

Keynote Address by H.E. Dr. Surakiart Sathirathai

"Partnership of Nations: The Way Forward for Multilateralism"

World Leaders Forum, Columbia University

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Dean Anderson,

Distinguished Guests,

Ladies and Gentlemen,

I would like to thank Dean Anderson for the kind introduction. I am delighted to have this opportunity to speak at the World Leaders Forum, and to congratulate Columbia University for making it to the 250-year mark as one of the world's most vibrant centers of intellectual freedom and leadership.

When I addressed the United Nations General Assembly earlier this week, a recurrent theme voiced by world leaders was the future of the UN – how do we reform and strengthen it so that it is responsive to present-day realities. UN reform, of course, is but part of the discussion on the future of multilateralism, and it is on this latter topic that I would like to offer some thoughts today.

When the Second World War ended, multilateralism was widely regarded as mankind's best hope for peace and prosperity. Yet today multilateralism shows signs of unraveling at the edges. The multilateral institutions – the United Nations, the World Bank, the International Monetary Fund, and the World Trade Organization – have all come under criticism, if not outright attack, for failings real and imagined.

The crescendo of criticism seems to have coincided with the emergence of globalization as the defining context for world affairs.

Initially greeted with near-universal optimism, globalization has proven to be at least as much of a challenge as an opportunity. Fairly or not, globalization often takes the blame for many of the world's ills. In much of the developing world, disillusionment is setting in, as the promise of growth and prosperity fails to materialize in line with expectations. According to a UN report, over the last 40 years, the income of the world's richest 20 nations has tripled, whilst the income of the 20 poorest has barely changed.

This growing inequity may be observed not only among countries: within each country, a similar pattern is occurring, particularly in developing countries. Gaps in income and living standards are widening between the richest and the poorest. Job insecurity is becoming more widespread as economic competition intensifies. Environmental exploitation is undermining human security and sustainable development, enriching a few while impoverishing many.

If this situation persists, there is a danger that the least developed – and perhaps also some less developed – countries may fall between the cracks. Further marginalization of the most vulnerable economies must be prevented. Deepening poverty could result in refugee outflows and humanitarian crises, posing a challenge to international peace and stability. International responses would likely be just stop-gap measures for what are essentially entrenched structural weaknesses.

We have all been there before. We have seen that aid to developing countries can simply disappear into a black hole with little to show in the way of tangible results. Better for us now to lay the foundation for a globalization that empowers and strengthens. For if the dangers of globalization are seen to outweigh its benefits, more and more of those who lose out will attempt to reverse the process.

This is already happening to some extent. Globalization is fueling much discontent, even in the rich countries. Some of that discontent is probably due not to globalization itself, but to the way it is being managed, or mismanaged. But after all, globalization is human-made. It must be human-managed to ensure that it is a force for good.

The key underpinnings of such an era would, of course, be multilateral institutions. But questions have been raised whether the multilateral institutions are still up to the task of managing a world that has changed so fundamentally. The handling of the Asian economic crisis, the laggardly pace of global trade talks, the invasion of Iraq and the spread of terrorism are just some of the issues that have put multilateral institutions on the spot.

Not surprisingly, reform has become a rallying cry at most of these institutions. Despite their good intentions and sincere efforts, however, reforms may not succeed as quickly as we hope. Over the decades, the multilateral institutions have evolved their own bureaucracies, modes of operation and patterns of thinking. In a way, they are like senior citizens, trying to keep up with the baby called globalization. But, given their advanced age, they are neither agile enough nor flexible enough to do the job.

Had it not been for its relatively younger years, the WTO, too would have been subjected to calls for reform due to its slow progress. As the UN and Bretton Woods institutions undergo reform, and as the WTO struggles on, many countries are hedging their bets by

strengthening bilateral and regional partnerships. There are fears in some quarters that this trend might lead to a weakening of the multilateral system. But I do not believe it needs to be so. Partnership can be complementary to multilateralism and both can lead towards growth and development.

We believe that partnership can be forged at all levels and by all players. Thailand has taken both national policies and regional initiatives that aimed at building partnership from diversity to strength: from partnership of government and private sectors, government and civil society to regional, subregional and inter-regional partnership.

Guided by the principles of self-help and partnership, Thailand's development strategy builds upon the inner strengths of our culture and society to benefit from globalization while minimizing its negative effects.

