Better governance needed in Asia

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Asian leaders have seen their economies lead the global economic recovery after the worst financial crisis in living memory, but many leaders want to see the role of global governance strengthened, not just in Asia but elsewhere too.

"A truly new opportunity has dawned on East Asia and so it must take a greater role in global governance," Nguyen Tan Dung, Prime Minister of Vietnam told more than 400 of Asia's leading decision-makers at the inauguration of the 19th World Economic Forum on East Asia in Vietnam. The region has recovered swiftly from the global economic crisis, he said, but it must work to turn recovery into economic growth that is sustainable, equitable and helps to solve the problem of climate change.

Optimism and confidence characterized the remarks of leaders at the meeting – among them Prime Ministers Bouasone Bouphavanh of Laos, and Samdach Akka Moha Sena Padei Techo Hun Sen of Cambodia, along with Kiat Sittheeamorn, President of Thailand Trade Representative, and Wang Zhizhen, Vice-Chairwoman, National Committee of the Chinese People's Political Consultative Conference (CPPCC), People's Republic of China.

Vice-Chairwoman Wang said that in past crises, it was Asian countries that provided the engine for economic revival. "Everyone is hoping to learn from Asian dynamism." In historic turning points like this, she added, Asia and the rest of the world must work together for world peace and progress. She called on countries in Asia to develop strategies for post-crisis economic development, continue areas of cooperation and ponder the region's enhanced role in the world economy.

Indeed, said Klaus Schwab, Founder and Executive Chairman, World Economic Forum, it is time for ABRIC – the Association of Southeast Asian Nations (ASEAN), Brazil, Russia, India and China – to take centre stage. East Asia, he said, should play a more significant role in global affairs.

Hun Sen struck a note of caution, however. The prime minister of Cambodia warned against the untimely withdrawal of fiscal stimulus measures in Asia, even as central banks are starting to normalize monetary policy. "Private investment has yet to return as the engine of economic growth and the poor are still suffering," said the Cambodian prime minister. That said, he echoed the sentiments of other leaders who reaffirmed the key role of the private sector in economic recovery and growth, including public-private partnerships in building infrastructure.

Hun Sen also made the point that the ascendancy of China and India should not be seen as serious challenges to the competitiveness of other nations in Asia. The challenge lies within each nation. "Countries that remain alert and respond to opportunities will benefit," he said. "Countries bogged down in structural issues and domestic problems will not."

For his part, Bouasone Bouphavanh said many countries in the region have learned lessons from the 1997 Asian financial crisis and the global crisis, which are helping put them on a sustainable growth path. "I am confident that, with national endeavours and regional cooperation, Asia will be able to galvanize economic growth and attain the goal of sustainable development," the prime minister of Laos said.

Asia's role in global affairs has been enhanced by the ascendance of the G20 group of countries as the global forum on global affairs, replacing the G8 group of developed countries. The G20 includes Australia, China, India, Indonesia, Japan and Korea as members. The Asian presence will be strengthened further at the G20 summit in Korea later this year. Vietnamese Prime Minister Nguyen

Tan Dung, who is Chair, 2010 ASEAN, will be take part and promises to represent ASEAN actively in the deliberations.