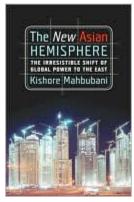


The New Asian Hemisphere: The Irresistible Shift of Global Power to the East

Kishore Mahbubani

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Introduction

JOANNE MYERS: Good morning. I'm Joanne Myers, Director of Public Affairs Programs, and on behalf of the Carnegie Council I'd like to welcome our members and guests and to thank you all for joining us.

This morning it is a pleasure to welcome back to the Carnegie Council a person of enormous talent and acumen, Kishore Mahbubani. It has been three years since Kishore last spoke at one of our breakfast programs. At that time, he was here to discuss his book <u>Beyond the Age of Innocence: Rebuilding Trust</u> <u>Between America and the World.</u> If you are interested in reading the transcript

from that presentation, you can do so by visiting our website at www.carnegiecouncil.org.

Today he has jumped back into the fray with his latest book, <u>The New Asian Hemisphere: The Irresistible</u> Shift of Global Power to the East.

Although our speaker is familiar to many of you, for those of you who have not had the privilege of knowing one of Singapore's and Asia's leading thinkers, while I sing his praises I hope you will take a moment to pore over Kishore's impressive résumé.

If you ask anyone who was at the United Nations in the earlier part of this century to name an Asian diplomat who left an indelible mark on the United Nations and on our city, I instinctively know that the name Kishore Mahbubani would immediately come to mind. Kishore was an institution of New York diplomatic activity during his posting here, and he left a legacy of inexhaustible energy, daunting diplomatic skill, and a reputation for provocative but always insightful views.

His previous writings reflect a prodigious knowledge of history woven with personal experiences, political astuteness, clarity of thought, and daring. His latest book, *The New Asian Hemisphere*, is no exception.

This morning he is here to tell us that the power and influence of the West, in which he includes North America, Western Europe, Australia, Canada, New Zealand, and even Japan, is inexorably shifting eastward toward Asia—not because Asian societies are rediscovering some hidden or forgotten strength of Asian civilization, but because they are building on the pillars of Western wisdom, such as free-market economics, science and technology, meritocracy, pragmatism, a culture of peace, the rule of law, and education—all which have enabled the West to outperform Asian societies in the past two centuries.

He describes why Asia is rising now, how it will alter the global economies and political landscape, and why the West, even though it should celebrate Asia's rise, will have great difficulties adjusting to these changes.

But don't despair, as Kishore does offer ways in which we can tackle these challenges. His argument is not that global wealth is being spirited away from the West, but that Asian wealth is more about spreading of the Western dream. Asians want to replicate, not dominate, the West. As Kishore has said, "Too many Western minds are looking at dangers. Few are looking at the opportunities."

As a self-confessed admirer of the West, Kishore wants to rescue us from our entrenched views, and in so doing deserves an award for bravery. He not only attempts to explain the world as it is seen through non-Western eyes, but wants us to seriously think about what lies ahead for Asia and the world.

Among the many pleasures in reading Kishore's works is knowing that he is not afraid to take issue with those who only praise the United States. He knows that some of the chapters may bring about discomfort, but he doesn't mind. In fact, he invites us to speak out and take issue with what he says. In so doing, he hopes his work will encourage others, especially Asians, to speak out and more actively participate in the debate. But in order to do that we first need to listen to his arguments.

That being said, please join me in giving a very warm welcome to the former ambassador from Singapore—who from this day forward will be known in the way he now prefers to be known, as the Dean of the Lee Kuan Yew School of Public Policy of the National University of Singapore and professor in the practice of public policy—my dear friend, Kishore Mahbubani.

Remarks

KISHORE MAHBUBANI: The danger about getting such a generous introduction is that after this it is all downhill. I think she has raised the expectations so much that I now have to lower them a bit.

I can tell you, Joanne, there are very few things that I miss about leaving New York City, but what I really miss are these wonderful breakfasts that you organize. You know I was a regular attendee of these morning meetings, and I thought one of the highlights of being in New York was coming to your breakfast sessions.

Now, you all know that it is an American tradition to begin with a joke and an Asian tradition to begin with an apology, so I'll combine the two and apologize for my bad joke.

The bad joke actually is a true story. When I was the Permanent Secretary of the Foreign Ministry of Singapore, one of my then-colleagues in another ministry, another permanent secretary, went to call on his counterpart in China, a vice minister. He arrived at the vice minister's office and he introduced himself. I said, "I am Mr. Tan. I'm the permanent secretary of this ministry."

