
New Regional Governance and a Common Vision for East Asia

HAN Seung-Soo

Prime Minister, Republic of Korea

I am very pleased to speak to you today and would like to thank the Jeju Special Self-Governing Province, the Jeju Peace Institute, and the East Asia Foundation for their kind invitation.

I would also like to extend my warmest welcome to all the distinguished participants, particularly to those foreign guests who have come a long way to participate in this forum.

Jeju Island provides the ideal setting and backdrop for thoughtful deliberation on East Asia's vision for mutual benefit and common prosperity. Not only because of its beautiful scenery, gorgeous weather and delicious local cuisine, Jeju is rather an extraordinary place to speak and think about peace for two reasons.

First, Jeju was designated as the Island of World Peace in 2005. It is a place where people and pundits gather to pursue a "cultural, social and political system which encompasses ideas and policies that lead to the practice of an active peace." Active peace does not mean simply the absence of war. Active peace involves conscientious

and sustained efforts to create, nurture, and ensure lasting freedom and stability. It is a state in which basic human rights are protected, human needs are met, and social justice is fulfilled.

Second, Jeju has served as a venue for various summit meetings of great significance, some that even changed the course of history. In 1991, the Korea-Soviet Union summit, held in Jeju Island, played a crucial role in paving the way for Korean-Soviet détente. The first ROK-ASEAN Commemorative Summit was also held here in June this year, adding a new chapter in the history of Asian regional cooperation. I hope that today's forum will be another leap for Jeju Island in becoming a center and catalyst for world peace and East Asia's common vision.

Before sharing my thoughts on new regional governance and the common vision for East Asia, I would like to briefly reflect upon the international environment surrounding East Asia in the 21st century.

Thanks to the advance of globalization, we now live in a world that has become increasingly interconnected and interdependent. In this so-called "flat world" where goods and people move faster and further than ever before, selfish pursuit of narrow interests never gets us far. The zero-sum paradigm is no longer valid in modern international relations. To understand and address the challenges of the 21st century, we have to think and act together. Let me give you two examples:

First, the financial crisis that began last year in the United States did not remain within the walls of Wall Street. It spread around the globe and affected the lives of people from Brasilia to Beijing, Accra to Amsterdam, Moscow to Mexico City and London to Singapore. The solution for this crisis, likewise, could not be sought within the walls of the White House alone, but through frameworks for international cooperation, such as the G20 system.

Within the past year, two G20 Summits in Washington DC and London brought together leaders from both industrialized and emerging economies, clearly illustrating that current international crises call for collective and collaborative action, not individual

showmanship.

Second, we must also take note of the increase in non-traditional security threats, such as international terrorism, climate change, the proliferation of WMD, and pandemic diseases. These threats do not respect borders or time zones and therefore cannot be effectively addressed by any single country acting on its own. The key to tackling these challenges is international cooperation.

Globalization has brought about a fundamental shift in the dynamics of international relations. Rather than holding onto the antiquated, zero-sum game, "some win, some lose" paradigm, we must learn to view international relations through a positive-sum game, a win-win paradigm. In this regard, it is encouraging that East Asia, a region that has been characterized by intense Cold War hostility over decades and where its legacy still lingers, is finally moving away from the zero-sum game of power politics toward harmonious coexistence and co-prosperity.

Since the 1970s, a whole range of multilateral organizations for cooperation have been created within the East Asian region. These include the ASEAN-Plus-3, East Asia Summit (EAS), the ASEAN Region Forum (ARF), and the Korea-Japan-China Summit. Although they still fall short of constituting solid security mechanisms, their efforts are meaningful in that they point our region in the right direction.

In particular, the Korea-Japan-China summit, which was held in Fukuoka last December, was a milestone in the history of Northeast Asia. It was the first time in the region's long history spanning several millennia that highest leaders of the three countries came together within the region and held their own summit. Up until then, the leaders of Korea, Japan and China always met on the sidelines of major international or regional summit meetings.

At the trilateral summit, the leaders reached an agreement that they would continue to hold the summit on a regular basis. It was a trailblazing event that opened a new chapter of tripartite cooperation and will bring trilateral relations to an even higher level in the years

to come.

I believe now is the time for East Asia to build a community based on a new vision for mutual benefit and common prosperity. Allow me to share my thoughts on what this vision entails and how it should be achieved.

First, we should strive together to build a “peaceful East Asia.” There are many destabilizing factors that threaten security in the region. The North Korean nuclear issue is one example. Collective wisdom and pressure are necessary to deal with North Korea and solve the security threat it presents to the Korean Peninsula, East Asia and the world as a whole. It is only through the concerted efforts of related countries, particularly the five members of the Beijing six-party talks, that North Korea will be convinced to give up its ambitious nuclear program and join the international community in promoting peace and stability.

