

**KEYNOTE ADDRESS BY
THE HON. DATO' SRI MOHD NAJIB BIN TUN HAJI ABDUL RAZAK
PRIME MINISTER OF MALAYSIA
AT THE 24TH ASIA-PASIFIC ROUNDTABLE
ON 8TH JUNE 2010 (TUESDAY), AT 9.00 AM
AT THE SHERATON IMPERIAL KUALA LUMPUR HOTEL
KUALA LUMPUR**

"THE FUTURE OF THE ASIA-PACIFIC REGIONAL ARCHITECTURE"

BismillahirRahmanirRahim.

Assalamualaikum Warahmatullahi Wabarakatuh and Good Morning.

Duli Yang Teramat Mulia Raja Dr Nazrin Shah ibni Sultan Azlan Muhibbuddin Shah;

His Royal Highness the Crown Prince of Perak Darul Ridzuan,

Yang Berusaha Dr. Thitinan Pongsudhirak;

Chairman of ASEAN-ISIS,

Yang Berbahagia Tan Sri Mohamed Jawhar Hassan;

Chairman of ISIS Malaysia,

Yang Berbahagia Dato' Dr Mahani Zainal Abidin;

Chief Executive of ISIS Malaysia,

Your Excellencies, distinguished guests, ladies and gentlemen,

1. I would like to begin by thanking the ASEAN Institutes of Strategic and International Studies (ASEAN-ISIS) for inviting me to address the 24th Asia-Pacific Roundtable. And I would like to congratulate ASEAN-ISIS and ISIS Malaysia for hosting the Roundtable, which has become one of the highlights of the Track Two calendar. I am proud that the Roundtable has grown from strength to strength and has gained the recognition as one of the premier security conferences of this region.

2. I am a strong supporter of the Track Two processes. I believe that it is important for us to have a platform where policymakers, scholars, businesspeople and journalists are brought together to examine the security challenges of this region. It is within a Track Two setting such as the Asia-Pacific Roundtable that we can establish a bridge between theory and practice, between idealism and pragmatism, in order to formulate ideas that will take security cooperation to the next level. It is in such events, which provide an informal and non-official channel for the exchange of opinions and perspectives, that we can refine our understanding of each other's security and foreign policy priorities.

3. And this is why I am here today. I believe, that as we emerge steadily from the global economic crisis onto a path of growth and stability, that we must not simply take the comfortable path that would return us to the status quo. In a new and fast-changing international environment, we must look ahead to prepare for the challenges that will define the coming decade and beyond - on foreign policy, international stability, security and economic growth.

4. And I want to suggest today that even as we see evidence of a new power configuration in the Asia Pacific, the region must begin to adapt to and accommodate the concurrent rise of several major powers; that we must recognize and embrace the collaborative multi-lateral imperative that will drive policy and allow us to meet new challenges in the years ahead; and that in doing so, we must define and implement an Asia-Pacific Regional Architecture that puts people and global progress first. I believe

this the road we must follow. The changing political and economic landscapes demand it.

Ladies and gentlemen,

5. In recent times, China, India and Japan have left a significant imprint on the Asia-Pacific strategic landscape. China's economic output has increased ten-fold since the economic reforms of 1978. In Purchasing Power Parity terms, it is now the second-largest economy after the United States. India's growth is just as impressive, averaging 7 per cent annually since 1997. Japan remains a formidable economic power, and its regional role and stature will be sustained for the foreseeable future.

6. The evolving strategic landscape presents a set of challenges as well as opportunities for all of us. Together, we are able to mould and guide this transformation in a way that ensures the continuing stability and prosperity of the Asia Pacific.

7. In addition to adapting to the new strategic landscape, there is also a growing need and expectation for international cooperation to deliver more progress on the issues that cut across borders. No single nation – irrespective of size, wealth, or military might – can confront challenges such as climate change, international terrorism, human trafficking and transnational crime on its own. Individually, states are ill-equipped to address this myriad of challenges, but collectively, the synergy and pooling of resources provides us with the best chance of safeguarding and enhancing our security.

