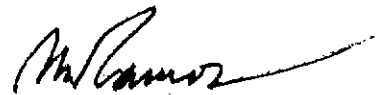


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BUILDING THE PACIFIC COMMUNITY --
THE VIEW FROM ASEAN AND THE PHILIPPINES

Speech of Former President Fidel V. Ramos
of the Republic of the Philippines
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I. INTRODUCTORY: SEPTEMBER 11TH AND
THE BUILDING OF THE PACIFIC COMMUNITY

SINCE THE END OF THE COLD WAR, THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN) HAS OFFERED THE MAJOR POWERS WITH INTERESTS IN THE ASIA-PACIFIC A CONVENIENT FORUM FOR DISCUSSING THEIR PROBLEMS. BECAUSE ASEAN IS NON-THREATENING, THE ADVANCED COUNTRIES HAVE BEEN CONTENT TO LET IT TAKE THE INITIATIVE ON REGIONAL SECURITY CONCERNS. THUS, ASEAN HAS BECOME THE HUB OF CONFIDENCE-BUILDING ACTIVITIES AND PREVENTIVE DIPLOMACY IN EAST ASIA.

BOTH THE ASEAN REGIONAL FORUM (ARF) FOR SECURITY COOPERATION AND THE ASIA-PACIFIC ECONOMIC COOPERATION (APEC) ARE BUILT AROUND ASEAN. IN FACT, APEC HAS ADOPTED EVEN ASEAN'S MALAY-STYLE NEGOTIATING METHODS -- UNDER WHICH DECISIONS ARE TAKEN NOT BY MAJORITY VOTE BUT BY CONSULTATION (*MUSYAWARAH*) AND CONSENSUS (*MUFAKAT*).

WITH THE DEVASTATING ATTACKS OF SEPTEMBER 11TH (9-11) ON THE U.S., MEGA-TERRORISM IS PROVING TO BE THE DARKER SIDE OF GLOBALIZATION -- AND IT HAS RAISED UNPRECEDENTED THREATS FOR ALL OUR COUNTRIES.

WHILE OSAMA BIN LADEN'S BRAND OF TERRORISM THREATENS THE RICH COUNTRIES MOST DIRECTLY, IT HAS INFLICTED THE WORST COLLATERAL DAMAGE ON THE EXPORT-ORIENTED DEVELOPING COUNTRIES.

IN SOUTHEAST ASIA SINGAPORE, MALAYSIA, AND THAILAND HAVE BEEN HIT THE HARDEST BY THE SHATTERING OF CONSUMER AND INVESTOR CONFIDENCE. BUT EVEN THE PHILIPPINES -- WHERE EXPORTS MAKE UP A LOWER SHARE OF GDP -- HAS NOT BEEN SPARED. THE ASIAN DEVELOPMENT BANK (ADB) HAS JUST LOWERED ITS FORECASTS FOR PHILIPPINE GROWTH -- FROM 3.1% TO 2.7% GDP THIS YEAR, AND FROM 4.2% TO 3.0% IN 2002.

SEPTEMBER 11TH A WAKE-UP CALL

ON THE POSITIVE SIDE, SEPTEMBER 11TH HAS GENERATED A KEENER SENSE OF OUR SHARED INTERESTS AND COMMON VULNERABILITIES. IT HAS ALSO MADE THE AFFLUENT COUNTRIES REALIZE HOW POVERTY -- TOGETHER WITH PERCEIVED INJUSTICE

-- CAN BREED GLOBAL INSTABILITIES. CERTAINLY, 9-11 AND ITS AFTER-EFFECTS HELPED PUSH THE WORLD TRADE ORGANIZATION (WTO) MEETING IN DOHA TO AGREE ON A NEW ROUND OF TALKS IN ORDER TO BRING DOWN THE REMAINING BARRIERS TO FREER GLOBAL TRADE.

AND AT LEAST EAST ASIA IS ENJOYING BETTER SECURITY WEATHER. SEPTEMBER 11TH SEEMS TO HAVE TAUGHT REPUBLICAN WASHINGTON THAT UNILATERAL ACTION IS NOT ALWAYS POSSIBLE, NEITHER PRODUCTIVE -- EVEN FOR THE WORLD'S ONLY SUPERPOWER.