There was a young Chinese lady translator there. She looked very puzzled. She scratched her head for a while. Then she said, "This guy says he's Mr. Tan, and he says he's the eternal typist from Singapore." So, you see, "permanent secretary," which actually is a big deal, becomes "eternal typist."

If you can imagine cross-cultural misunderstanding between Singapore, which is 75 percent Chinese, and China, which is 100 percent Chinese, it shows that we have a real challenge on our hands in terms of crossing cultures. That essentially is what my book is all about.

I think the main message I try to convey in the book, which was just brilliantly summarized by Joanne, is that we are entering a completely new era of world history, completely different from anything we have seen in the last 200 years. I think there is a remarkable degree of complacency in the West about this new era. There is somewhat of a strange feeling of comfort: "We have handled history so well for 200

years, we can handle it again; we can handle anything." The message of my book is that it is not going to be easy; it is going to be difficult.

Let me, first of all, describe the nature of the new era of world history. I describe it in basically two points.

- The first point, of course, is the end of the era of Western domination of world history. Now, I hasten to add that the end of the era of Western domination of world history is not the end of the West. The West will remain the single strongest civilization for a long time to come. But where we have had, in a sense, a mono-civilizational world for 200 years, we are now going to move to a multi-civilizational world, and it is a completely different world from what we experienced in the last 200 years.
- The other big aspect of this new era, of course, is what I call sometimes the rise of Asia, or, more accurately, the return of Asia. The reason why I say it is the return of Asia is because if you look at the last 200 years, certainly Western dominance seems very natural. But if you look at the last 2000 years, from the year 1 to the year 1820, consistently, as Angus Maddison, the British historian, has pointed out, the two largest economies in the world were always China and India. So when, the BRICs Report comes true—and I think it will come true—by 2050, the latest version says, the four largest economies will be: number one, China; number two, India; number three, the United States of America; number four, Japan; and not a single European economy will be among the top four. This is a remarkable shift of world history.

So, clearly, it is a completely different era. To understand this new era we have to change our mental maps. We have to completely retool our minds in order to understand it.

And what do we have to do? Now, here I am both, in a sense, speaking especially to, I guess, a primarily Western audience; I have some good news, some bad news, and hopefully some solutions also to the bad news.

Let me begin, first, with the good news. This, I think, is the best news for people who live in the West. I say this because, having been here when 9/11 happened, I have seen the enormous impact that 9/11 has had both on the Western and on the American psyche. There is a remarkable sense of insecurity about the future. You see this expressed consistently in statements made by Western leaders. There is always a line somewhere in President Bush's remarks we see very often: "We live in a very dangerous world." You know, that line is always there.

Well, the good news from my book is that we are not moving into a more dangerous world. We are moving into a more stable and more predictable world, because the number of responsible stakeholders in the global social contract is growing by leaps and bounds. The number of people entering the new middle class all over Asia is hundreds of millions of people. These hundreds of millions of people who are creating this vast new middle class all over the world are going to be this enormous pillar of stability in this new global order.

I am glad Joanne emphasized just now that what the Asians want to do is not to dominate the West but to replicate the West. So all the things that you want to have—your comfortable life, your home, your shelter, your education—all these things, these are the things that Asians want too. So they want to, in a sense, expand the zone of peace and stability and not contract it, and that I think is fairly good news.

But the other piece of good news, of course, is that, because there are always—you know, whenever I read the Western analysis of the rise of Asia, there is always somewhere down there all kinds of doubts: "Is this real? Will this happen? This is a passing thing." The good news, again, is that this is real, because the Asians—you know, the reason why I wrote the book, *Can Asians Think?*, my first book, was I asked

my Asian friends: "If you guys are so smart, why is it in the year 1000 you were up here, Europe was down here, North America hadn't been discovered, and in the year 2000 North America is here, Europe is here, and Asia is here? What happened? How did you guys lose 1000 years?"

Well, the Asians finally can think. As Joanne mentioned, they have finally figured out what are key pillars of Western wisdom to replicate in their societies, and, therefore, used those pillars of Western wisdom to leap ahead. Joanne gave you the list.

The first one I would emphasize, for example, is free-market economics. If you want to understand, for example, why China appears now to have the world's fastest-growing economy for 30 years, it's very simple: They just switched their system from central planning to free market economics.

