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AEI Occasional Paper 24

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Emeritus Professor Dr. Surin Pitsuwan

Be the Change that You Want to See in the World
Honourable Zsolt Nemeth

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The Future of ASEM

Emeritus Professor Dr. Surin Pitsuwan

It is certainly a great honour to be back to an institution of great repute, the University of Malaya and Asia-Europe Institute.

I have been active on the ASEM plane because even when I was Foreign Minister of Thailand back in 1997 up to the year 2000, I was very much involved in promoting Asia-Europe cooperation. But the idea was conceived during my first term as Deputy Foreign Minister. At that time on this side, we have in the WTO a candidate from Thailand, Dr Supachai Panitchpakdi as Director General. And then in Europe a champion of this idea was no less than Jacques Chirac, President of the French Republic. The two of them somehow thought that Asia and Europe should get closer to each other because Southeast Asia, ASEAN, and East Asia at that time, early 1990's, were performing very well, going very fast impressively. And APEC, an architecture of East Asia of the Pacific, Asia Pacific economic cooperation was also serving as a platform for countries in the Asia Pacific to come together, to promote integration among us.

The continued growth in East Asia, the opening up of China, the emergence of India, led countries in East Asia to think about a new architecture. And Europe was concerned that it would miss the train, or should we say miss the ship. So there was this initiative, by Jacques Chirac, Dr Supachai and later on of course Dr Mahathir and Goh Chok Tong agreed that some form of collaboration linking Europe and East Asia must be established. The first meeting was held in Bangkok in 1996. By that time, I became an opposition MP, but we consoled ourselves as having to conceive the idea but not having been able to deliver the 'baby'. That was fine. And since then Asia-Europe collaboration, ASEM has gone into its 10th meeting last November in Milan, Italy.

We have decided to meet twice a year and so it's been 20 years. But this is what I have observed; the idea of creating ASEM came from the robust and dynamic

growth of East Asia. Europe would like to be connected with this new set of growth beginning of the Pacific century. There was a lot of enthusiasm from Europe to come in. By the time we got to I believe the second meeting in London, under Mr. Blair, I came back into the Government after two years absence. At the Elizabeth II conference hall near the British Parliament, we sensed then there was less enthusiasm in Europe about East Asia because of the crisis in 1997, because all of a sudden, this domino effect of the financial crisis in Bangkok, into Malaysia, into Indonesia, into the Philippines all the way up to Korea somehow had ravaged many of us in the region. Europe was less enthusiastic I am sorry to say that. Only in 2008, all of us were performing in Southeast Asia overcoming our own crisis to better the 1997.

In October 2008, in Beijing in the Great Hall of the People of China, during ASEM number seven, by that time I became Secretary General of ASEAN. New into the job, October 2008, Europe came into Beijing. The like of Merkel, the like of Berlusconi, the like of Eve Letemps from Brussels, the like of Mr. Barosso came to the heart of communist China, the seat of the Communist Party of China. If you recall October 2008 was when the Lehman Brothers crisis unfolded. Europe was certainly braced for a bigger and longer crisis. If you recall North America was under tremendous pressure. That was in the Great Hall of the people of China, with Mr. Wan Jiabao the Prime Minister at that time sitting at the head: an excellent chairman, well-spoken, very disciplined, clear crisp epitome of efficiency of the Communist Party of China I guess.

But we heard the same tone from Europe, every one of them, and that message was “Please China, please East Asia, please Southeast Asia, keep your growth going. Please keep importing from us, please keep your demand of all goods going”. So much so that David Miliband, at that time Foreign Secretary of the UK, representing Mr. Blair, Mr. Blair didn’t make it for whatever reason, he took me aside and said “Mr. Secretary General, this is a very strange meeting indeed”. I said “How so?” He said “We from the West for the first time asking in the Great Hall of the People of China, seat of the Communist Party, we asking for help” he said. That was when I realized that the pendulum had swung east, that we were

the 8th new growth centre, later on new locomotive of global recovery, later on fulcrum of new architectures growing up in East Asia.