BY SHOWING HOW EASILY TERRORISM CAN OVERLEAP FRONTIERS, OSAMA BIN LADEN AND HIS AL QAEDA NETWORK HAS TAUGHT GOVERNMENTS HOW MUCH THEIR NATIONAL SECURITY INTERESTS NOWADAYS DEPEND ON EXTENSIVE INTERNATIONAL CONSULTATION AND COOPERATION. THIS IS WHY MUCH OF EAST ASIA HAS DECLARED ITS SUPPORT FOR THE ANTI-TERRORIST COALITION AS MANIFESTED DURING THE APEC LEADERS' SUMMIT IN SHANGHAI LAST MONTH. INDEED, EVEN RUSSIA IS TAKING ADVANTAGE OF THE "WE-ARE-ALL-IN-THIS-TOGETHER" ATMOSPHERE TO NEGOTIATE A NEW FRAMEWORK FOR ITS SECURITY RELATIONSHIPS WITH THE UNITED STATES.

ANOTHER SIGNIFICANT CHANGE IN OUR SECURITY PICTURE IS JAPAN'S LOW-PROFILE EMERGENCE AS AN AMERICAN ALLY WELL BEYOND JAPANESE WATERS. THE EMOTIONAL IMPACT OF THE SEPTEMBER 11TH ATTACKS INHIBITED BOTH CHINA AND THE KOREAS FROM OBJECTING TOO STRENUOUSLY TO JAPAN'S SHOWING THE FLAG IN THE MIDDLE EAST. NOW TOKYO CAN CONCEIVABLY INVOKE THIS PRECEDENT FOR ITS TAKING PART IN FUTURE ALLIED MILITARY VENTURES CLOSER TO HOME.

EVEN TAIPEI HAS MOVED TO FURTHER INTEGRATE ITS ECONOMY WITH THAT OF CHINA'S -- BY REMOVING ITS CEILING ON INVESTMENTS IN THE MAINLAND. MEANWHILE, THE 10 ASEAN STATES AND CHINA HAVE SET A DATE -- "FIVE TO TEN YEARS FROM NOW" -- FOR THEIR OWN EXPANDED FREE-TRADE AREA, A WELCOME MOVE WHICH SHOULD PROVE EQUALLY ATTRACTIVE TO BOTH JAPAN AND SOUTH KOREA.

WILL TERRORISM GAIN GROUND IN SOUTHEAST ASIA?

I AM FREQUENTLY ASKED THE QUESTION: WILL TERRORISM GAIN GROUND IN SOUTHEAST ASIA?

I THINK NOT. THE USUAL SUSPECT -- THE ABU SAYYAF BAND OF THE SOUTHERN PHILIPPINES -- HAS DEGENERATED INTO A KIDNAP-FOR-RANSOM GANG, AND HAS EXPOSED ITSELF TOGETHER WITH NUR MISUARI'S SPLINTER FACTION TO NATIONAL, REGIONAL AND GLOBAL SANCTIONS AGAINST TERRORIST GROUPS BY VIRTUE OF U.N. SECURITY COUNCIL RESOLUTION 1368.

MEANWHILE, GOVERNMENTS ARE MOVING TO DAMP DOWN SEPARATIST REBELLIONS. FOR INSTANCE, THE "SPECIAL AUTONOMY" JAKARTA IS OFFERING ACEH PROVINCE WILL REDISTRIBUTE IN ACEH'S FAVOR REVENUES FROM ACEH'S OIL-AND-NATURAL-GAS RESOURCES -- FOUR-FIFTHS OF WHICH JAKARTA USED TO APPROPRIATE.

IT IS TRUE THAT IN RECENT TIMES, EVEN SOUTHEAST ASIAN MUSLIMS -- WHO BELONG TO THE QUIETEST SUFI SECT -- HAVE BEEN CAUGHT UP IN POLITICAL ISLAMISM. BUT THEY HAVE SHUNNED ISLAMIST CALLS FOR JIHAD. THE MIDDLE CLASSES BUILT UP IN BOTH MALAYSIA AND INDONESIA THROUGH ECONOMIC DEVELOPMENT OVER THIS LAST GENERATION ARE A POWERFUL MODERATING INFLUENCE.