8. The twin challenges of changes in the regional power structure and the increasing pressure to address transnational issues require us to re-examine the efficacy of existing regional arrangements. It is therefore unsurprising that there has been an increasingly active discourse on the Asia-Pacific regional architecture. The stakes have never been higher. In fact, the way we shape our regional institutions today will have a major impact on the future of our region.

Ladies and gentlemen,

9. Over the course of the following days, I trust that fruitful and constructive discussions on the Asia-Pacific regional architecture will transpire among the participants. Allow me to contribute to the discussions by sharing with you some of my thoughts on the subject.

10. What do I mean by the Asia-Pacific regional architecture? The term is frequently used, but rarely with precision. For some, it collectively refers to all the institutions of the region, from security alliances to large assemblies of regional leaders. According to this view, ASEAN, APEC and the ASEAN Regional Forum, among others, represent the different parts of a regional architecture. And there are those who say that an architecture for the region does not yet exist.

11. For me, however, the Asia-Pacific regional architecture refers to a series of concentric circles with ASEAN at its core, followed by the ASEAN Plus Three (APT) and the East Asia Summit (EAS). These concentric circles represent the evolution and growing maturity of cooperation in the Asia Pacific. ASEAN itself began with five members – Indonesia, Malaysia, the Philippines, Singapore and Thailand – before expanding to almost the entirety of geographical Southeast Asia. Recognising the need to engage its Asian partners and prompted by the Asian Financial Crisis of 1997, the ASEAN Plus Three was established with the inclusion of China, Japan and South Korea.

12. The East Asia Summit is a natural progression from the ASEAN Plus Three in extending the geographical footprint of regional cooperation through the inclusion of Australia, India and New Zealand. If anything, these series of cooperative initiatives reflect a pragmatic and adaptive approach on the part of ASEAN. For Southeast Asia, the regional architecture is and will continue to be a work in progress. We will seek to consolidate the significant gains that have been achieved within ASEAN and the

ASEAN Plus Three. At the same time, we will develop the East Asia Summit as an avenue for cooperation with an extended circle of countries from the wider region.

Ladies and gentlemen,

13. How do we harness the full potential of the ASEAN Plus Three and the East Asia Summit? If these two processes are to be effective, I believe that we must start at the core. We must start with ASEAN.

14. When ASEAN was established in 1967, the leaders of Southeast Asia had few reasons to be optimistic about the future of cooperation in the region. For starters, their nations had practically no history of collaboration. In fact, it would only have been prudent for them to remain wary of each other's intentions. Confidence had to be built; suspicions had to be overcome.

15. Not surprisingly, the Bangkok Declaration, the founding document of ASEAN, is brief by today's standards. At just over 700 words, it articulates a vision of regional cooperation that is at once hopeful, but firmly grounded in the realities of that period.

16. Since then, the breadth and depth of cooperation under ASEAN's auspices have grown tremendously. But this has taken place over decades, not years. In ASEAN-speak, we have moved "step by step, at a pace comfortable to all". And so it took almost a decade after its establishment before ASEAN convened its first Summit. A Charter for the organisation would not come before ASEAN had turned 40.

17. Admittedly, there were legitimate grounds for this approach. In ASEAN's initial decades, its members were understandably preoccupied with domestic priorities – with building roads, schools and rural clinics. Alleviating poverty topped the agenda. Insurgencies had to be defeated. National identities had to be cultivated. To different extents, these issues remain very live ones for several ASEAN member states. Securing the commitment of each and every member towards regional initiatives was

always going to be a monumental task. For certain issues, it still is. And so, getting to where we are today has been an exercise in patient diplomacy.