I have seen at first hand the impact. I was in China before the reforms had begun. I remember going to a barbershop in Beijing, going in there for a haircut. I had a wonderful haircut. The barber took one hour, gave me a lovely haircut. When I finished, I said to him, "Why do you take so long to do a haircut?" He said, "Well, you know, if I do five haircuts, 10 haircuts, 20 haircuts, I get paid the same. So what's the hurry?"

So there was no incentive to work in China. The minute you switched and you went to a free-market system, you created this incentive, the Chinese economy took off. Of course, today if you go to Shanghai, literally they work 24 hours a day, and you can see the construction going on.

The other pillar of Western wisdom I mention, of course, is science and technology. Here, in a remarkable shift that so few have noticed, today Asia is creating the largest pool of new Ph.D.s in science and technology.

Time magazine had a cover story on the great science experiment of Asia. They quoted the late Nobel Prize winner, Richard Smalley, as saying that by the year 2010, 90 percent of Ph.D. holders in engineering and science will be living in Asia. Maybe the figure 90 percent is wrong—maybe it's 85 percent, maybe it's 80 percent—but still it's a remarkable shift that has happened. You can see how real the transformation is.

But the one pillar that I emphasize the most, of course, is what I call the pillar of meritocracy, because I think it really explains why Asia is taking off.

Now, what do I mean by meritocracy? To explain meritocracy, I use the example of Brazil. I ask the question: Why is Brazil a soccer superpower, winning World Cups so consistently, and in economic terms only a middle power? The simple answer is that when it comes to looking for soccer talent Brazil goes everywhere. It goes to the upper class, middle class, lower class, and they go into the slums. If they find a boy who can kick a ball well, they say, "Come and play for Brazil." They don't care what class you belong to. They pull you in and they make you a member of the national soccer team.

But when it comes to looking for talent in the economic sector, they go to the upper class, the middle class, and maybe some in the lower classes, but they don't go into the slums. So the pool of talent from which they are looking to compete economically is much smaller.

Now, the really big news in Asia is that Asia always had these hundreds of millions of brains which were essentially not used, and now these brains which were not used are coming on into the mainstream. You can imagine the impact you have on the societies when all kinds of new brains come and are used, and used in a brilliant fashion.

The example I tell in my book is of a man who was born in the untouchable caste in India. I am ethnically Indian, as some of you might know. In India, traditionally for centuries birth was destiny. If you were born in the untouchable caste, you lived your life in the untouchable caste and you died in the untouchable caste. But this young boy went to school, and when he walked into a classroom he couldn't

sit with other schoolchildren because he was untouchable, he couldn't eat with the other schoolchildren because he was untouchable. But he persevered, went on, studied, did well, and got scholarships, came to Columbia University, got a Ph.D., and today he is the chief economist of the Reserve Bank of India.

The Prime Minister of India said, and I quote him: "This case of <u>Narendra Jadhav</u> represents an enormous silent revolution taking place in India."

Suddenly, all this talent and brains that were never used are being used. So if you can imagine that, hundreds of millions of brains sparking, then you can realize: Hey, this is a new terrain of world history that we are entering.

The really good news—and I emphasize this especially when I speak to a Western audience—is this what I describe as a march to modernity, which really began initially with Japan, went from Japan to the Four Tigers (Korea, Taiwan, Hong Kong, and Singapore), went to Southeast Asia, from Southeast Asia it went to China, and after China to India, so now the march to modernity has gone into India, and from India it is now poised to enter the Islamic world.

And believe me, the single biggest reason why the West should cheer the rise of Asia, should cheer the return of China and India, is because this is now the new model for the young Islamic minds, because they say: "Maybe that's what we can do. We too can create a modern middle-class society in these Islamic societies."

It is happening, by the way. I have spoken to young Muslims when I go to Pakistan, when I go to the Gulf region, and they look at China and they look at India and they say, "Why not us?" That would be a wonderfully happy world if that can happen.

I think I have given you enough good news. Now let me give you the bad news.

The bad news—and this, unfortunately, is really bad news—is that the West, which has always been, literally not metaphorically, part of the solution to many of the great global challenges, is now becoming, unfortunately, a problem. I find the hardest idea to deliver into a Western mind is to persuade the West that whenever you look at the world and you say "Where are the problems—you know, there are terrorists out there and there is instability out there?"—the rest of the world looks at the West and says, "You are the problem." This is how a majority of the 88 percent of the world's population who live outside the West now view the West.

