































A Virtual Global Town Hall Around the World, Around the Clock

### REBUILDING FROM THE COVID-19 W\*RLD

**CONFERENCE PROCEEDINGS** 







# REBUILDING FROM THE COVID-19 W&RLD

**CONFERENCE PROCEEDING** 

A marathon discussion by leading minds



### FOREWORD



Dr. Dino Patti Djalal

Founder and Chairman of Foreign Policy Community of Indonesia and Vice Minister of Foreign Affairs of Indonesia (2014)

The Global Town Hall is an independent, civil-society/think tank driven forum for discussions of (leading minds) from around the world. It is initiated by Foreign Policy Community of Indonesia (FPCI), which in recent years organized what is regarded as the world's largest foreign policy conference, the Conference on Indonesian Foreign Policy (which registered 11, 000 participants in 2019).

The main theme of the Global Town Hall 2020—"Rebuilding from the Post-COVID 19 World"— reflects the need to assess the impact of COVID-19 from a variety of angles: world and regional order, diplomacy, multilateralism, politics, economics, populism, society, business, health security, climate agenda, US politics, etc.

The idea was to convene a marathon 15 hour discussion covering the time zones of Southeast Asia, East Asia, South Asia, Australia and New Zealand, Europe, Africa, and North America. This is why our tag line was "around the clock, around the world".

From the beginning, we wanted to create a Town Hall that would sure as a meeting point of different viewpoints from around the world. This is the only way the Town Hall could be a genuine cross-mindset dialogue. We were not interested in blame game, finger pointing, or confrontational debates. We wanted to hear updates, ideas, opportunities and, where possible, solutions—for which no one had a monopoly. We also wanted to ensure that those who spoke in the panels were experts of the highest grade. We owe this to our viewers who, after months of lock downs and work from home, were being consumed by webinars fatigue.

We were therefore very pleased that some 9800 people from 83 countries registered for the Global Town Hall. The list of countries of course include the countries where the think-tanks originate: the US, Australia, India, Europe, Canada, Russia, Singapore, etc. But it also happily includes viewers from countries where we had very little or no engagement in: Serbia, Costa Rica, Fiji, Armenia, Austria, Azerbaijan, Benin, Botswana, Chile, Dominican Republic, Kenya, Malta, Mauritius, Bangladesh, Czech Republic, Eritrea, Ethiopia, Ghana, Morocco, Nepal, Oman, Sir Lanka, Tunisia, Uganda, and so on.

All in all, the Global Town Hall turned out to be a very dynamic forum, with outstanding speakers and lots of good analyses and insights. The substance of the discussions can be read in this Report.

We would like to express our thanks to the Foreign Ministers, Director General of WHO, President of AIIB, and Managing Director of World Bank who contributed their important views to the Town Hall: H.E. Retno Marsudi (Indonesia), H.E. Wang Yi (People's Republic of China), H.E. Marise Payne (Australia), H.E. Dr. Subrahmanyam Jaishankar (India), H.E. Sergey V.Lavrov (Russian Federation), H.E. Naledi Pandor (South Africa), H.E. Josep Borrel Fontelles (European Union), Dr. Tedros Adhanom Ghebreyesus (WHO), Jin Liqun (AIIB), and Dr. Mari Pangestu (The World Bank Group)

We would also like to thank our think tank partners, who collaborated with us in identifying potential panellists, arranging moderators, formulating the questions for the sessions and inviting their circles to join. Thank you CSIS (USA), Valdai Discussion Club (Russia), Asia Pacific Foundation (Canada), ASPI (Australia), Chatham House (UK), COMEXI (Mexico), CIIS (China), IRI (USA), ISEAS Yusof Ishak Institute (Singapore), Milken Institute (USA), ORF (India), Nakasone Peace Institute (Japan), Institute for a Greater Europe (France), Paris Peace Forum (France), Perth USAsia Centre (Australia), and PIPVTR (Philippine).

Our gratitude also goes to the sponsors who kindly supported this project: Hiroto Group, PT Sinar Mas Agro Resources and Technology, Lokadata, Opini.id, PT Freeport Indonesia, Indonesia Morowali Industrial Park, KMK Group, Delegation of European Union to Indonesia and Brunei Darussalam, Embassy of People's Republic of China in Indonesia, Embassy of Australia in Indonesia, Kementerian Luar Negeri Republik Indonesia, and others. The complete list of sponsor can be found at our website.

A special appreciation goes to FPCI staffs. This was a labor of love. We only started working in mid-October. I had thought of cancelling the event after contracting the event COVID-19 in September, but then decided to press on with it and working with dedicated young talents. To them, I give my big thumbs up.