I am relating this to you all in order to emphasise one point: and that point is regional relationship has to be based on a long term vision, has to be cultivated for a common future that we all agree, that we be good for all of us on both sides. This kind of relationship and collaboration cannot be characterised by short term of the vagaries of the ups and downs of economic performances on either side. Because if you look at East Asia, because it is a new growth centre, when it is in trouble you pull back. When Europe was in trouble in 2008 onward, Europe came to East Asia, placing its hope on East Asia. We in East Asia look at Europe still as a large market, as sources of technology and innovation, definitely as source of investment, because the largest amount of foreign direct investment (FDI) into ASEAN year in year out since the year 2000 has been Europe, next to Japan, next to the US and next to China even though it is the largest market for us, still very behind as far as FDI is concerned. So it must be established that we cannot place the relationship on short term ups and downs of economic cycles. Because along the way we will need each other, along the way we will be able to help each other.

And here it is, into the third decade of ASEM, we have been concentrating on political cooperation, we have been focusing on education, we have been focusing on the environment, on science, on technology, we have been looking into the area of employment and labour. And here is the basis for our cooperation, from the very beginning: that relationship must be based on equal partnership, generous process of dialogue and cooperation, based on mutual respect and mutual benefit.

It began with the EU that time, and ASEAN and China, Japan, Korea, our +3 countries, Australia and New Zealand were behind, not yet part of it. India was not yet part of it. ASEAN became that fulcrum. Why? Collection of small and medium sized countries, threatening none, welcoming all.

ASEM is one example that we collectively responded to the observation of Henry Kissinger, who made this statement at the end of last century, about 1970's or

early 1980's; "East Asia as far as science, technology, innovation, economic dynamism, it is 20th century Europe". He observed that as far as institutions, systems processes, to solve problems among themselves, there are a lot of problems between them and among them, like China and Japan. He said as far as institutions, systems and processes, East Asia is still 19th century Europe. Only ASEAN could fill that gap. Only ASEAN could help bridge that void because none in East Asia would have that, what I would call, the 'convening power'. We (ASEAN) call a meeting, everybody comes, everybody wants to come, because we are the only pacific in Asian wide forum officials recognize and respect. Let Japan call a meeting, China would be reluctant. Let Korea call a meeting, Japan will not feel too comfortable. Let North Korea call a meeting, nobody would show up. Even Australia! Therefore somehow we in Southeast Asia have evolved into that fulcrum of emerging architectures in the region. ASEM is one such architecture. ASEM, if I may call it, is a derivative of EU. ASEM is an extension of what EU has stood for: that is to promote collaboration regionally. Because the EU has this DNA in itself and that is regional cooperation is best to solve many problems. And if you somehow can establish real regional organisations and solve problems between yourselves in your own regions, the EU would rush over and say "Take our experiences, avoid our mistakes and try to emulate our success".

When I was Secretary General of ASEAN, the current Minister of Foreign Affairs of Germany came to visit me, Mr. Stanmyer. He said "Mr. Secretary General, you can learn a lot from us. Not everything that we did is a success but we can also help you with some of the examples of our failures." And I said to him "Mr. Foreign Minister, we already learnt something from Europe: we did not call our constitution a constitution, we call it the ASEAN Charter because EU called it a Constitution and it failed". He said "For that statement, I will give one million Marks".

So ASEM is a derivative of the EU. Now it is composed of fifty three member states, plus the European Commission, plus the ASEAN Secretariat. It is a large organisation, very difficult to manoeuvre, to really decide or agree on much of anything. But it is a forum for the two blocs, two sides, two regions, two continents to continue to explore the future together. This relationship cannot

be made as what you would call, hostage to the ups and downs of our own economic performances. So somehow indeed we have to convince our current and future generations that we are somehow complementary to each other. I think that in the minds of Europe, East Asia, Southeast Asia, western Pacific could be the foundation of the new Asian Pacific centre. We have a lot of problems on the landscape; we have a tremendous diversity of the landscape, the largest economy in the world, soon, China. We have many small countries, we have high technology, we have high innovation, we have a lot of dynamism in the region. So what do we do into the future? First, not to make it hostage to the ups and downs of the economic cycles of either side. Second, I would say, we have to make it a people-to-people agenda. The younger generations, because it would be difficult to convince the older generation, the new generation must be inspired to subscribe to that vision of the future. That somehow almost 500 million consumers with very high productive innovation. ASEAN is only 600 million plus. But if you take the entire eastern side, the Asian side of ASEM, in 2014 the EU side of ASEM was 25% of global GDP. The Asian side of ASEM of combined GDP is 32%, USD 23.52 combined on our side. On the European side, USD 17.73 trillion combined. The rest of the world, US, Latin America, Africa etc is 43%. Hence, within ASEM is 56%.