East Asia is also one of the most militarized regions in the world. According to a survey conducted in 2008, China ranked second in terms of military expenditure, with Japan ranking seventh and the Republic of Korea ranking eleventh. Given this situation, the possibility of an uncontrollable military power race is always there, with tension and suspicion becoming key factors that may characterize regional relations.

Continued disputes on territorial claims and historical issues could also inflame hostility and mar these relationships with resentment and distrust. Diplomatic efforts are crucial in order to prevent these latent problems, and thus it is imperative for countries in East Asia to actively participate and engage in multilateral security cooperation.

Second, sustainable development and *green growth* constitute vital elements in the vision for the future of East Asia and the world. During the 20th century, the world was focused only on economic growth without giving any consideration to environmental consequences. Then, the main paradigm was quantitative growth which depended very heavily on the use of fossil fuel. Now, however,

countries are becoming increasingly cognizant of the disastrous impact of climate change due to carbon emissions and of the need for low carbon development and environmental sustainability.

With the turn of the 21st century, all the countries in East Asia have been faced with the significant task of making the efforts for development more eco-friendly and environmentally sustainable. As a result, each nation has begun establishing a green strategy that aims for mutual benefit between the environment and the economy.

In Korea, on 15 August 2008, on the occasion of the 60th anniversary of the founding of the Republic of Korea, President Lee Myung-bak proclaimed *low carbon, green growth* as the country's new national vision. The Japanese government, for its part, presented its "Innovation of Green Economy and Society" plan last April. Similarly, China, one of the largest energy consumers in the world, proposed the "Resource Saving Society Initiative" and the "National Climate Change Program."

The respective concepts of the vision for *green growth* pursued by each country are essentially the same. Thus, I believe that the close collaboration among these nations will engender a powerful synergy effect in the efforts to achieve green integration for a sustainable East Asia.

Earlier in May this year, I had the opportunity to deliver a keynote speech at the 15th International Conference on the Future of Asia hosted by the Nikkei Newspaper in Tokyo, Japan. In my speech, I emphasized *green growth* as the new frontier for regional cooperation in Northeast Asia and suggested the creation of channels for dialogue and consultation in the form of Northeast Asia Green Growth Network. Such a network will be an excellent mechanism where policy makers and experts of the three countries can gather and explore areas of green integration.

It is not just in East Asia that *green growth* is gaining prominence. It may be worthwhile to mention that during my chairmanship of the 2009 OECD Ministerial Council Meeting held in Paris in late June this year, the representing ministers of the OECD member states accepted

that *green* could go hand-in-hand with *growth* and unanimously adopted the “Declaration on Green Growth.” Green growth is now being universally accepted as the paradigm for future growth.

Third, we need to transform the multilateral cooperation framework within the region into an East Asian community for mutual benefit and common prosperity. To realize this, all the countries concerned must gather their strengths to create a more concrete and stable cooperative mechanism.

The Chiang Mai Initiative, launched last year to help resolve the Asian countries’ liquidity shortage, is one example of a successful multilateral cooperative mechanism. The Korean government played a leading role in the drawing out of this seminal initiative. Such a mechanism that promotes cooperation within the region is a cornerstone principle in the fulfillment of co-prosperity in East Asia.

East Asia is recognized as a key example of the “Rise of Asia,” and it is expected to be a new frontier in the 21st century. The strengthening of multilateral cooperation in East Asia may have great influence on other regions in the world as well. Furthermore, the vision for East Asia that promotes shared prosperity may serve as a valuable baseline for the formulation of a vision for a world of widespread prosperity. In this regard, I strongly believe that achieving shared prosperity in East Asia will be beneficial and of great value for the entire world.

In only a few decades, Korea has advanced from being one of the world’s poorest countries to the 14th largest economy. Korea’s success story is extraordinary and unparalleled in world history. Today, Korea stands as a responsible and competent member of the international community, ready to make greater contribution to East Asia and indeed the world. In particular, Korea is willing to play a more active role in the fulfillment of the common vision of East Asia.

If you will permit me, I would now like to elaborate on the action plans Korea has embraced for the realization of this vision. I have three principal points.

First, Korea’s active participation is needed to strengthen the

region's multilateral security cooperation. Above all, the resolution of the North Korean nuclear issue is imperative for the security of both the Korean Peninsula and East Asia.

The Korean government is exerting sincere efforts for the resumption of inter-Korean dialogue despite North Korea's continued slander and provocative actions. While remaining firm in principle, Korea continues to strive to advance inter-Korean relations in cooperation with the international community for the mutual benefit and common prosperity of the two Koreas.

I also believe that the Jeju Process, which was modeled after the Helsinki Process in Europe, can play a significant role in reinforcing the system of multilateral security cooperation in this region. The Helsinki Process contributed much to the security cooperation in Europe when the region was divided by the Iron Curtain. I am confident that the Jeju Process will be able to become a model of multilateral security cooperation, enhancing transparency and building trust among countries through continued dialogue.

