

Why Europe should listen to Asia?

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TIOS Publishing International Meets with Professor Mahbubani, Dean of the Lee Kuan Yew School of Public Policy

TIOS Publishing International (Professor Chris Dent): You have been quite critical of the European Union generally, including its relations towards Asia. What could the EU do to improve its trade relationship with Asia in particular, and more specifically with ASEAN and Singapore?

The first thing would be for the EU to have a change of mindset. Most Europeans have not woken up to the reality of the rise of Asia. Consequently they have not accorded sufficient priority to Asia in their trade diplomacy, other aspects of foreign policy and geopolitical calculations more generally. Secondly, it is important for more young Europeans to visit or spend time working in Asia. This will help deepen Europe's economic, social and cultural relationships with Asia, providing a strong foundation for the future. Thirdly, the biggest FTAs are being signed in the Asia-Pacific region. Hence, it is time for the EU to enter the fray and sign FTA deals with Asian countries, especially with ASEAN.

TIOS Publishing International (Professor Chris Dent): what do you believe the EU should listen to about Asia?

The main thing the EU should understand about Asia is that Asian nations will not become carbon copies of European nations. There is an ideological blockage in European thinking on this issue. Francis Fukuyama's 'End of History' thesis, which predicted that all nations would eventually progress towards the Western model of liberal democracy, has not come true. In the 21st century, we shall move increasingly towards a multi-civilisational world. Therefore all of us, including Europeans, will have to develop more cross-cultural understanding and become more culturally sensitive to other parts of the world.

TIOS Publishing International (Professor Chris Dent):What are the most important lessons that the EU can learn from Asia, and vice versa? Where do you position yourself at the moment regarding the 'Asian Values' debate?

Well, the first thing that Europeans should acknowledge is that they have something to learn from Asia! They should understand that there are other successful models and methods of regional integration and regional co-operation. In my view, the institutional structures of EU are somewhat rigid and legalistic and add too many layers of complexity to the European integration process, the Lisbon Treaty being a recent example of this. The EU approach is first to take months or even years developing such legal-institutional structures and then co-operation follows. The Asian way is somewhat different. First you have trade flows and other regionalised linkages developing at the ground level. Asians then take a more pragmatic and experimental approach to regional co-operation and towards integration agreements at the state to state level. These agreements are relatively simple and open. This allows for more flexibility, adaptability and plurality, and thus greater scope for 'variable geometry' arrangements where some countries may progress at faster speeds of integration than others.

Regarding the Asian values debate, as someone who participated in it intensively, I can tell you that it was not started by the Asians. It was created in the post-Cold War mood of Western triumphalism resulting from the perceived victory of the liberal democracy model over communism. This relates to my critique of Fukuyama's 'End of History' thesis noted earlier. In response to Western triumphalism, the Asians stood up and said that while there may be many aspects of liberal democracy that they like, they did not wish to become carbon copies of Western societies. Just compare the experiences of Russia and China: Russia tried to transform itself very quickly into a Western style democracy and capitalist economy. As a result, it experienced enormous problems: its economy imploded, becoming at one point smaller than Belgium's; infant mortality rates rose significantly; life expectancy rates fell and there were all sorts of social problems. By contrast, China's pursuit of a more gradual and pragmatic method of transformation was able to achieve the fastest economic growth rate in the world and the largest reduction of world poverty in recorded history.

TIOS Publishing International (Professor Chris Dent): What is the main basis of your argument that there is currently an "irresistible shift of power to the East"?

China and India have been, for most of recorded history, the largest economies of the world. A recent Goldman Sachs report argued that we should expect a return to this historic norm over the next few decades. The last two centuries of Western domination of world history have been an aberration. As I explain in my book 'The New Asian Hemisphere: The Irreversible Shift of Global Power to the East', the Asian nations are adopting in their own way the Seven Pillars of Western Wisdom, which are free market economics, mastery of science of technology, a culture of pragmatism, meritocracy, culture of peace, rule of law and education. So once the Asian nations have mastered these pillars, the shift of power to the region will be irreversible.

TIOS Publishing International (Professor Chris Dent): You are an advocate of the “Singapore Brand”: what are the main facets of the Singapore brand? How has the Singapore government developed and helped sustain the strength of this brand?

Singapore is like a diamond. It has many facets. When I was a child, it had an income per capita which was the same as Ghana's. Singapore's success should be understood not just in simple economic terms but also in terms of comprehensive social and welfare development. Infant mortality rates have been reduced dramatically to one of the lowest in the world. We now have levels of prosperity which are similar to countries such as Britain. Poverty is extremely low. The Singapore government has one of the best civil services in the world. Many countries come to Singapore to learn about public policy. Singapore does not try to actively sell its 'brand'. Rather it speaks for itself.

TIOS Publishing International (Professor Chris Dent): Singapore has been a powerful driver of ASEAN integration. How do you assess ASEAN's prospects for achieving deeper regional integration and regional community-building in Southeast Asia?

The ASEAN process of integration is a messy one. It does not work in a logical Cartesian fashion. ASEAN always takes two steps forward and then one step backwards. When I started attending ASEAN meetings, back in 1971, the room was full of suspicion and distrust between the original five member states of Malaysia, Thailand, Philippines, Indonesia and Singapore. But then when I returned many years later as a senior diplomat working on ASEAN affairs in the mid-1990s the environment was completely different. There was a much stronger sense of trust. Now ASEAN also provides the platform for many important regional frameworks and organisations in Asia: ASEAN Plus Three with China, Japan and South Korea; East Asia Summit with the addition of India, Australia and New Zealand; and ASEAN Regional Forum with a number of security partners. For example, the ASEAN Plus Three provides a very important venue where Chinese and Japanese leaders can meet comfortably. This is extremely important for the region.

TIOS Publishing International (Professor Chris Dent): Does EU matter for the future of Singapore? And does Singapore matter for the EU?

The big lesson we have learned from the recent Greek financial crisis is that when things go badly wrong in the EU it affects us all, even here in Singapore. We have an important interest in a strong and successful EU rather than like the one that seems to be faltering at the moment. Europe must reduce its budget deficits, educate its population to become more competitive and sign more FTAs with Asian countries. Singapore is too small to matter for the EU. But if European firms are looking for a 'one-stop shop' entry point into Asia then Singapore is ideally positioned. If Europeans want a transition into Asia, then Singapore is the place to begin. Being one of the most Westernised and most modernised Asian cities, it brings together the best of the East and the West.

TIOS Publishing International (Professor Chris Dent): How do you view the growing trend of South-South business interaction (for example, the Africa – Southeast Asia Chamber of Commerce that was recently established in Singapore)? To what extent has Singapore championed South-South co-operation generally?

Singapore does not champion South–South co-operation for ideological reasons. Singapore is a pragmatic country, It believes that the only kind of co-operation that works in the long-run are win-win partnerships where both sides benefit equally. So Singapore tries to find partners everywhere, establishing a global web of economic partnerships. It has tried to establish closer links with Middle East states. It is also open to co-operation with Africa and Latin America, regions where there is a lot of economic potential in the 21st century. Singapore provides an important gateway for firms from these developing regions looking to do business in both India and China.

TIOS Publishing International (Professor Chris Dent): What would you like the outside world to know most about Singapore?

The biggest secret about Singapore is that it is in some ways the think-tank capital of South East Asia. It has a growing and impressive intellectual capacity in both the public and private sector domains. Singapore has made concerted efforts to develop itself as an important research and development centre, regionally and globally. Not many visitors – and especially tourists – are aware of this significant intellectual dimension of Singapore.