This message, this vision of the future must be disseminated among the younger generations, that we do need each other. That our future depends on your dynamism, your productivity, your innovation. That our future on the other side depends on your growth, depends on your consumption depends on your own evolution, into your own community in East Asia. I don't think that message is widely accepted among the majority of the youths on both sides, it's because we have made it conditional upon our short term economic performances.

In Europe, you have this large landscape of science, technology, education innovation, centres of excellence. And somehow the evolution of Europe could draw the best out of each centre of excellence. And somehow you have been able to channel the products of your research and innovation into very effective production system. Collaboration in those fields somehow are very effective in Europe. Somehow in Europe you can do fundamental research, application

research, technology research anywhere on the landscape of the EU, or beyond EU for that matter. If you want to do electronics or physics of the Space, you can do it in Hamburg, Brussels, Vienna, Madrid or Rome. But once you finished those research innovation, what do you do? If you want to build a plane you channel everything that you have found into Toulouse because that is where the production line is. Somehow, Airbus is the European aerospace industry. We would like to emulate that kind of scientific innovation and technological advances and excellence into the East Asian landscape. Of course, there is this hesitation; if Europe shares the excellence of science, technology and innovation, that kind, what would Europe have for the future? Intellectual property is being spread. The best of science and technology being shared, what would Europe have in the future? Same question that Japan has.

So the concern is more with the intellectual property protection, rather than a more noble vision of sharing the fruits of science and technology for the benefit of mankind; this will need long-term vision. If you talk to any company in Japan, they have this problem, they have this concern. But, unless and until the ASEAN countries can contribute into the advancement of science, technology and innovation of Japanese industry, ASEAN will remain dependent appendix of everything Japan, and that is not going to be healthy. So, I have encouraged, and it is somehow working, through the Asian Development Bank (ADB), through major corporations like Toyota, that research, innovation in your own designs and development labs must be open for ASEAN nationals in Kuala Lumpur, Bangkok, in Jakarta, in Singapore; because you don't want this relationship to be lopsided.

The level of excellence that Europe has achieved must somehow be shared in a way that would lead to a better performance in science, research, technology, and innovation in Asia and Southeast Asia. Only three countries in ASEAN, just take this little landscape, only three countries in ASEAN have made it to the high income category: Singapore, Brunei, but Brunei is just a one commodity economy, the next one is Malaysia. Congratulations, I don't know if you realise that, the vision of Dr. Mahathir, 2020, has been achieved, and that is by the year 2020, Malaysia would like to be in that high bracket, a higher income country. You have made it, without much celebration, without much fanfare, and I hope

you would stress that point during your year, Tan Sri Fauzi of your Chairmanship of ASEAN. In fact you beat the deadline, not 2020, but 2015, 2016. Not nominal GDP probably, but even that, but definitely powered purchasing apparently. Your income is more than USD 10,000 per head of the thirty million of you.

But only three countries have made it. The other seven are following behind; Thailand, Indonesia, the Philippines, and Vietnam. Why? And we are at risk of being caught in that middle income trap that you have heard of, and that is never getting beyond USD 10,000 per capita, because the last 2,000 will be extremely difficult without the restructuring of your economy and you know how difficult that is? Without science, technology, and innovation, and you know how difficult that is? Each of us is spending less than 0.5% of our GDP for science, innovation, research, and development.

So we produce, according to the designs of Japan, we produce according to the designs of Europe, we produce according to the design and development of the US. We earn our income from our labour, not from our brain. This has to be changed and Europe can help. So the educational cooperation and relationship between Asia and Europe, at least for this portion of East Asia must be the scientific, the innovation, the development, the design, the research. Do you have to come here and invest? You don't have to. I am talking to our friends from Europe. You can open your laboratories for science, engineers, and technologists from ASEAN into your own laboratories. I don't know. It might not be commercially correct to say that: worry less about the intellectual property, emphasize more about a common future, and that common future will have to be based on science, technology, and innovation. Then we would be equal, then we would consume more, then there would be better markets for the services and innovation from anywhere, including Europe.

