



[Keynote Speech]

Green Growth and Sustainable Development

Susilo Bambang Yudhoyono Former President of Indonesia

I am very pleased to return to Jeju to be part of this important Jeju Forum. I especially appreciate reading the themes that permeate throughout the conference: peace, prosperity, diversity and sustainability. Just so you know, I used all these slogans during my Presidential campaign. And now I continue to promote these same themes in my new capacity as Chair of Council of the Global Green Growth Institute (GGGI)—an initiative of the Korean Government which has become an international champion of green growth.

During our welcoming dinner yesterday, Foreign Minister Yun Byung-se gave a lucid analysis of the various state of play in the complex geopolitical environment in Northeast Asia. I appreciate the important initiatives that South Korea has undertaken, including the recent hosting the long-delayed trilateral summit between China, Japan and South Korea.

There is possibility that this geopolitical downturn will complicate the already tricky flash points in our region. Hence, it is very important for us to maintain strategic stability; if permanent resolution to the disputes still cannot be found, then we need to press on with self-restraint and de-escalation, and try to manage the conflict by preventing the situation from getting worse. This is true in the case of the growing tension between the North and the South in the Korean Peninsula. This is also true for the disputes in the South China Sea.

All of us in this room are keen to build a strong future for Asia. But Asia's amazing future will be harmed so long as there is a mismatch between its geopolitics and geoeconomics. In our region, geopolitics and regional security are issues that often divide us. As such, we still do not have a comprehensive region-wide security architecture binding all the countries in this region.

Geoeconomics, on the other hand, tend to bring countries together, through interdependence and connectedness. Geoeconomics bring more trade, investment, infrastructure, tourism, exchanges and others. We need to make sure that the economic cooperation can help soften the rough geopolitical edges. There are some good examples where the economic imperative has helped to reduce the appetite for confrontation. We

can see this in the case for the U.S.-China relations, and in Japan-China relations.

The key theme of this year's Jeju Forum is peace and prosperity. As Chair of the GGGI, I must also say that the future of Asia also entails "green growth" and "sustainable development". Indeed, I would say that without green growth and sustainable development, Asia has no future. 2015 promises to be an incredibly important year for the global community. The GGGI will offer our utmost support for the coming world conferences to shape global consensus—in Addis Ababa, New York, and in Paris in December this year.

In this Forum, we are back to asking the same question that prevailed during the Cold War and after: how do we overcome the trust deficit, and how do we build or rebuild confidence? Certainly not an easy question. I do not pretend to have the answer for Northeast Asia, but I would like to share some of my personal experiences in Indonesia, and also reflecting the example of Southeast Asia.

I must say that there is no magic wand. Trust and confidence evolve differently in different circumstances. They are things that have to be earned, and once you achieve them, they have to be preserved. There are too many cases, including in my own country, where communities that had lived peacefully for generations suddenly turned into sworn enemies. When that happens, it would take a long time—sometimes, generations—for the wounds to heal.

How do you promote trust in a society where there is none? I would begin with a forward-looking approach. This, I know, is not always easy, especially if the trauma from the past is unbearable. This is what Indonesia and Timor Leste faced after the painful separation in 1999. Both sides had little interest in one another. But after some time, the leadership in Jakarta and Dili decided that we had no choice but to move on with a forward-looking attitude. We renewed our relationship, promoted reconciliation and pushed hard for bilateral cooperation. Today, Indonesia and Timor Leste are as close and harmonious as any neighbors can be.

Another way to build trust is by way of a win-win approach. I know that sometimes it can be difficult to do away with a zero-sum game. Long-standing mistrust and stereotypes have the tendency to create barriers that contain progressive thinking. But it is quite remarkable what can be achieved by changing the approach to peace. This is what we did with the conflict in the Indonesian province of Aceh, which had been beset by separatist armed rebellion by the GAM for 30 years—and peace was nowhere in sight.

In 2005, a few months into my Presidency in the first term, and not long after the tsunami tragedy, I decided to pursue a new approach: an attempt at win-win peaceful negotiations. After much difficulties, we began negotiations with the GAM leadership, we engaged them in a tough but serious give-and-take compromise, and in the end we secured permanent political settlement through special autonomy. The GAM rebels were disarmed, separatism ended, the conflict stopped, and Indonesia remains united. What's more, the guns are silent and former combatants have become peaceful brothers and sisters in a democratic environment. In short, a case of a good win-win approach where everybody wins, and no one loses.

Which leads to this important point: no trust can develop without leadership. Reaching out in difficult relationship is often a politically risky business. It requires courage. It is an essentially political decision, one which necessitates political will. I am glad that my good friend John Howard is sitting here on this panel. Together, we changed



our countries' relationship which benefitted our peoples, and made the region more stable.

When I assumed the Presidency in 2004, due to a number of reasons, the bilateral relationship between Indonesia and Australia was not in an ideal place. I knew this was not healthy for both sides and I immediately established diplomatic relations with Canberra as a foreign policy priority. I was fortunate to find a strong partner in then-Prime Minister John Howard. Before long, we had established a historic Comprehensive Partnership, and signed a bold security cooperation known as the Lombok Treaty. Indeed, Indonesia and Australia later worked together on many regional issues: regional architecture, terrorism, G20, and many more. Once you have that trust, more opportunities would come knocking and the relationship that you invest in would take you a long way.

So, these are my quick three on how we in Indonesia promoted trust internally and externally. Forward-looking mindset. Creative win-win approach. Leadership. Many of the problems around us would benefit from any or a combination of these three elements.

Yet, where trust and harmony is not readily forthcoming, I believe it is important to encourage the present and next generation to keep an open mind. I say this because there is always a risk of the young generation becoming closed-minded and resistant to change.

We must therefore continue to inculcate the culture of peace among the youth of today, because it will be in THEIR minds that the ingredients of mistrust will be gradually chipped away.

And the sooner, the better. Thank you.

[Keynote Speech]

Understanding Korea's 'Trustpolitik'

Yasuo Fukuda Former Prime Minister of Japan



A 'Smaller' World and Global Culture: A Clash of Cultures

I would like to start by emphasizing that our 21st century world is characterized by a globalization process that is driven by the evolution of information technology and is intensifying over time. Among many other things, this process has rapidly expedited the flow of information, material goods, human travel and relationships—bringing everything closer together and making the world, in a sense, smaller than it has ever been.

It is difficult to say, however, if this so-called smaller world is more peaceful and stabilized than the world in the 19th and 20th centuries. Repeated incidents of international terrorism and the spread of political and religious fundamentalism are worsening tensions in the global community. Conflicts between nations and regional disputes continue to persist. At the close of the 20th century, as the Cold War ended, the value systems of the world's religions, nationalities and societies that had been smothered by the dichotomy of the Eastern and Western blocs began to gradually but vehemently insist on their own *raison d'être*.

In light of these shifts, such reasons for existence, I would argue, are becoming increasingly entangled in today's shrinking world, triggering more friction and conflict. While such friction may be beneficial for social and cultural diversity, it is becoming a serious disrupter of order and stability in the international community.

We continue to claim that values such as freedom and democracy, rule of law and respect for basic human rights are universal throughout the global community, but as individual perspectives within this community continue to diversify, it is difficult to maintain that such values are truly shared and respected on a universal level.

We need to go beyond our individual perspectives and construct a medium of inter-cultural conversation that surpasses anything seen in previous generations, one that's applicable to our smaller, more intimately connected world.

A New yet Age-Old Dilemma: Growth vs. Equality

The 21st century's international community faces new but old challenges such as