We believe that partnership, like charity, begins at home. We created partnership from policy-making process to decision-making and implementation process by involving all stakeholders. Our partnership is based on the people-centered approach, taking the views and the real needs of people from all walks of life into consideration and policy formulation.

To achieve balanced and sustainable development, we came up with the "dual-track policy" which pays equal attention to the strengthening and the increased productivity of the domestic grassroots economy while enhancing Thailand's international competitiveness. This balanced development strategy draws inspiration from His Majesty the King of Thailand's philosophy of "Sufficiency Economy," which stresses moderation, rationality and building immunity against external shocks. Thailand will have the opportunity to share this development approach and its implementation with ministers from some other twenty developing countries in a ministerial conference we are hosting in November.

To strengthen the grassroots economy under the dual track policy, the present Thai Government has put in place programs to generate income for those at the grassroots level who for too long have been neglected and deprived of economic opportunity. Such programs include a nation-wide village fund, micro-credit facilities, SME incentive schemes, and the one-village-one-product scheme, which has helped to revive community pride while raising living standards for poor villagers.

This dual-track approach has produced encouraging results. Our GDP growth for last year was 6.7 percent, quantitatively second in Asia only to China. Last year, we paid back all IMF loans, made out of the 1997 financial crisis, two years ahead of schedule. Our foreign reserve is well above our external debt. We have already achieved balanced budget this year, setting

a new record for modern Thai economic history. With this progress, we are optimistic that poverty eradication should be within reach in no more than 5 years.

While believing that charity begins at home, we are also fully aware that, to live happily in peace, the "prosper thy neighbors" principle needs to be practiced.

Upon the initiative of my Prime Minister, Thailand has started a new economic cooperation strategy with our immediate neighbors to reduce economic disparities, to bring them faster and sustainable development and prosperity based on the principles of partnership and self-help. ACMECS is the name of this new cooperation, involving Cambodia, Laos, Myanmar, Thailand, and Vietnam. Basically, this new initiative aims at generating employment and income based on comparative advantage. I am glad that this initiative has drawn attention from countries like Australia, France, Japan, and New Zealand as well as the Asian Development Bank, who have indicated their willingness to become partners to build this strategic economic cooperation with Thailand.

In prospering our neighbors, the benefits will not be confined only to Thailand and the neighbors, but they will be far-reaching. This economic strategy cooperation will serve as an important building block for the aspiration of the 10 members of ASEAN, the Association of South-East Asian Nations, to accomplish a single community comprised of economic, security, and socio-cultural pillars by the year 2020. In aspiring for a single economic community, ASEAN will gain from this economic cooperation strategy that bridges the wide gap of economic disparity between some adjacent neighbors of Thailand and the rest of ASEAN.

While consolidating itself as a single community of nations, ASEAN is also working towards the East Asian Community comprising the ASEAN 10, China, Japan and the Republic of Korea. This will be an inter-regional partnership between southeast and east Asia.

Two countries in Southeast Asia, including Thailand, are also reaching out to form partnership with 5 other South Asian neighbors, under the name BIMSTEC, which is developing, among other things, a free trade arrangement. By laying an economic bridge connecting Southeast Asia and South Asia, Thailand hopes to create a network of partnership covering several subregions of the continent as building blocks for a continent-wide multilateral cooperation in Asia.

The Asia Cooperation Dialogue, or the 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. Now comprising 25 Asian members spanning the breadth and

length of Asia, the ACD aims to tap into the inherent strengths of Asian countries in order to yield mutual prosperity and sustainable development.

The cooperation takes the form of annual ministerial dialogues and joint projects in 18 areas of functional cooperation. Being a positive, open, and non-institutionalized cooperation, the ACD members enjoy a high level of comfort between themselves. Member participation in all areas of cooperation is on a voluntary basis. Now that each area of functional cooperation has between 10-15 members participating and there are 18 of them, you can imagine the cobweb of cooperation network spreading all over the continent of Asia.

The ACD is a prime example of partnership that draws its strength from diversity and differences, turning what has torn us apart into the bond that binds us together.

Asia is also strengthening its inter-regional partnership. The Asia-Pacific Economic Cooperation or APEC held its Summit in Bangkok last October under the theme "A World of Differences: Partnership for the Future". In the other direction, Asia and Europe are moving towards closer cooperation and partnership under the ASEM process, which will have its fifth Summit in Hanoi next week.