MOST SOUTHEAST ASIAN MUSLIMS DO NOT REGARD THEIR DIRECT POLITICAL INTERESTS AS ENGAGED IN THE AFGHANISTAN CONFLICT. IN OUR REGION, EVEN SO-CALLED "RELIGIOUS" QUARRELS ARE OFTEN REALLY ABOUT LAND RIGHTS OR THE

POLITICAL CONTROL OF TERRITORY -- AND CONSEQUENT ACCESS TO ITS RESOURCES. THIS IS AS TRUE OF THE ACEH REBELLION AND THE COMMUNAL PROBLEM IN THE MOLUCCAS AS IT IS OF SEPARATISM IN THE SOUTHWESTERN PHILIPPINES.

EVEN NOW INDONESIA, MALAYSIA AND THE PHILIPPINES ARE NEGOTIATING A PACT THAT WOULD COMMIT THEM TO SHARING INTELLIGENCE ON TERRORIST ACTIVITIES, KEEPING TIGHTER CONTROL OF THEIR FRONTIERS TO STOP THE FLOW OF WEAPONS, AND UNDERTAKING JOINT LAW ENFORCEMENT AND PEACE-KEEPING OPERATIONS.

NOTE HOW QUICKLY MALAYSIA MOVED TO DETAIN NUR MISUARI, OUSTED LEADER OF THE MORO NATIONAL LIBERATION FRONT (MNLF), WHO HAD FLED TO SABAH AFTER FOMENTING -- IN CAHOOTS WITH THE ABU SAYYAF -- AN ABORTIVE REBELLION IN MINDANAO-SULU EARLIER THIS MONTH.

II. ASEAN AND ASIA-PACIFIC INTEGRATION

LET ME NOW TURN TO ASEAN'S ROLE IN THE FURTHER INTEGRATION OF THE ASIA-PACIFIC COMMUNITY.

OVER THIS LAST GENERATION, ASEAN AND EAST ASIA HAVE BEEN THE GREATEST BENEFICIARIES OF THE OPEN TRADING SYSTEM. BUT NEITHER WILL WE EASILY FORGET THAT OUR HOME REGION WAS FIRST TO EXPERIENCE THE DOWNSIDE OF GLOBALIZATION -- IN THE FINANCIAL CRISIS OF 1997-99.

THE THREAT OF MEGA-TERRORISM HAS SPURRED THE SOUTHEAST ASIAN STATES TO REDOUBLE THEIR EFFORTS TO ADJUST TO GLOBALIZATION -- BY CULTIVATING THEIR NICHES IN THE GLOBAL DIVISION OF OPPORTUNITY AND BY IMPROVING THEIR POSITION ON THE VALUE-ADDED LADDER.

THUS, SINGAPORE IS TRANSFORMING ITSELF INTO THE FINANCIAL CAPITAL AND HEADQUARTERS SITE FOR ALL SOUTHEAST ASIA. THAILAND IS STRIVING TO BECOME AN AGRICULTURAL POWER AND MALAYSIA IS GETTING SET TO BECOME A LEAD PLAYER IN MULTI-MEDIA SYSTEMS AND ELECTRONIC PARTS MANUFACTURING. AND, THANKS TO ITS PLENTIFUL SUPPLY OF KNOWLEDGE WORKERS, THE PHILIPPINES IS BUILDING UP ITS "BACK-OFFICE" EXPERTISE IN GLOBAL INFORMATION AND COMMUNICATION TECHNOLOGY.

ASEAN-CHINA TO FORM THE WORLD'S LARGEST TRADING BLOC

NOT ONLY MUST EAST ASIA'S SMALLER ECONOMIES FIND GLOBAL NICHES. THEY MUST ALSO CREATE ECONOMIC SCALE FOR THEMSELVES BY CLUSTERING INTO REGIONAL BLOCS, EVEN AS EUROPE AND THE AMERICAS CONSOLIDATE MORE POWERFUL TRADING AND NEGOTIATING AGGRUPATIONS.

TWO MONTHS FROM NOW, ASEAN IS TO INAUGURATE ITS OWN FREE-TRADE AREA (AFTA) FOR BRUNEI, INDONESIA, MALAYSIA, SINGAPORE, THE PHILIPPINES, AND THAILAND. (CAMBODIA, LAOS, MYANMAR, AND VIETNAM WILL HAVE BETWEEN 2006 AND 2010 TO ACCEDE.) AND EVEN AS IT CONSOLIDATES AFTA, ASEAN HAS AGREED TO ORGANIZE A LARGER ECONOMIC BLOC WITH CHINA.