Out of US 140b FDI coming into ASEAN every year, 70% goes into the service sector, meaning what? Meaning education, meaning health, meaning telecommunications, meaning services, entertainment, science, insurance, banking, and finance, meaning the middle class is asking for a better quality of life here in ASEAN, meaning they want better services, meaning, they want

something more than just growth, growth, growth. They want quality growth, they want quality of life and that can only come through education, science, and technology. I think Europe and Asia has this homework to work together. How? In what form to satisfy the market because the guiding principle is mutual respect and mutual benefit. Of course, we have to be concerned about pharmaceutical companies in Europe, worry about intellectual property protection. Of course we have to worry. But how much? To the exclusivity of growth on the other side so that in the end it will drive more demand, more consumption, more buying power. So, if we only concentrate on protection of intellectual property, the rest of the world will remain dependent on the developed economies.

Mr. Ambassadors, (addressing to the number of European Ambassadors present) you are lucky Asia is far enough from Europe, but you have problems with Africa. Only three days ago the Italian navy rescued 1,500 refugees from floating precariously on the Mediterranean Sea. What does that mean? Employment, income, lack of development, violence, war, conflicts in the region that Winston Churchill once called a 'soft underbelly of Europe'. Meaning that this is going to remain strategically very fragile for Europe. Actually, Winston Churchill meant the Middle East, but now you can say Ghana, West Asia, and North Africa and all the way down to sub-Saharan Africa. Without that kind of sharing of the fruits of science, of technology, of investment, of employment creation, of relocating factories from Europe into North Africa, Europe will continue to have this flow of refugees running away from poverty, from disease, from unemployment and from everything. That's why I began with a longer vision of the future. East Asia can help, if this vision of the future can be shared--science, technology.

I think the next area is what you are doing, what ASEM in Singapore, is doing; that is the cultural side of our relationship. Promoting better understanding of the norms and values that have developed through centuries may be different. It used to be Asian values, it used to be the Asian way. Now I think that argument is probably less contentious. I think everyone is looking at some common values of the global community, but the ways to get there, the stages to get there, the steps to get there, remain contentious.

Countries in the East have been able to achieve their own economic miracles through those norms, through those values, and I think as growth continues, we will continue to open up. Five years of ASEAN has convinced me of this: some of the members thought that the community will protect them from changing, from transformation, from improvement, from having to reform politically, governance, economically, opening up. I think they are wrong. I think the community is going to do the opposite. The ASEAN community at the end of this year launch in Malaysia under Pak Najib is going to deliver a new era into Southeast Asia and that is the people of all these countries are going to ask why can't we benefit more from the ASEAN community. Then they will find the answer because of our own governance structure, because of our own economic system, because of our protectionist policies that we have imposed, if not tariffs, then non-tariffs. So there will be pressure from inside for change.

The same as other norms, other protocols, other governance, other cultural norms, that have been developed for thousands and thousands of years here. They are going to be transforming, relaxing, changing into a more effective functional system of norms and habits and ideas and ways in which we do things. I don't think the community is going to protect, its going to even encourage more. AEC is supposed to be one market; competitive, equitable among ourselves, inside too. The last one, you don't change you won't get it: the last objective of our ASEAN economic community is to be able to join with the global market, this marketplace seamlessly--without much problems, without much struggle, without much difficulty. How can we do that? You have to rise up to the measures, to the standards, to the way in which the global community does things; not imposing, but in a way, pressuring - child labour, woman labour, less respect of human rights of our labour. Malaysia and Thailand are going through similar problem of how to manage foreign labour in our economies. And if we don't measure up to the way in which we treat our foreign labour, nobody has to come in and tell us, Thailand will feel the difficulty of producing many of those products, definitely seafood production. One province prominent in this thing has more foreigners than Thai nationals: one centre of production will flop tomorrow if all foreigners walk away. But I can share with you the sentiment of the Thai people, 98% still feel that foreign workers are nuisance that they need to be kept away.

That awareness is not there yet, that you need them to keep producing and keep exporting.

I think Malaysia and Thailand are on tier three of threat report on trafficking in persons. So somehow we have got to measure up not to satisfy Europe but to benefit ourselves in our own economy. Much like the Mexicans or Chicanos coming into the US earlier on when I was there in 70s and 80s, washing dishes in restaurants, white Americans did not want to do the job anymore. But all these Chicanos were illegal, most of them. Same as Vietnamese, Cambodians and Laotian workers. On the shipping boats of Thailand, in the food processing plants of Thailand, in the centre of production of food processing of Thailand, 98% of people of Thailand still feel that foreigners are nuisance. That has to be changed here too. So AEC's fourth objective is to be able to join with the global seamlessly without struggles, without problems, without difficulties. If we don't change, we don't transform, if we don't reform. So, educational institutions, educational exchange, educational cooperation for the future, for the leaders of the future is extremely essential.

