

# World Knowledge Forum 2013

## One Asia: The Potential and the Reality

Could the countries of Asia combine to form a single economic and political entity like the European Union? This possibility could present benefits for the entire region, but the reality seems that it may just be a pipe dream.

At the 14<sup>th</sup> World Knowledge Forum, a panel including Herbjorn Hansson, Chairman and CEO of Nordic American Tankers Ltd, Kishore Mahbubani, Dean of the Lee Kuan Yew School of Public Policy at the National University of Singapore, Yoshito Hori, Chairman of Globis Capital Partners, Thaksin Shinawatra, former Prime Minister of Thailand, and K. C. Chan, Secretary of Financial Services & the Treasury of Hong Kong, discussed the possibility of a unified Asia.

"Is financial integration desirable for Asian countries? My overwhelming answer is yes," said Mr. Chan. While creating a common currency like the euro would be difficult, because "Asian countries are at different stages of their development," he suggested looking for more attempts to encourage cross-border financial flows. The possibility of a unified passport would also strengthen a unified Asian identity.

For Mr. Shinawatra, one aspect of a unified Asia would be a reduction in poverty through connectivity. "Many countries are still a prisoner of geography because they are landlocked. If we were to build high speed railways, seaports, airports, the connectivity of all of Asia would be there," he said.

Adding to the idea of one Asia, Mr. Mahbubani stated, "All the nations in this region, with the exception of North Korea, have come to the conclusion that the way to succeed is with a free market." If countries in the region could independently come to the same conclusion about their optimal economic philosophy, perhaps proper unification isn't too far off.

Mr. Hansson, the only non-Asian on the panel, expressed his doubts in the realization of such an entity. "In my judgment," he said, "it's not very realistic, and the major hurdle is the dominant position of China."

Mr. Mahbubani countered the assumption that the concept of the European Union would translate well to Asia. "The European Union cannot be a model for Asia," he said. "We are moving from a world dominated by one civilization to a multi-civilization world."

The European Union could not be a model, added Mr. Mahbubani, because Europe remains a society dominated by Christianity, while the major religions in Asia are numerous. European prosperity has failed to assist its neighbors in Northern Africa as well, he added.

A unified Asia as a political and cultural entity may not manifest itself in the near future. The panelists believe that a unified financial Asia, and the benefits such an arrangement would offer, may be a simpler objective to achieve.

"My view as an entrepreneur is simple," said Mr. Hori. "First, opening of markets is good, no matter what structure or initiative it may be. Second, the sooner, the better. And third, the larger and more comprehensive the market, the better."

Mr. Hori added the need for grassroots interaction to help build the region financially.

The panelists all seemed to agree that a unified Asia would not be seen in the near future, although the positive interaction between the countries in the region was seen as something that would continue. Any potential conflict was an afterthought.

"War is not the challenge," said Mr. Mahbubani. "The challenge is how we cooperate peacefully."