For those who missed the chance to watch the Town Hall, or who want to watch it again, you may do so at: www.gth2020.com or at FPCI YouTube Channel: Sekretariat FPCI. If you have any comments or suggestions, please write me at: dinodjalal@gmail.com or contact@gth2020.com

Finally, I hope you enjoy reading the valuable insights contained this Report!

The Global Town Hall is a virtual meeting that provides a platform for leading minds across the world to discuss, in a marathon one-day discussion, the state of play in the COVID-19 world. More importantly, the Global Town Hall will discuss how to reimagine, rebuild, and reform the post-COVID-19 world from the standpoint of economics, business, socioculture, environment, and governance—among many others. The general theme of this event is Rebuilding From The COVID-19 World.

Global Town Hall is organized by a group consisting of several reputable think-tanks in various countries, such as Indonesia, Australia, India, Japan, Russia, Singapore, the United Kingdom, the United States, France, and Mexico.

### Session 1: The State of COVID-19 World in 2020

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**H.E. Wang Yi** State Councilor and Foreign Minister of the People's Republic of China

### PANELISTS



**Dr. Dino Patti Djalal**Founder and Chairman of
Foreign Policy Community
of Indonesia and Vice
Minister of Foreign Affairs of
Indonesia (2014)

Prof. Amitav Acharya
Distinguished Professor at the
School of International Service
at the American University



H.E. Chan Heng Chee Singaporean Ambassadorat-Large and Ambassador of Singapore to the United States (1996–2012)

### **Keynote Address**



**Prof. Ichiro Fujisaki**President of Nakasone
Peace Institute



**Prof. Wu Xinbo**Dean of the Institute of International Studies at Fudan University

### MODERATOR



**Prof. Gordon Flake**CEO of Perth USAsia Centre

### Session 2:

The Great Social Reset: Another Shot at Building a Just, Equitable, and Harmonious Society

Page 24 **Keynote Address** 



**Hon. Marise Payne**Australian Foreign Minister

### PANELISTS



President José Ramos-Horta

President of Timor Leste (2008-2012) and Nobel Laureate



**Nurul Izzah Anwar** Member of Parliament, People's Justice Party Malaysia



**Rev. Kyoichi Sugino**Deputy Secretary-General,
Religions for Peace
International



**Prof. David Capie**Director, Center for Strategic Studies



**Dr. Jeffrey Reeves**Vice-President for Research,
Asia Pacific Foundation
of Canada

### Session 3: Populism and Nationalism during the Time of COVID-19

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### PANELISTS



**The Hon. Stephen Smith** Minister for Foreign Affairs of Australia (2007–2010)



Anwar
Co-Founder of Foreign Policy
Community of Indonesia and
Deputy Secretary for Political
Affairs to the Vice President of
Indonesia (2010–2015)



**Ameshia Cross**Democratic Strategist and Political Commentator

### MODERATOR



**Dr. Rommel C. Banlaoi**Chairman and Executive
Director of the Philippine
Institute for Peace, Violence,
and Terrorism Research

# Session 4: Geopolitical Reset: Is a World of More Cooperation, Less Rivalry Possible?

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### PANELISTS



**The Hon. Kevin Rudd**Prime Minister of Australia (2007-2010, 2013) and the President of the Asia Society Policy Institute



**Dr. Marty Natalegawa**Minister of Foreign Affairs of Indonesia (2009-2014)



**Prof. Kishore Mahbubani**Distinguished Fellow at
Asia Research Institute
(ARI), National University of
Singapore (NUS)



**Mr. Sunjoy Joshi**Chairman of the Observer
Research Foundation



**Dr. Anton Bespalov**Deputy Editor-in-Chief of Valdai Discussion Club

### Session 5: The Indo-Pacific and the COVID-19 Crisis: What are the Next Steps?

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### PANELISTS



H.E. Bilahari Kausikan Permanent Secretary of the Ministry of Foreign Affairs of Singapore (2010–2013)



Peter Jennings Executive Director of Australian Strategic Policy Institute (ASPI)



**Prof. Richard Heydarian**Non-Resident Fellow, Stratbase
ADR Institute

### **Keynote Address**



H.E. Subrahmanyam Jaishankar Minister of External Affairs of India

### PANELISTS



**Dr. Ruan Zongze**Executive Vice President and Senior Fellow of China Institute of International Studies (CIIS)

### MODERATOR



Prof. Dewi Fortuna Anwar

Co-Founder of Foreign Policy Community of Indonesia and Deputy Secretary for Political Affairs to the Vice President of Indonesia (2010–2015)

Session 6: Vaccine for All: Utopia or a Possibility?