This is why I had to write this book, to explain: Wake up and see how the rest of the world sees you now, and how you have become the generator of many of the world's problems.

How has the West begun to generate global problems?

The first, and the most obvious, way of course is that if you have this massive shift of power taking place—and, believe me, we are experiencing far greater shifts of power today than we have seen in hundreds of years—you naturally have to readjust the world order, especially to accommodate the rise of Asia.

But the West has gotten so used to having so many privileged positions in so many global institutions that it cannot conceive of the idea of giving up these privileges to make way for others. It is very easy to cite examples.

The best, easiest example, of course, is if you look at the two most powerful international economic institutions in the world, the IMF and the World Bank. To become the head of the IMF you must be a European, to become the head of the World Bank you must be American, and 3.5 billion Asians don't qualify, even though the world's fastest-growing economies are in Asia, even though the world's largest pool of foreign reserves, \$3 trillion, is in Asia, and even though today I think Asia is producing more

Ph.D.s in economics than anybody else is. Asians don't qualify to run the IMF or the World Bank. And by the way, this rule was reaffirmed as recently as 2007, and not one leading Western voice said, when the head of the IMF fell open, "Isn't it time that we shared this responsibility with others, with other responsible stakeholders in the world?" Not one voice said it.

That silence, which you all did not notice, was noticed by everyone else in the world: "You see, they will never give up the power that they have gotten used to."

And here in New York you see another example of it in the UN Security Council, which is clearly the world's most powerful international political organization and which makes decisions that are binding on Member States. It can authorize the use of force. Clearly, as you know, when the Security Council did not authorize the use of force in Iraq, it created enormous problems for America. So it is an important organization.

One of the good things that the founding fathers of the United Nations did was to say that we must always give the great powers of the day a stake in the Security Council, in the United Nations, so that it doesn't die like the League of Nations. That was a brilliant thought of the founding fathers.

But I think what they had in mind was that you should seat either the great powers of the day or the great powers of tomorrow in the Security Council but not the great powers of yesterday. That is the fundamental problem, because apparently the only qualification you now need to become a Permanent Member of the UN Security Council is that you should have won World War II in 1945.

This is 2008, and it's impossible to change. If you are looking at ways of changing it, you don't have to be a rocket scientist.

Come January 2009, Europe will have a single foreign policy—which is wonderful, by the way; it's a great leap forward. Finally, <u>Henry Kissinger</u> will have a phone number he can call in Europe to find out what is the foreign policy of Europe. You know, he said he never found a phone number. That's great. So you are going to have a common European foreign policy.

Why not have a single European seat in the Security Council? Why are you still going to have seats for the United Kingdom and France? If you are going to have a common European foreign policy, why do you need to have four or five European seats in the <u>G8</u>? Why? You have a common European foreign policy. Why don't you make way for others? Europe will be represented. The fact that no European leader can even say such things is an illustration of how big the problem is.

This is obviously going to create a huge global contradiction, when the powers of yesterday insist on retaining their privileged positions in global institutions that basically have to be retooled to handle a completely different world order.

And to make matters worse—and this is, unfortunately, the really bad news—the Western powers who have had a tradition of being competent in their management of global and regional challenges are, unfortunately, becoming incompetent. This incompetence is having massive global consequences. I give four examples of incompetence.

Firstly, look at the way the West has handled its relations with the Islamic world. Believe me, there is no reason why you should have this tremendous animosity in the Islamic world towards the West. It was created by the West. It's your policies, and your policies that have created this are fairly obvious ones.

It's the Middle East. Why can't you bring about a solution to the Middle East when everyone knows what the solution is going to be? It's going to be the course that <u>Bill Clinton</u> worked out in January 2001 in the <u>Taba Accords</u>. We all know what the outlines of a solution will be. But there is no political will, either in America or even in Europe, to deliver the two-state solution that we need. Every day that you delay that two-state solution, the political cost doesn't affect 6 million Israelis, doesn't affect 4 million Palestinians;

it affects the whole world, because 1.2 billion Muslims look at it and feel the humiliation every day. So you are creating global anger for no necessary reason.

And then, of course, you invaded Iraq. And look at the potential failures in Afghanistan. It's amazing. It's an amazing track record of incompetence.

Then, if I move into other areas, if you look at international trade, for example, the reason why the international economy, the global economy, has been growing so rapidly, especially in the last 10-15 years, is because of progressive global trade liberalization. Now, for the first time in 30-40 years, we may see the failure of a trade round, the Doha Trade Round. Traditionally, the West has always chaired these trade rounds to a successful conclusion. This time we may fail.

A third example of incompetence, of course, is look at the whole challenge of global warming that we face today. Here the paradox is that America has done more than any country to educate the world on the dangers of global warming, and this may have been the only benefit of Al Gore losing the election in the year 2000, that actually he woke up the world to the dangers of global warming. And yet, America today, at the same time, remains, as you all know, the single biggest obstacle to finding a solution to global warming, because you need a whole new compact between America and the rest of the world on how to address this challenge.

The final example of incompetence I give is in the very dangerous field of nuclear proliferation. You have this very sad and dangerous situation today where the <u>Nonproliferation Treaty</u> is legally alive but spiritually dead or dying. It is dying for many reasons, but one fundamental reason is that the five nuclear weapons states gave a commitment in the Nonproliferation Treaty to progressively reduce their nuclear arsenals, and instead of doing that they have in many cases either increased them or improved these nuclear arsenals. This has completely violated the contract of the NPT.

The great irony here is that those 26,000 nuclear weapons are not making the world a safer place. Indeed, you can get rid of half of them, you can get rid of three-quarters of them, and the world will be a much safer place. You don't need those weapons.

We should be walking away from the nuclear threshold. But what does <u>Donald Rumsfeld</u> say? He says, "What's wrong with nuclear bunker busters?" Now, the minute one country crosses the nuclear threshold, you open the doors for others to do so. So we should be walking away. Instead, the West is walking towards.

These are the kinds of things that completely bewilder the rest of the world.

So is there a solution? The good news is there is. As I mentioned at the beginning, the rest of the world wants to work with the West. It really does want to work out a new partnership with the West, but a new partnership in a way where the West no longer maintains its domination of the rest of the world. If the West can agree to become equal partners with the rest of the world, then I think we can move forward and steer the world towards a more stable and predictable world order.

Here I have a somewhat unusual, radical, concrete suggestion for all of you. I make this here because it is a suggestion that involves an institution right in this city here.

As you know, domestically, if you want to create social order in any society, you try to make all the citizens of the society a stakeholder. This is basically the fundamental premise on which all democracies are founded. Everybody has a vote, everybody has a say, and so they want to preserve that order.

What I am suggesting to you is that essentially we have to find a way of moving towards some kind of global democracy, where we make 100 percent of the world's population stakeholders in a stable and predictable order and find an institution where you can listen to the voices of the 88 percent who live outside the West.

One such institution exists in this city. It's called the United Nations General Assembly. And believe me, everybody thinks I'm on drugs when I suggest that the UN General Assembly could be the solution to the world's problems. But believe me, that's the only place you can go to if you want to hear all the voices in the world.

I know why, for very shrewd geopolitical reasons, at the end of the Cold War, when America emerged as the sole superpower, it found the Security Council a very useful, pliable instrument to use for its foreign policy. That was a good short-term solution, but it is not a good long-term solution. If you want a good long-term solution which makes the whole world a stakeholder in peace and stability, then use the UN General Assembly.

You have had these wonderful debates in America between <u>Barack Obama</u> and <u>Hillary Clinton</u> and <u>John McCain</u> and the rest. You believe in debates. So why not have great global debates in the General Assembly? You would be amazed at what the other voices say. They will join you and say, "Okay. How can we work together to create a new global order?"

So if you really believe in democracy, buy my book and create a global democracy.

Thank you.

JOANNE MYERS: Kishore, you may miss the Carnegie Council, but the Carnegie Council certainly misses you.

I'd like to open the floor to discussion.

Questions and Answers

QUESTION: Thank you very much, sir. I think this was a very compelling argument you gave us, and I think it is an eye-opener to many of us too. I agree with almost everything you said, but I have a few qualifications.

When you say that Europe and the United States—the West—is not being ready to give up power, it is true, of course, but there are also other things I think we should consider. You mentioned, for example, Security Council reform. You talk about Europe as having one foreign policy. That is not really the case yet. I think once you reach that point that Europe has a real common foreign policy, I think the issue of a European seat on the Council could then come up. You said that no Western leader has mentioned that possibility. That has been Sweden's policy for a long time, to say that the goal should be one European seat on the Security Council.