The Fourth Jeju Peace Forum in 2007 called for the materialization of the Jeju Process through the adoption of the "Jeju Peace Declaration." I hope that this forum will also be another opportunity to deepen and consolidate the Jeju Process and lay a firm foundation for multilateral cooperation in East Asia.

Second, Korea is seeking to play a leading role in the cooperation for green growth under the common vision of a sustainable East Asia. Specifically, the Korean government has been pursuing the *green new Deal* policy since January of this year to put the new national vision of *low carbon, green growth* into policy action.

The *Green New Deal* policy is an amalgam of a long-term policy of expanding growth potential through a *green strategy* and a short-term stimulus policy of creating jobs and revitalizing the economy through a *new deal*. In short, it aims to create a low-carbon economy while stimulating job creation. The Korean government is spending 50 trillion won, roughly \$40 billion, in the next four years, creating 960,000 jobs. Once the economy recovers from the current financial

crisis, the *new deal* portion of the policy will be phased out, leaving only *green growth* as the major economic goal to deal with.

In order to successfully carry out the *green growth* part of the policy, the Korean government announced a blueprint mapping out 17 “new engines of growth,” with six projects in the category of green technology industries, another six in the state-of-the-art fusion technology industries, and the remaining five in the high value-added industries.

The Korean government has recently announced the establishment of a *Green Growth 5-Year Plan* with a 10-Year Rolling Plan, which is the first attempt of its kind in the world. I hope that the Korean example will give rise to similar efforts in other nations as well. In fact, I believe that sharing the Korean experience on *green growth* with other countries will contribute to the achievement of the vision of a sustainable East Asia.

It was as part of these efforts that Korea held the East Asia Climate Forum this May in Seoul, which resulted in the adoption of the “Seoul Initiative for Low Carbon Green Growth of East Asia.” The Korean government also launched the East Asia Climate Partnership, which provides East Asian countries with project funding of \$200 million over the course of five years.

I believe that these efforts to share our policy of *low carbon green growth* with other East Asian countries will yield valuable results that will make East Asia a green pioneer in the international arena.

Finally, I would like to suggest the third action plan for Korea to turn the common vision of shared prosperity in East Asia into reality. It is to make diplomatic efforts to strengthen comprehensive cooperation in East Asia, which is also one of the main goals of Korea’s foreign policy.

At present, the Korean government has set a foreign policy initiative for a truly global Korea that fully contributes to international peace and prosperity. We have also pursued a creative and pragmatic approach in diplomacy in order to build Korea as an advanced and internationally respected country.

In other words, Korea seeks to expand the diplomatic horizons beyond the Korean Peninsula and promote exchanges and cooperation with the international community. By enhancing substantial cooperation with the world as a whole, this will become a milestone in the efforts to achieve a global Korea.

Manifesting a more concrete policy for the common prosperity of East Asia, Korea is pursuing the New Asia Initiative with the aim of building cooperative networks with other Asian countries. Korea will triple its official development assistance (ODA) by 2015 and more actively share our development experience with the developing countries of Asia. At the same time, we will continue to strengthen substantial economic cooperation with other Asian nations by implementing customized measures to meet the particular economic conditions of each country and by expanding FTA networks.

I firmly believe that Korea's efforts to strengthen comprehensive cooperation with East Asia and the world hold great importance. This will enable the achievement of a global Korea and, at the same time, the shaping of new regional governance in East Asia. I hope that Korea's action plans may stimulate other countries in East Asia to take concrete action and further steps for cooperation to achieve common prosperity.

There is a term in business administration—paradox management—which is used to refer to the management skill that brings together dissimilar and even conflicting elements in such a way that enables them to coexist harmoniously within the same organization. I believe this paradox management is necessary for a peaceful, sustainable, and co-prosperous East Asia. We have to find a way for conflicting values on environmental sustainability, economic development, military power and human rights to coexist in harmony in the East Asian region.

Paradox management in East Asia can be achieved through comprehensive cooperation among countries in a whole spectrum of fields, including security, economy, and environment. The key here is acknowledging the importance of multilateral cooperation. Only

through collective efforts can the common vision towards a peaceful, sustainable, and co-prosperous East Asia be achieved. I believe that global Korea can provide reliable action plans for cooperation within the East Asian region.

The role of Track II consultations assumes increasing significance as the main body of governance is diversified from the government to businesses or civil society. Since its first incarnation in 2001, which I, then as Korea's Foreign Minister, had the honor to initiate, the Jeju Peace Forum has played a key role in strengthening multilateral cooperation among the East Asian countries. I look forward to this fifth forum bearing even more fruit for the shaping of new regional governance and the creation of mutual benefits and common prosperity.

And I would now like to bring my remarks to a close by wishing the Jeju Peace Forum and the Jeju Peace Institute every success in all their valuable work.