18. Many rely on the history of ASEAN to argue that we can only hope to advance regional cooperation in marginal increments. The same narrative is used by those who say that some issues are best kept in the back burner, until such time that everybody is ready to move forward. No doubt, building confidence among nations is often a time-consuming endeavour. Nevertheless, we need to re-examine the manner in which we conduct our diplomacy if we are serious about propelling regional cooperation to the next level.

19. We need to show that regional diplomacy brings tangible benefits to the peoples of this region. Being involved in multilateral processes imposes great demands on the national purse. The citizens of this region deserve more from the resources that go into the hundreds of meetings that take place every year.

Ladies and gentlemen,

20. It is for these reasons that I believe the way ASEAN conducts its affairs needs to be constantly fine-tuned. We need the organisation to be more effective and more efficient. We need to constantly explore ways to make and implement decisions more expeditiously.

21. And we need to start addressing a wider range of issues, including those that have long been held in abeyance. Free Trade Agreements need to be harnessed to their full potential so that the benefits are spread to each corner of the region. In short, ASEAN needs to engage in some serious and honest self-reflection and move towards making meaningful and substantive progress. A vibrant and coherent ASEAN is essential if it is to continue to effectively exercise its traditional role of fostering friendships and regional cooperation.

22. I am a firm believer that openness and inclusivity should be the guiding principles in our efforts to consolidate the architecture of our region. Geographical distance, in my opinion, should not stand in the way of applying these principles. Of course, the proximity between the members of ASEAN has meant that we naturally have stronger ties with each other. But beyond this, the wider ties that ASEAN has forged with our regional partners have certainly transcended the physical distance that separates us. Indeed, we need to acknowledge that the Asia Pacific is a region where there is an intersection of interests of nations near and afar.

23. Malaysia and her ASEAN neighbours have always adopted a broad vision when assessing our strategic interests. This is why we place such importance in our relations with all the major stakeholders of the Asia Pacific. We appreciate the significance of our relationship with our Asian neighbours – China, India, Japan and South Korea. We also value our ties with Australia and New Zealand, which have played constructive roles in promoting regional economic integration. There is also scope for enhancing our relations with Europe, and we would welcome opportunities to engage the countries of the European Union, whether collectively or singularly.

24. The nations of Southeast Asia also see potential in our relationship with Russia and the United States. This is why the recent ASEAN Summit in Hanoi resulted in the clearest-ever expression of Southeast Asia's encouragement for Russia and the United States to deepen their engagement in the evolving regional architecture.

Ladies and gentlemen,

25. There is a compelling logic to enhancing the participation of these two countries in the Asia-Pacific regional architecture. The United States represents an integral part of the Asia-Pacific regional order. Washington will continue to exercise substantial economic, political and cultural influence for the foreseeable future. Russia's geography gives it a major stake in the affairs of the region. Moscow is earnestly intensifying its

bilateral engagements, a development that has been warmly embraced by regional countries.

26. Certainly, both Russia and the United States meet the formal requirements for participation in the EAS. They have signed the Treaty of Amity and Cooperation, are dialogue partners of ASEAN, and have substantive cooperative relations with the organisation. There are however multiple ways in which the eventual involvement of Russia and the United States can be realised. I would therefore encourage the participants of the Asia-Pacific Roundtable to deliberate on how the two countries can participate in the regional architecture.

27. As I have noted at the outset of my speech, I view Track Two events as providing avenues for the cultivation and testing of ideas. It is here where we should be bold and imaginative, where we should think aloud. And it is here where we should plant ideas and see whether they can germinate and flourish. New ideas are always important to the building of regional institutions, more so now than ever before. I earnestly look forward to the results of your deliberations. Towards that end, I hope that your discussions will be frank and robust, and that you will have a fruitful conference in the days ahead. Finally, for our friends who have travelled from abroad to join us, I wish you *Selamat Datang* and have a pleasant stay in Malaysia.

Thank you.

Wabillahitaufiq Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh.