

ASEAN ready to dictate own terms, say regional officials

Secretary General Surin Pitsuwan joins Prime Minister Hun Sen in backing regional grouping as it aims for recovery from world financial crisis

BY GEORGE MCLEOD

TWELVE years after the 1997 Asian financial crisis devastated markets and prompted International Monetary Fund bailouts, the region is seen as a catalyst for economic recovery, said regional leaders and dignitaries Monday at the Asia Economic Forum in Phnom Penh.

"Ten years ago, we were asked to make banks fail. Today, the West is doing the opposite to what we were asked to do 10 years ago. This is an admission that no superpower can dictate to the developing world," said

EMERGING ECONOMIES ARE SUFFERING FROM POLICIES OF THE DEVELOPED WORLD."

ASEAN Secretary General Surin Pitsuwan in his first major speech since the Group of 20 summit in London last week.

The secretary general told the *Post* that his meetings with US President Barack Obama at the London summit demonstrated a new thinking towards the developing world.

"There was a consensus about protectionism and about finishing the Doha Round [of free trade talks].... There is a new mindset with the new administration," he said.

"My impression from the G20 is that the world will not be driven by one giant economy, or one giant superpower.... We will be one of the



Prime Minister Hun Sen attends the Asia Economic Forum at Raffles Hotel Le Royal on Monday. The premier again blamed the West for the current global financial crisis. TRACEY SHELTON

[global] pillars," he said.

"It is no longer a G7, it is a G20. ASEAN was there.... This is a new era and ASEAN will be ready.... Cambodians are very determined to take advantage of globalisation," he said.

In contrast to last year's event focussing on globalisation, the 2009 forum was about coping with the effects

of the economic crisis. "Globalisation has not lifted all boats," Surin said.

The Phnom Penh conference at Raffles Hotel Le Royal included key regional policymakers, diplomats and development organisations and was opened by Prime Minister Hun Sen.

The premier's speech attributed blame for the global cri-

sis firmly with the West.

"Emerging economies are suffering from policies of the developed world. The crisis started in the United States.... Developing countries are calling for the creation of a new international system," the prime minister said.

One of the UK's top emerging markets experts told the *Post*

that ASEAN is on the right track for recovery.

"There is a lot of reason for Asia to look forward to recovery," said Vanessa Rossi from Chatham House in London. "We are seeing some sprouts of recovery emerging, especially from China, partly as a result of the Chinese stimulus package. The only caveat I have is that many industries will need to see a recovery in [Western] consumer spending," she said.

She emphasised that the days of IMF-imposed bailout packages seen in the 1990s are long gone. "What we are seeing is the beginnings of a multipolar world with a greater role for emerging economies," Rossi said.

But significant challenges remain for this region of more than a billion people that has been hit hard by the global economic slowdown.

One participant said ASEAN still had a long way to go before realising its potential. "There needs to be change - there are huge differences inside ASEAN that need to be addressed and they need more sub-regional cooperation.... The problems of Cambodia and Laos are not the problems of Singapore," said KP Nair, director of the Asia Centre.

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The World Bank is to release a new economic forecast for Cambodia and the region today. Check the *Post* website at 10:30am for the latest news.