Let me just drop this one line. Now I am an Adjunct Professor of AEI; thank you very much. Since I am now part of AEI, we are coming up with this idea of ASEM summer camp for EU's part of ASEM and East Asia's part of ASEM. The idea is to familiarize people on both sides of what we have on the landscape. Diversity? Yes. Human diversity? Yes. Cultural diversity? Yes. Environmental bio diversity? Yes, tremendous. But how do you cultivate the high sense of appreciation that there is this diversity and should be considered our treasure, our essence rather than our liability. I think it was John Donne from 16th – 17th century England who said, 'No Man is an Island, unto itself', no woman too. No man is an island unto itself. Any man's death, any man's suffering; any man's death diminishes me because I am involved in mankind.

The tropical forest bio-diversity of Southeast Asia is extremely important to the goal of community. It is a modulator of global temperature. Europe must understand that, we must understand that in order to protect this heritage of mankind. That is in the bio-diversity, I think would be great for young people

from Europe to come and appreciate and experience. The other one is cultural diversity. Malaysia is truly Asia. It's a mix of everything, but it is human heritage. Somehow it works, somehow it has problems, but somehow it is productive, it is competitive, productive to the growth of at least one economy. I think the world should appreciate the Malay cultural world. Why? Because over half of ASEAN is Malay. I keep emphasizing this to your leadership that somehow Malaysia must take this into consideration when you carry out the chairmanship of ASEAN. Over half of the 600 million people are Malay. Over half are speaking Malay already. Almost half are Muslims and they are very productive. Growth is very fast in Southern Thailand and elsewhere. The region has been formed by two higher cultures, higher than our own indigenous India and China. That is why it is Indo-China. And you will find influence of these two higher cultures in everything we do. That, Europe must also appreciate, and on our side, we want to hear from you, from Europe.

The Chinese diaspora in Southeast Asia is a major feature of Southeast Asia of ASEAN. My point is this. In August, this summer camp is going to be established for two weeks and if each Embassy of the EU could somehow subsidize young people from Europe to come and share the diversity on your side and learn the diversity on this side, it will be fantastic. It will be a beginning of that long term vision into the future. Not that Europe is in trouble now therefore we can't afford anything. But I think if we look into the future, that this relationship is important enough, is critical enough, is valuable enough into the future, we need to create a new generation of leadership on both sides. A way of the potentiality, convince of that vision of that future together and are willing to get involved in the realization of that vision of ASEM. So, I hope in August, at this summer camp, we will have participants from across Asia and from across Europe not 53 probably not every member state, but at least a cross section of that 53 and then we will have a very productive beginning on this road into the future. Not hostage to the economic performances on each side but holding firm on that vision into the future knowing that it will be beneficial to all leaders. It is our common responsibilities to pursue this together. Thank you.

About the Author

Dr. Surin Pitsuwan born in 1949, was educated at Thammasat University and Claremont Men's College, California. He graduated with B.A (cum laude) and topped his education with an MA and PhD from Harvard in Political Science and Middle Eastern Studies in 1982.

He was an active columnist for "The Nation" and "Bangkok Post" 1975 – 1992 which, since 1984 was coupled with lecturing at Thammasat. From there, he entered Thai politics where he created his forte. He first stood for general election in 1986 and was returned for eight times to Parliament. He was appointed Foreign Minister from 1977 to 2001 and then served in a number of advisory boards of UNO and member of the "Wise Men Group" for restoration of peace in Aceh. He was the ASEAN Secretary-General from 2008 to 2012.

Having been conferred 13 Honorary Doctorates for his sterling achievements by various universities, including University of Malaya, Claremont McKenna College, the National University of Malaysia (UKM) and Universiti Putra Malaysia (UPM), Dr. Surin Pitsuwan, currently an Adjunct Professor at Asia-Europe Institute (AEI), UM, is engaged interalia in the promotion of regional integration in East Asia and educational and political reform efforts in Thailand.