GIVEN THE DOWNTURN IN ASEAN'S TRADITIONAL MARKETS, CHINA IS EMERGING AS THE VIGOROUS ENGINE OF GROWTH FOR SOUTHEAST ASIA. NOT INCIDENTALLY, AN EAST ASIAN ECONOMIC GROUPING WILL MITIGATE THE STIFFER COMPETITION CHINA'S RECENT ACCESSION TO THE WTO IS EXPECTED TO FORCE UPON THE SMALLER ECONOMIES OF EAST ASIA.

ASEAN PLUS CHINA IS LIKELY TO CATALYZE THE ORGANIZATION OF BOTH AN EAST ASIAN BLOC AND AN APEC-WIDE GROUPING WHICH COULD EVOLVE INTO A TRULY INTEGRATED PACIFIC COMMUNITY.

III. EXPECTATIONS OF DEVELOPING ECONOMIES AND THE BENEFITS OF GLOBALIZATION

LET ME NOW TURN TO DEVELOPING-COUNTRY EXPECTATIONS FROM GLOBALIZATION.

LIKE MANY OTHER DEVELOPING COUNTRIES, WE OF THE PHILIPPINES BELIEVE THE GLOBAL COMMUNITY MUST LOOK BEYOND THE WAR ON TERRORISM -- AND DEAL ONCE AND FOR ALL WITH THE REMAINING INEQUITIES IN THE GLOBAL ORDER.

WHAT ARE THE MOST PRESSING OF THESE PROBLEMS?

IN MY VIEW, THESE INCLUDE LEVELING THE FIELD IN INTERNATIONAL TRADE; THE REFORM OF THE MARKET SYSTEM SO THAT IT BEGINS TO HAVE A CARE FOR THOSE WHOM DEVELOPMENT LEAVES BEHIND; AND A GREATER GLOBAL EFFORT TO REDUCE MASS POVERTY, WHICH SPAWNS THE BREEDING GROUNDS FOR RESENTMENT, ENVY AND VIOLENCE.

IN MANY PARTS OF THE WORLD, ISLAMISM IS A "REBELLION OF THE EXCLUDED" -- FEEDING ON THE FRUSTRATIONS OF IMPOVERISHED PEOPLES LIVING ON THE MARGINS OF AN UNATTAINABLE CONSUMERIST WORLD. THE GLOBAL COALITION MUST DO ALL IT CAN TO REMOVE POVERTY AS A SOURCE OF CONFLICT -- BY HELPING THE WORLD'S POOREST PEOPLES TAKE PART IN HUMANKIND'S ADVENTURE OF DEVELOPMENT.

UNTIL NOW, THE UNITED STATES AND THE EUROPEAN UNION HAVE YET TO DELIVER ON THEIR MARKET-ACCESS PROMISES UNDER THE URUGUAY ROUND -- WHICH ENDED ALL OF SEVEN YEARS AGO. WHILE WORLD TRADE HAS RISEN FASTER THAN WORLD GDP SINCE THEN, THE POOR COUNTRIES' PROPORTIONATE SHARE HAS DECLINED -- PARTLY BECAUSE OF CONTINUING PROTECTIONISM IN THE RICH ECONOMIES.

AGREEMENT ON A CONTINUING ROUND OF TRADE TALKS WITHIN THE WTO WE CAN COUNT AS AMONG THE FAVORABLE BY-PRODUCTS OF THE SEPTEMBER 11TH ATTACKS. THE BROAD AGREEMENT TO OVERRIDE PATENTS ON PHARMACEUTICALS FOR TREATING POOR-COUNTRY ENDEMIC DISEASES IS A CLEAR GAIN.

BUT I, FOR ONE, EXPECT THE PHASING-OUT OF FARM SUBSIDIES BY THE RICH COUNTRIES TO BE COMPLICATED AND DIFFICULT. THE MORE AGRICULTURE AND MANUFACTURING HAVE DIMINISHED IN ECONOMIC IMPORTANCE IN THE AFFLUENT ECONOMIES, THE MORE UNIFIED FARM- AND LABOR-VOTES HAVE BECOME.