But not only that. When you mention Asia, you don't talk about differences within Asia. There is lots of competition there as well. I would say one of the obstacles to reform of the Security Council is the competition between China and Japan and the one between Pakistan and India. So it is not only Europe keeping you out of the Council.

And when it comes to economic institutions, as well, of course it's still Europe and the United States that are the main donors when it comes to ODA [Official Development Assistance] and so on. I think Asia is probably coming up there as well in the future and would then share more of that responsibility.

The same goes for human rights issues and so on. When Asia becomes also an important player in human rights and democracy, I'm sure that many Europeans and Americans are willing to share power.

But I do take your argument that it's not an easy thing, it will take some time. But there are many out there in Europe, and I think also in America, who would be willing to share that power.

KISHORE MAHBUBANI: I must say those are excellent points. In some ways, I'm glad you made the points that you did, because one of the other points I make when I go into greater detail in my book is that we must remember that we are moving to a world of greater complexity and we have to get rid of the black-and-white perspectives that we have had in the past. Let me give some examples in response to your points.

I am actually delighted to hear that Sweden declares officially that you want a common European seat. I hope you can persuade the United Kingdom and France. That would be a great achievement. But you are right, we have to wait until January 2009.

You are also right in saying that there are divisions within Asia. That is true. You are right, China is blocking Japan's entry, Pakistan is blocking India's entry. That is part of the total solution.

But I think when you do begin to have a total solution, when you begin to accept the principle that the Security Council should have the great powers of tomorrow and not the great powers of yesterday, or the G8 should have the great powers of tomorrow and not the great powers of yesterday—once you begin to accept that principle, then I think you have taken a major leap forward in finding a solution.

Now, your last point was a very significant one, by the way, about democracy and human rights. You said that when Asians begin to do equally well in the field of democracy and human rights, then the West will be ready to have a more meaningful partnership. I think this reflects a very strongly held psychological assumption, that in many ways the West remains the gold standard when it comes to democracy and human rights, and if the rest of the world can come up to this gold standard, then the world will be a better place. And it is true, it's absolutely true, the best democracies in the world are in the West. That's not a secret. Everyone knows it.

But when you come to discussing the question of human rights, there has been a sea change in the world that it is amazing how few people in the West have noticed. There was a time when you could lecture the rest of the world on human rights and everybody would listen to you. But everything changed after Guantanamo. It's amazing that the head of Amnesty International can actually say that Guantanamo is the gulag of our times.

Why is that significant? I would say there were two great leaps in the history of human rights, two great leaps forward.

One was when you abolished slavery. Today we wouldn't even dream of going back to slavery. It's inconceivable. We have completely left behind that era.

The other great leap forward was when we began to abolish torture and we said, "We want to create a world where no more torture will be practiced." If you had asked me 10 years ago when I was coming here for breakfast in 1998, would the country that reintroduces torture be the United States, the world's greatest defender of human rights, I would have said "No way." But it happened.

You have no idea the shock it created on the rest of the world. They said: "Hey, this country, the great beacon of democracy and human rights, it is now practicing torture."

And what is even more stunning is to discover the number of European countries who quietly and secretly participated in the program by allowing the abuse. This was exposed by the Swiss prosecutor already.

Now, what does that create? The rest of the world, believe me, is extremely intelligent and they can spot a double standard 1000 miles away. They see this double standard, and then they get these lectures on human rights. It's like the old fable of the emperor with no clothes. Here you are all saying, "Isn't the emperor wonderful, this gold standard of human rights?" and the rest of the world sees the torture and says, "What are you talking about? How can you possibly pass judgment on other countries?"

The State Department reports that they issue every year on human rights in other countries should begin with the phrase: "Very honestly, we in the United States have decided to reintroduce torture. This is our policy on human rights. Now, let me tell you what is wrong with your policy." And everybody will say, "Fine, everybody is being honest."

But if you give up that gold standard, then, believe me, don't try and impose it on the rest of the world. So we need a completely new dialogue on human rights.

QUESTION: Kishore, at the United Nations, continuing your conversation about human rights, there is an awful lot of talk about human rights and very little action. Your region came into focus on this issue last fall, when the regime in Myanmar basically committed atrocities against its own people. I remember it well because <u>ASEAN</u> [Association of Southeast Asian Nations] at that moment actually spoke up in a way, frankly, that other regional groups don't usually speak up in such cases. I remember Singapore was the chairman at that point, and I think it was your foreign minister who said, "What's going on in Myanmar reflects badly on all of us."

My question is: Accepting your verdict that the West has been very incompetent in this area as well as others, can we expect a more competent performance by Asian nations in the defense of the human rights of its citizens?

KISHORE MAHBUBANI: The answer is yes and no. It's both. The reason why I say "yes and no" is that—and this is a point I made many years ago in my first book, *Can Asians Think?*—none of us, believe me, want to live in a society where we face the prospects of having our nails pulled out, of arbitrary detentions, of disappearing at night. Believe me, I don't want to live in that kind of society. And most Asians are the same as most Westerners. They crave for exactly the same kinds of high standards in human rights that you have, still domestically, in most Western societies. So in that sense the answer is yes, that's the direction in which we are going to go to.

But the other big lesson that Asians have learned is that you cannot transform societies overnight. You know, frankly, China, having watched what happened to Russia at the end of the Cold War, when they saw how Russia went to instant democracy—had an economic implosion, life expectancy went down, infant mortality rates went up, there were huge social problems in Russia—they said, "That's not what we want for China. China has gone through 150 years of chaos to achieve where it is today, and therefore it will transform itself slowly in the issue of democracy."

So the answer is yes, but not right away. But in the field of human rights, it will definitely move in a positive direction. You, yourself, indicated this. The fact that the ASEAN countries can come out and criticize the human rights standards of Myanmar or Burma is a leap forward. It wouldn't have happened before.

But on the specific case of Myanmar, I actually had breakfast 10 days or 12 days ago in Singapore, with Thant Myint-U (the grandson of the Secretary General of the United Nations, UThant), who was a former UN official. He said, "The great tragedy of this Western policy of sanctions on Burma and isolating Burma is that you have removed for 20 years all traces of Western influence in Burma. Why? Wouldn't it have been better to engage Burmese society?"

This is where the West has got to get rid of this notion that the answer to everything is to impose sanctions. All that sanctions do is that they make you feel good—"Ah, I 've taken a moral stand, I have imposed sanctions"—but they do no good. They don't transform the society.

And the record shows that it is the societies that you engage that transform themselves. A classic example is China today. China's engagement with the world has transformed Chinese society completely. It is now a remarkably open society compared to where it was 30 years ago. The societies that you ostracize, whether it is North Korea or Cuba or Myanmar, these societies don't improve.

So my answer to you is, for all these kinds of examples you cite, don't be afraid. You've got to learn to live in a morally complex world.

There's nothing wrong in establishing diplomatic relations with a regime that you don't like, by the way. And, incidentally, diplomacy was invented 2500 years ago not to enable you to talk to your friends. You don't need diplomatic immunity to talk to your friends. You need diplomatic immunity to talk to your adversaries. This was figured out by our ancestors 2500 years ago.

The United States, the richest and the most powerful society, has somehow or other got this strange idea in its head that if it establishes diplomatic relations with a country, it's an act of approval. That was not why diplomacy was invented 2500 years ago. So my answer to you is send an ambassador to Myanmar today.

QUESTION: It certainly is true that the West has made many mistakes, but it is also true that people in the West are prepared to criticize those mistakes. For example, the United States didn't join Kyoto, or we withdrew from Kyoto, but we have been criticized and condemned for that. China and India refused to participate in mandatory restrictions on global warming. Were the people in Asia criticizing China and India?

Perhaps the United States has cooperated with autocratic regimes in the Middle East because of their interest in oil, but certainly we have been the subject of a lot of criticism, and justifiable criticism, from all over the West for that. Where are people in Asia criticizing China for supporting the Sudanese government and making it so difficult for the United Nations to take action in Darfur because China was interested in getting oil concessions in Sudan?

KISHORE MAHBUBANI: You are absolutely right. This is the great advantage of living in the West. You have these much more open debates. For example, the discussion here, it's a remarkable thing. And you are right, you can criticize America and so on and so forth. And you are right, there is less of a democratic debate out there in Asia and less criticism, I agree—except maybe in India, where you find, by the way, there is remarkable debate within India on all these issues. I accept that as a valid point.

But I want to add one important word of caution. The important word of caution here is that because you can see these criticisms you assume that as a result of these criticisms things will be fixed, that one way or another the United States or the West will make mistakes but the mistakes will be corrected because you have processes of criticism. I actually did share that assumption at one point in time. I thought yes, the United States and Western Europe will become progressively more competent.