Be the Change that You Want to See in the World

Honourable Zsolt Nemeth

Ladies and gentlemen, good morning to all of you.

I would like to thank Professor Dr. Mohd Hazim Shah Abdul Murad for the kind words. I would also like to express my gratitude to Executive Director Associate Professor Dr. Nasrudin Akhir and also to Dato' Amir Jaffar for the opportunity to meet you and for the invitation, for this very unique opportunity to meet the students. I hope the students, professors and teachers coming to this discussion will have their remarks, comments and their opportunity for dialogue which I would like to offer to you after my short remarks concerning the European-Asian relations from a Hungarian perspective.

From the European, Asian and the Hungarian perspectives, these are three issues which I would like to touch upon very quickly. Concerning the European Union, I would like to underline to you that as Professor Hazim Shah said, the European Union is now an enlarged European Union. After a few rounds, Central and Eastern European countries entered the EU and NATO while Hungary entered 10 years ago exactly, from 2014, along with 10 other countries. Then there was a second round in 2007 when Romania and Bulgaria joined. We then had Croatia entering the organisation last year. So, now this organization is composed of 28 countries. And yes, we don't really like to say that we are the "New Europe" which is the term that is coming from the US, but Europe is now not the old Europe only, but yes there is a new side to it as well. Anyway, this European Union and European countries are in a sort of a crisis since 2008 roughly when the global economic crisis had started.

We are still struggling with the consequences of that crisis. We are trying to find solutions for that. Hungary recently had, a few years ago, the presidency of the EU and at that time we tried to do our best to find a remedy for this economic crisis through strengthening the economic and monetary union of the EU. Now,

a couple of months ago in the last month of 2014, a new European Commission, a totally new personnel setup is established inside the EU. There is a new President of the European Union, in the person of Donald Tusk. There is a new Chairman of the Commission in the person of Jean-Claude Juncker. There is a totally new Commission with 28 new Commissioners. There is a new Special High Representative for Foreign Affairs in the person of Ms. Federica Mogherini. So as you can see there is in the last couple of months, a new European Union in front of us, a new dynamism with new ideas to find solutions for the ongoing crisis which is not just only the economic crisis that has been ongoing since 2008 but last year, the number of insecurities in Europe has increased, especially two very serious security components adding to this European and international crisis situation.

One is the Ukrainian-Russian war which is still going on and has very broad implications, with casualties every day and a very sensitive conflict in the midst of Europe, which is a military confrontation, not just a political one anymore. The other component of this new situation is the so-called ISIS, the Islamic State, a problem in Syria and Iraq which is also very close to us and has implications every day for the life of the European Union as the recent terror attack in Paris has demonstrated.

So, we have a new situation, we have new players, and the international community as well as the European politicians are trying to find working solutions. I would like to underline that there are some constant players and committed players in the European political life. I do not want to name too many because it would probably be a long list, but I need to name a few. The role of Germany in Europe is very decisive. There is a stabilized German political direction that plays a very important, crucial, and I would say responsible role in finding solutions for the challenges. Angela Merkel, in her personality we have got a real statesman, if I may say so, in Europe. Angela Merkel the German Chancellor, soon actually is going to visit us, Hungary on the invitation of Prime Minister Viktor Orbán and obviously they will touch upon the most important issues. Europe intends to answer for the present challenges with a constructive, open, and global approach.

We are aware of the fact that Europe is an extremely open space. Our economies are extremely open economies and probably one of the key factors of the strategy which is not just the Germans but hopefully the whole EU and most of the EU countries will employ for finding an answer for the present challenges is the growth strategy through opening up our economies and our political lives. A crucial instrument in this process is going to be the free trade agreements. One of the most important ones is going to be the free trade agreement between the European Union and the United States – the Transatlantic Trade and Investment Partnership (TTIP). But not just with our Atlantic alliance partner the United States, but also with our Asian partners and allies like for example, Singapore and Malaysia. With Singapore, we have finalized a free trade agreement on behalf of the EU and the negotiations with Malaysia are underway and the final conclusion of the agreement is very promising.

Concerning the security challenges relating to Russia and to the Islamic State, I would like to draw your attention that the last security strategy of the European Union was adopted in 2003 and it is slightly outdated and for that very reason there is a commitment on behalf of the EU that by the end of next year, we want to draw up a new European security strategy which would answer the Russian challenge. It seems that Europe is quite committed that international law must be respected, territorial integrity and sovereignty of the Ukraine and any country must be restored and respected. We need to find however, a political solution for the Russian challenge as Russia is a military superpower and obviously a strong economic player internationally as well. So, a solution must not force Russia into a position in which it is defeated.