As for Thailand, we also believe that inter-regional partnership and cooperation amongst developing regions and between developed and developing regions is also important in promoting multilateralism. The exchange of experiences and best practices among developing regions and South-South cooperation can reinforce multilateral efforts in promoting sustainable development, particularly in striving towards the UN Millennium Development Goals. For instance, Thailand and fellow Asian countries are joining hands with countries in Latin America, Africa and the Pacific islands, and with the African Union and Francophone countries, in sharing development strategies and capacity-building programs.

Distinguished Guests,

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These various forms of partnership, covering both security and development, are natural building blocks for the multilateral system. The question we must ask is: in a UN-led multilateral system, what should be the proper role of the UN, given the changes in the international landscape, the rise of the building blocks, the changing nature of partnership? As the main pillar of the multilateral system, how can the UN be reformed to meet the challenges of present-day realities?

The world today is the world of globalized environment. The world today is the world where strategic economic and political landscape is so different from what the founders of the United Nations could have imagined as they met in San Francisco almost 60 years ago. The world today is the world that constitutes almost four times the number of nation states than the world of 1945.

Today's threats and challenges are ever more multifaceted and multi-dimensional, more complex and more interlinked, from terrorism to all forms of illicit trafficking to environmental degradation and pandemics. Different regions of the world have different perception of threats and security. The issue of security is no longer that of traditional state security but it has become both state and human security. The issue of development is no less prominent than that of security. They are the two parallel tracks of today's multilateral system.

The complexity of the world today inevitably calls for our redefining and redesigning of the UN multilateral system. It calls for rethinking and reinvigorating of the UN multilateral system based on new perceptions that go beyond just the question of post-war traditional peace and security. It calls for a new common security agenda. It calls for a new common development agenda.

The United Nations is the total sum of political will and commitment of its members. With almost 200 member states, more than 3 times its original membership 59 years ago, the UN must require more commitment and much more determined political will of its members. In the absence of groundwork partnership at different levels, it will not be easy to mobilize the commitment and the will it needs if it is to be effective and responsive to today's world of complex globalization.

That is why I am convinced that what Thailand has been active in our region, creating partnership between nations at all levels, can help lay a better foundation for a better and more effective multilateral system of the United Nations when reformed.

And indeed, reformed it will be and must be. But the search for the UN reform is not a mere question of effectiveness of any particular organ of this organization.

The Security Council is in need of reform. That much is not in doubt. But the number game and the name game of the new expanded Security Council must not overshadow the fundamental and realistic criteria needed for greater effectiveness of the Council. By talking of names and numbers now, are we making the ends justify the means or making the means justify the ends? What about other questions on criteria for enlargement of the UNSC, more transparency, and the roles and relationship among its members of the reformed Security Council, and so forth?

On Monday, I shared my thoughts on the UN reform with the General Assembly by asking questions that I think are fundamental and pertinent to our debate of this century.

On the General Assembly itself, we need to ask if its work process is getting cumbersome with almost 200 member states. Can it be streamlined, energized and more focused?

How can the UN be made responsive to new needs and realities and equally address the issues of security and development?

What would be the mechanism to deal adequately with the issues of development and long-term economic issues? How to redesign a more effective mechanism to reflect the real voice on economic development and cooperation issues?

What would be the mechanism to deal adequately with post-conflict nation building and reconstruction?

What would be the mechanism for greater participation of civil society, recognizing them as important constituency for development and conflict resolution?

And what could be a linkage between the UN multilateral system and regional, subregional and inter-regional cooperation, recognizing them as important building blocks for more effective multilateralism?

This debate of the century is not for me, for you, for our ambassadors, for the High-Level Panel on Threats, Challenges and Change, for Secretary-General Kofi Annan, or for governments of the 191 member nations of the UN. But it is for us, the peoples of the United Nations as enshrined in Preamble of the UN Charter. It is for all of us and our children. It is for all of us and our future generations. And it is for each and everyone of us who cherishes peace and prosperity for the world today and the world tomorrow.

The future of the UN multilateral system will become an open invitation for a free and open debate world-wide from now on until at least this time next year. It is the global debate to which I am sure the World Leaders Forum of Columbia University, the students and the faculty of this highly acclaimed and prestigious university can make great contribution. I have given a little bit of my thoughts and look forward to hearing your views on partnership and multilateralism and will be happy to entertain some questions.

Thank you very much for your attention.