I WOULD SAY THE POOR COUNTRIES ARE WELL-ADVISED NOT TO EXPECT TOO MUCH WHILE WAITING FOR THE DOHA ROUND -- EXPECTED TO TAKE THREE YEARS -- TO FINISH.

DEALING WITH THE CULTURAL PROBLEMS

DEALING WITH THE ECONOMIC INEQUITIES OF GLOBALIZATION IS TOUGH ENOUGH. ITS CULTURAL "DIVIDES" ARE LIABLE TO BE EVEN MORE INTRACTABLE.

MANY PEOPLE RESENT THE WAY THE ANGLO-SAXON MODEL OF CAPITALISM -- AND ITS CULTURAL VALUES -- SEEMS TO BE TAKING OVER THE WORLD.

THE ARAB COUNTRIES, IN PARTICULAR, SEEM TO BE "CONVINCED OF THE SUPERIORITY OF THEIR CULTURE AND OBSESSED WITH THE INFERIORITY OF THEIR POWER," (IN ACCORDANCE WITH PROFESSOR SAMUEL HUNTINGTON'S MEMORABLE PHRASE).

COMBINED WITH THE MUSLIM WORLD'S HISTORICAL MEMORY OF HUMILIATION AT THE HANDS OF THE WESTERN POWERS OVER THE PAST 500 YEARS, THIS GRIEVANCE IS A POWERFUL MOTIVE FOR EXTREMIST ACTIONS.

IF IT IS TO DEAL EFFECTIVELY WITH THE BASIC FRUSTRATIONS OF OTHER CULTURES, THE GLOBAL COMMUNITY WILL NEED TO EXERCISE A GREAT DEAL OF GENEROSITY AND PATIENCE.

THE SECULAR STATE -- AS WE KNOW -- IS THE MOST SUITED TO OUR TIME, BECAUSE OF ITS ABILITY TO TOLERATE DISSENT -- THE FREEDOM OF EXPRESSION IT ALLOWS -- AND ITS RESPECT FOR HUMAN RIGHTS.

BUT WE SHOULD ALSO RECOGNIZE THAT THE SECULAR STATE HAS NOT LIVED UP ENTIRELY TO ITS OWN PROMISES OF POLITICAL FREEDOM, ECONOMIC PROSPERITY, AND SOCIAL JUSTICE.

AND WE MUST RECOGNIZE HOW EMPTY OUR VISION FOR A BETTER FUTURE CAN BE WITHOUT A MORAL PURPOSE -- HOW ROOTLESS SOCIETY CAN BE WITHOUT SOME TRANSCENDENT ETHICAL FOUNDATION.

WE ALSO KNOW THAT AL QAEDA'S TERRORISM IS A DEAD-END RESPONSE TO THE CHALLENGES GLOBALIZATION PRESENTS.

BUT IF WE ARE TO DISCOVER THE CORRECT RESPONSE, I BELIEVE WE MUST FIRST RECOGNIZE HOW MUCH WE OURSELVES -- AS INDIVIDUALS AND AS NATIONS -- HAVE CONTRIBUTED TO THE DECONSECRATION OF HUMAN LIFE.

I THINK PRIME MINISTER TONY BLAIR HAS CORRECTLY INDICATED WHAT THE GLOBAL COALITION MUST DO -- IF IT IS TO WIN A LASTING VICTORY FOR HUMANKIND IN AFGHANISTAN AND ELSEWHERE.

LET ME THEN CONCLUDE BY PARAPHRASING FROM TONY BLAIR'S ADDRESS AT THE LABOUR PARTY CONFERENCE AFTER THE SEPTEMBER 11TH ATTACKS.

IN EFFECT, HE SIGNALLED ALL OF US THUS: "IF GLOBALIZATION WORKS ONLY FOR THE BENEFIT OF THE FEW, THEN IT WILL FAIL AND WILL DESERVE TO FAIL. BUT IF WE USE THE POWER OF COMMUNITY TO COMBINE GLOBALIZATION WITH JUSTICE -- SO THAT IT WILL WORK FOR THE MANY -- THE GLOBALIZATION WILL BE A FORCE FOR GOOD AND AN INTERNATIONAL MOVEMENT THE DEMOCRACIES SHOULD TAKE PRIDE IN LEADING."

THANK YOU AND MABUHAY (BEST WISHES)!!!

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