For that very reason, the appropriate political solution is needed, which may include an extremely large number of components like free trade agreements and decentralization of the Ukraine. In this sense, I believe the EU and even the whole of Europe, do not wish to enter the Cold War period. As in the Cold War era, we had spheres of influence and Europe was divided. We do not want to re-enter that situation when Europe is divided along the spheres of influence. This new security strategy obviously will define our relationship with the US. It seems that NATO in the long run, will be the main guarantor of security for

Europe. We are both NATO and EU members, so Europe needs to develop its security identity along with the NATO security identity and there needs to be an appropriate union of labour between the two organizations and Asia.

Asia brings me to the second part of my small analysis, our relationship, the Asia-Europe relationship. I would like to focus especially on the ASEAN-EU relations. I believe that the roles of China, India, Russia, and the US towards the EU and for ASEAN countries, is more or less known. But I think we are in front of realizing how similar ASEAN and the EU is. For example, our size is really comparable. Our population is between five to six hundred million people for both of us. At the same time, we are also culturally and religiously diverse. The diversity of the ASEAN countries is an advantage - your ability to digest and understand the role and the relevance of multi-ethnicity and multi-religious characters. In the European Union, we are also in the process of realising the strengths, power, and unity in diversity. This is what we think, that you are probably not talking as much about unity in diversity but you are practicing it, in this country, Malaysia.

I have spent here only a week, unfortunately today we are leaving for home, but this is the most striking experience to me. This country is probably one of the best lessons of the coexistence between ethnicities, religions and cooperation that can be established. This kind of moderate approach by both the EU and the ASEAN countries and especially your country, Malaysia, is what is badly needed in this world. I see this as a kind of soft power approach in which conflict can be tackled through negotiations. For me, keeping that openness is a critical factor to find solutions to a series of challenges the world is facing.

So, ASEAN and EU are country groups with similar interests and probably, we have not yet exploited the possibility of sharing our experiences and in creating the appropriate cooperation between the two blocs. I was glad to meet the Malaysian Deputy Foreign Minister, YB Dato' Hamzah Zainudin yesterday, and he shared with me the Malaysian strategy for its ASEAN chairmanship in 2015. I was impressed by how Malaysia is preparing for the ASEAN Economic Community (AEC), which is scheduled to be declared this year. It also resonates to us.

We are the “European Community”, just like an Asian Community in ASEAN. The community between states is something what needs to be reflective, analysed and exploited. There are differences, obviously. EU was originally an economic playground and now, moved into the political direction more or less. On the other hand, ASEAN was originally a political initiative and it seems that it is moving more and more toward the economic direction. I believe the outcomes of the two integration cases are pretty similar. For this, I suggest the students of social sciences to analyse the parallels and differences as well as the potential of cooperation between EU and ASEAN.

We, Hungarians, believe that the regional cooperation will be not just the answer for our country but it is also something relevant in global terms. Member states may not just get out from the shadow of great powers, for instance, the South China Sea issue and the Ukraine crisis, through regional cooperation, but also, to contribute to the global security as well. The EU has a long history of developing the necessary administrative capacity and I believe this is the field which EU can enter as an advisor for ASEAN – which is going through the similar process. In our discussion with the Asia-Europe Institute’s Executive Director and his colleagues, we agree that this is probably the field where the university can also play an important role.

As for Hungary, we have offered 300 scholarships per year for ASEAN countries in which programs are conducted in English. The Central European University (CEU), University of Economics, Medical University, and Technical University are among the examples of universities offering English programs in Hungary. Also, we are in the process of finalising the country and institution partners, and hopefully, the newly re-established Hungarian Embassy in Kuala Lumpur¹ will speed up such higher education cooperation agenda between Hungary and Malaysia.

