeast Asia in order to create inter-sub-regional partnership. With Prime Minister Thaksin's "prosper thy neighbour" and "think beyond Thailand" approaches, we understand the need to bridge the development gap in a faster, more concrete and sustainable manner not for the benefit of Thailand but for the benefit of all.

At home, we have been doing it with our adjacent neighbours of ASEAN. Thailand is bridging the development gap between the old and the new ASEAN members under a new initiative of economic cooperation strategy known as ACMECS between Thailand and Myanmar, Laos, Cambodia and Viet Nam. Initiated by Thailand last year, we hope that ACMECS will accelerate the narrowing of development gap between the old ASEAN members and the new ASEAN members as well as leaving the latter with lasting and sustainable development.

And with South Asia, we must create the bridge to narrow that gap between South Asia and Southeast Asia through the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation or BIMSTEC. This framework brings together Bangladesh, Bhutan, India, Nepal, and Sri Lanka from South Asia on one hand, and Thailand and Myanmar from Southeast Asia, on the other. Thailand hosted BIMSTEC first ever Summit in Bangkok in July. The BIMSTEC leaders gave political impetus for the free trade arrangement among the seven countries as well as adopted key cooperative projects initiated by India in security, tourism and energy cooperation. We hope that BIMSTEC will serve effectively as another inter-sub-regional building block towards an Asian community. We look forward to the concretization of the three key initiatives at the next BIMSTEC Summit in India.

As for ASEAN and SAARC, the two organizations have established a formal link and cooperation mechanism for quite some time. But today, we need to see to it that the ASEAN-SAARC cooperation is for real and it is given the necessary impetus. At the Sixth ASEAN-SAARC Meeting in New York which I was honoured to co-chair with the Foreign Minister of Pakistan, we added a new dimension to our cooperation. We identified key areas for cooperation, namely HIV/AIDS prevention, transportation linkages, tourism cooperation, and poverty alleviation, as well as the possibilities in linking our respective free trade areas namely, AFTA and SAFTA. I am convinced that ASEAN and SAARC have not reaped enough benefits of our complementary potentials and an ASEAN-SAARC Foreign Ministers' meeting some time in the near future would be a useful forum for the two regions of Asia to chart our road to growth and prosperity and the road that ultimately moves us towards an Asian community.

In both BIMSTEC and ASEAN-SAARC frameworks, I am sure I need not reiterate the pivotal role of India in pushing forward these endeavours.

Distinguished Participants,

Let me turn your attention to more cooperation frameworks in Asia.

In fostering Asia-wide growth and prosperity, India has a key role to play in engaging other sub-regional frameworks such as the Conference on Interaction and Confidence Building Measures in Asia or CICA. India's prominent role in CICA is evident. CICA aims at enhancing confidence from differences, and at building a sense of security from diversity and at strengthening a culture of peace and tolerance. At the Second CICA Ministerial Meeting in Kazakhstan only a few weeks ago, Thailand has become the latest member of CICA and looks forward to working closely with India and the rest of CICA members.

If we look to the west of our continent, the Gulf States Cooperation Council or GCC is also moving forward as a solid building block in West Asia. So if you ask what is happening in so far as regional cooperation is concerned in Asia, I would say, clearly, Asia is working on a number of regional and sub-regional arrangements. They can all serve as building blocks for multilateralism. But none of these building blocks truly has a continent-wide coverage, at least until as recent as two and a half years ago.

That leads me to turn to the ACD. The Asia Cooperation Dialogue or ACD which Thailand initiated in June 2002 is the first ever pan-Asia cooperation forum to generate partnership and strength of Asia from Asian diversity and differences. Here, again the role and contribution of India as well as major Asian players such as Japan, China, South Korea and ASEAN is indispensable. India has shown keen interest and active participation in the evolving process of the ACD from its inception. The ACD serves to fill in the missing link between existing intra-Asian cooperation arrangements. Now comprising 26 Asian members spanning the breadth and length of Asia, the ACD members represent members from ASEAN, SAARC, CICA, GCC as well as China, Japan and the Republic of Korea. The ACD aims to tap into the inherent strengths of Asian countries in order to yield mutual prosperity and sustainable development.