What is puzzling to the rest of the world—and I document this, by the way, in the book—is how, in terms of geopolitical competence, for example, it is diminishing rapidly in America and Europe and increasing remarkably in Asia. The remarkable thing is without the criticisms, without the open debate, you have a much higher degree of geopolitical competence, and here, with all these criticisms, you have increasing geopolitical incompetence. There is this paradox.

The reason I mention that is there is somehow or other this belief that because you have these open debates in America and Europe, your minds are open to all possibilities. Ironically, the belief that your mind is open closes your mind and prevents you from seeing new realities. That is the paradox.

QUESTION: Thank you, Kishore, for your marvelous overview of Asia's potential. Certainly, in this room you will find many people who are willing to share power and to have discussions with Asians.

But I want to ask you about the United Nations. You didn't mention, except later on, U Thant and the current Secretary General are Asians. In the Security Council, you yourself, representing a very small state but one that is extremely competent in science and technology, were president of the Security Council twice. So there is room within the system for representation by the smaller states and coming from Asia.

When we deal with international finance, the World Bank and the IMF are fine, but they are not the real arbiters of the international global financial system. When Indians can take over the international steel business, and Tata some of the top brands in cars, this shows that there are changes. Now, who is saving the American credit system? Asians and Middle Easterners and so forth.

So in the real free market of finance, and also of ideas, people who come from anywhere in the world can have an important stake in the system and can change the balance.

KISHORE MAHBUBANI: Yes. That is a very important point. I'm glad you made it. I think we have to distinguish between what happens in the field of government and the field of business.

By the way, in the field of business it's amazing how things have changed. All major multinational corporations today, without fail, know that you cannot have a global strategy if you don't have a strategy for China and you don't have a strategy for India. They have changed their minds really, the businessmen. But it is the people who are in governments who haven't caught up with the new realities of the world.

Going back briefly to the Security Council, here I am going to give away a secret about the UN Security Council. Thank you for saying that Singapore played a very effective role in the UN Security Council. But the reality of the Security Council is that, even though technically there are 15 members, actually, as a Chilean diplomat told me before Singapore joined the Council, "Kishore, when you join the Council, you discover that actually there are only five members and 10 observers." The P5, believe me, run the Security Council and manage it completely. The 10 can really have no fundamental impact on the running of the Council.

QUESTION: First of all, thank you very much, Kishore. Maybe two parts.

One is when you use the word "the West" repeatedly, do you really mean Bush foreign policy? In other words, I translated everything you said into Bush foreign policy. If Barack Obama or Hillary Clinton were to become the president of the United States in January 2009, but the Security Council would remain as it is, and the World Bank and the IMF, at least in 2009, how much would the attitudes elsewhere in the world vis-à-vis "the West" alter? Perhaps I'll leave it at that.

KISHORE MAHBUBANI: You are right. It's not a great secret that the Bush administration has been remarkably incompetent in its handling. I do believe, and I wrote a column in which I said this, that the election of Barack Obama would overnight get rid of half of the anti-Americanism in the world, for various reasons—because the blacks all over the world would celebrate, Africans would be very happy, and the Islamic world would be happy too, and so on and so forth. There would be a remarkable impact on the world in terms of changing global chemistry. But it still only gets rid of half. The remaining half will remain.

Here I always make a very important point. You know, 9/11 was planned long before George W. Bush was elected, long before. The first attack on the World Trade Center was 1993. Believe me, the problems that you have in many parts of the world are very deep.

Look, for example, at your failure in the Middle East. That far precedes what George W. Bush has done. If you don't solve the Middle East problem—frankly, if you ask me to suggest to you one magic bullet to take care of the world's problems, solve the Middle East issue.

The remarkable thing is that we have this wonderful opportunity in every sense of the term. You have a solution that is worked out. And the Palestinian diplomats have told me, "Yes, we can accept Bill Clinton's Taba Accords." You have the entire Arab League saying to you, "Yes, we can accept this two-state solution."

You now have a situation where, paradoxically, the only concrete result of the U.S. invasion of Iraq is that it has enhanced the geopolitical standing of Iran. So the Arabs now actually look upon Israel as a potential ally. That's a wonderful new situation.

If you had any kind of geopolitical competence in the United States or Europe, they will be seizing this moment. The fact that the United States and Europe are wasting this remarkable moment in the Middle East, unfortunately, proves my case. Sorry about that.

JOANNE MYERS: Thank you for an absolutely splendid morning. I'm not sure we can wait three years for your return.

Thank you all for coming.

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