Concerning Hungary, it is important to recognise that we are from the Central Europe for various reasons. Eastern Europe, meanwhile, is understood by us

¹ The previous Hungarian Embassy to Malaysia that was based in Kuala Lumpur, had been closed since 2009.

as the region under the Russian influence. The famous Czech novelist, Milan Kundera even termed Central Europe as the ‘Stolen West’. As I understand, there are Polish and Czech students in this university but I hope Hungarian students will soon join the community of students here. Along with Czech Republic, Slovakia and Poland, we constituted the so-called Visegrad Cooperation Group (V4) – the cooperation bloc of Central European countries in the present. The first cooperation was established in 1335 and it was between the three kingdoms at that time: the Polish kingdom, the Czech kingdom and the Hungarian kingdom. We have some breaks in between, but we re-established such cooperation in 1991 and it worked very effectively until today. In the near future, we will be establishing a General Consular in Poland.

By all means, Central Europe is an important category when we analyse Europe in general. These countries have not had any colonial past and probably this is something not irrelevant when we cooperate with Southeast Asia. Probably those kinds of sensitivities are not there in our relations with ASEAN countries. In the communist period, some of the Eastern European countries have close cooperation with the Central European states and we are quite devoted to communism at that time. For example, our parents still recalled the time in which thousands of Hungarians (including decision-makers) studied in Vietnam and vice versa, to serve what was then understood as the world’s socialist division of labour. This is the institutional linkage which we inherited by then. Moreover, examining the transition of the Central European countries from command economy to free market economy will be one of the potential cooperation areas between Southeast Asia and Central Europe.

Recently, there has been a shift in the Hungarian political landscape. The leftist which represents the former communist forces, have collapsed and the democratic, central right opposition has re-emerged. As of now, they have played an important role in the transition of our country from the communist system. In general, we called this trend as the ‘Eastern opening’ in which Central European countries began to foster ties with NATO, the EU and so on. Of course, this is still a process underway. Capitalizing on such collective opening of central European countries, we have now integrated foreign ministry, foreign trade, cultural agencies and so

on. For your information, the re-opening of the Hungarian embassy in Kuala Lumpur is part of such a strategy as well.

Economically, we have achieved a lot. The largest Suzuki plant is in Hungary, one of the outcomes of the intense Japanese investments in our country and Central Europe. The Korean multinational (MNC), Samsung, invested in Hungary as well. These MNCs viewed Hungary and Central European countries as a bridge to the EU. In the future, Central Europe might become an important front player in the EU and Europe. Hence, we will be glad to intensify our relationship with Malaysia and ASEAN in the areas of academia, economy, culture and political exchange as well.

Thank you very much for your attention.

About the Author

Zsolt NEMENT's political career started with his founding of the political party Fidesz in 1988 and has been a member of the Hungarian Parliament since the first democratic elections in 1990. Currently, Mr. Nemeth is Chairman of the Parliamentary Committee on Foreign Affairs and the Head of Hungarian Delegation to the Parliamentary Assembly to the Council of Europe from 2014.

Mr. Nemeth has been a key figure in formulating Fidesz's foreign policy, since the past two decades. He was an active supporter of the Act on National and Ethnic Minorities (1993) and the Act on Hungarians Living in Neighbouring Countries (2001). He was also among the sponsors of the Act allowing non-resident Hungarians to apply for Hungarian citizenship if they are of Hungarian origin and speak the language (2010).

Between 1990-1994, Mr. Nemeth headed the Committee on Human Rights, Religions and Minority Affairs in the Parliament. When Fidesz had majority in Parliament between 1998-2002, Mr. Nemeth acted as Minister of State at the Ministry of Foreign Affairs. Between 2002-2010, he was the Chairman of the parliamentary Committee on Foreign Affairs, and again acted as Minister of State at the Foreign Ministry from 2010 till 2014.

Mr. Nemeth was member of Parliamentary Assembly of the Council of Europe between 1993-2008. In 2004, he became Member of the European Parliament, where he served in the Committee on Foreign Affairs. Between 2005 to 2008, he was the Vice Chairman of the Political Affairs Committee of the Council of Europe. He has been member of the Political Assembly of the European People's Party (EPP) since 1998.

Mr. Nemeth holds several honorary and executive positions of non-profit organizations and other NGOs; among others, he was the founder of the Pro Minoritate Foundation, the Honorary Chief Superintendent of the Calvinist Congregation of Transylvania, and Member of the Knight's Order of the Johannites.

Mr. Nemeth studied political science at Oxford University St. Anthony's College as a visiting student. He earned his M.A. in Economics and Sociology at the Karl Marx University of Economic Sciences at Budapest in 1987.

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