This framework represents a new paradigm of cooperation. The

ACD takes the form of annual ministerial dialogues and joint projects in 18 areas of functional cooperation, ranging from key issues of tourism to SMEs, energy security to agriculture, and ICT to poverty alleviation. Participation in these projects is on a voluntary basis, and on each member's comfort level, readiness and comparative advantage. In this way, everyone has a sense of participation and willingness while no one feels isolated or left behind. Each of the 18 projects has between 10-15 participants. But when put together, you will get a cobweb of 18 areas of cooperation with participation from all corners of Asia. This is how we, having recognized differences, build our strength based on diversity.

India's commitment to the ACD is significant in moving forward the ACD process. India plays an active role as prime mover on biotechnology and transport linkages. Under the framework of the ACD as agreed at its second ministerial meeting in 2003, Thailand is working closely with India in the financial cooperation project, particularly the development of an Asian bond market, which is the new financial architecture for Asia, initiated by my Prime Minister. The idea has gained increased region-wide support through the ACD process, and has been concretized with the creation of an Asian Bond Fund last year. We expect a second Fund of ACD to be established in local denominated currency. India and Thailand's pledged contribution of US\$ 1 billion to the Asian Bond fund which is to be

denominated in Asian currency, will open up an opportunity for the wealth of Asia to be invested in Asia for Asian wealth and development. As India emerges as a financial centre, we look forward to your role in helping to strengthen the Asian Bond Market.

Distinguished participants,

As Asia seeks to reposition itself in the international strategic

landscape, where continent-wide cooperation has emerged in other continents, a call for an Asian community is by no means premature. What is happening in Asia today, intentionally or unintentionally, is the emergence of

building blocks for a more effective multilateral system and a continent-wide cooperation.

Our house of Asian community is, albeit slowly, being built. Slowly as it may, it needs to be built firmly on solid foundation and strong construction that is tailored made to meet the needs and requirements for Asian prosperity. Given India's wealth of resources, her unique achievement in building strength from diversity, her commitment to Asia, and the role of India, past and present in the making of Asia as I have described, India should stand out as one of the key pillars for building our Asian community.

Our house of Asian community can be build upon the roof of ACD that has become our first continent-wide cooperation. Our house of Asian community should be founded on the four main pillars of China, India, Japan, and ASEAN. Our house of Asian community must be built solidly by the four walls that consist of all the building blocks in Asia, namely, the ASEAN plus 3 (China, Japan and the Republic of Korea), the East Asian Community, SAARC, BIMSTEC, CICA and GCC for instance.

Indeed, the initiative for building an Asian community had been envisaged over half a century ago by the Great Statesman, Shri Jawaharal Nehru, at the "Asian Relations Conference" in 1947 where he articulated on the theme " A United Asia for World Peace", and I quote;

" that the time had come for us, peoples of Asia, to meet together, to hold together, and to advance together."

Fifty years on, we in Asia are forging partnership from diversity to lay a strong foundation for an Asian community. The vision of a new Asia is now in its making.

Distinguished participants,

As we look to the future and join hands with India to build a secure foundation for an Asian community:

Let us realize an Asian community that secures the blessings of peace and prosperity for all.

Let us realize an Asian community guided by compassion and non-discriminatory principles.

And let us realize that an Asian community must contribute to building an even stronger and more effective global system of multilateralism.

A new chapter of the history of Asia is being created today in every corner of our continent. Asia, with its richness and diversity, was for centuries the desire of the West to take possession of. Asia, because of, as much as in spite of, its richness and diversity, had been divided and deprived of the growth and development it deserved. Asia, abundant in its population, resources, culture and civilization, has never been given a proper chance to reap benefits of its own potential.

But today: no more! Asia has learnt our lessons in history. Asia has learnt our lessons in globalization. Asia has learnt our lessons through our crises. Today, Asia has enough building blocks, pillars and roof to build a house of Asian community, a community for growth and prosperity for all Asia. Our task today is to reinforce and strengthen our building blocks, bridging the gap between them. Our task is to make sure that the pillars are strong enough to support the house. And our task is to make sure that the roof is big and wide enough to give the coverage for the Asian community.

I thank you the Hindustan Times for its visionary farsightedness in organizing this conference. By so doing, you are already part of this new chapter of Asia. I thank H.E. Natwar Singh, my Indian counterpart, for his understanding, wisdom and commitment and I shall very much look forward to listening to his speech in a short while.

Thank you for your attention.