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PANELISTS



Weining Meng
Vice President of Sinovac HK
and Senior Director of Overseas
Business of Sinovac Biotech
Co., Ltd.



Elen Hoeg Senior Policy Manager at Coalition for Epidemic Preparedness Innovations (CEPI)



**Vladimir Primak**Director at the Russian Direct
Investment Fund (RDIF)

### **Keynote Address**



**Dr. Tedros Adhanom Ghebreyesus**Director-General of the World Health Organization (WHO)

### PANELISTS



Darren Welch
Director of Global Health at
the Foreign, Commonwealth
& Development Office of the
United Kingdom



**Timothy Marbun**News Anchor at KOMPAS TV

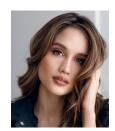
Session 7: Light at the End of 2020: What Worries Me, What Gives Me Hope

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### PANELISTS



H.E. Syed Saddiq
Minister of Youth and Sports of
Malaysia (2018–2020), Member
of the Parliament for Muar,
and Co-Founder of Malaysian
United Democratic Alliance



**Cinta Laura Kiehl** Indonesian Entertainer and Entrepreneur



**Heart Evangelista** *Filipina Actress and Artist* 

### MODERATOR



**Dr. Dino Patti Djalal**Founder and Chairman of
Foreign Policy Community
of Indonesia and Vice
Minister of Foreign Affairs of
Indonesia (2014)

### Session 8: Rebuilding Better: Anticipating and Shaping the Post-COVID-19

World Order and Development

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**Keynote Address** 



**H.E. Sergey V. Lavrov** *Minister of Foreign Affairs of the Russian Federation* 

### PANELISTS



Pascal Lamy
President of Paris Peace Forum,
Director General of World Trade
Organization (2005–2013)



**Dr. Parag Khanna**Founder and Managing Partner of FutureMap



Richard Maude
Executive Director for Policy at
Asia Society Australia; Senior
Fellow, Asia Society Policy
Institute

### PANELISTS



**Dr. Samir Saran**President of Observer Research
Foundation



**Choi Shing Kwok**Director of ISEAS-Yusof Ishak Institute

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### Video Message



**Mari Elka Pangestu,** Managing Director at the World Bank

### PANELISTS



Jin Liqun

President of the Asian

Infrastructure Investment Bank
(AIIR)



Ahmed M. Saeed Vice President of the Asian Development Bank (ADB)



Richard Samans
Director of Research at
the International Labour
Organization (ILO) and Former
Managing Director of the World
Economic Forum (WEF)

### PANELISTS



**Prof. Takatoshi Ito**University Professor at
Columbia SIPA

### MODERATOR



**Laura Deal Lacey**Executive Director of the Milken
Institute Asia Center



**Dr. Dino Patti Djalal**Founder and Chairman of
Foreign Policy Community
of Indonesia and Vice
Minister of Foreign Affairs
of Indonesia (2014)

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Emerging Leaders
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on the Future of
Democracy, Reforms,
and Globalization
After COVID-19

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### PANELISTS



**Ridwan Kamil** Governor of West Java, Indonesia



The Hon. Priyanka Chaturvedi Member of Parliament of India and Deputy Leader of Shiv Sena



Jamie Metzl
Founder and Chair of
OneShared.World and Author
of "Hacking Darwin: Genetic
Engineering and the Future
of Humanity"

### **Keynote Address**



H.E. Naledi Pandor South African Minister of International Relations and Cooperation

### PANELISTS



Emmanuel Ametepey
Executive Director of Youth
Advocates—Ghana (YAG) and
Convener of the African Youth
SDGs Summit



**Johanna Kao** Regional Director for Asia of the International Republican Institute (IRI)

Session 11: Catching Up with Climate Agenda: Small Window, Huge Challenges

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### **Keynote Address**



H.E. Josep Borrell Fontelles High Representative of the European Union for Foreign Affairs and Security Policy

### PANELISTS



Nigel Topping
High-Level Champion for
Climate Action at the United
Nations Climate Change
Conference (COP26)

Widya Putri
Member of Parliament of Indonesia, Commission
VII (Energy, Research and Technology, and Environmental Affairs)

The Hon. Dyah Roro Esti



**Dr. Antonio La Viña**Executive Director of the Manila Observatory

### PANELISTS



**Esther An**Chief Sustainability Officer of
City Developments Limited
(CDL)

MODERATOR

**Dr. Andrew Steer**President and CEO of the World Resources Institute (WRI)

### Session 12: Welcome Back, America!

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### ARMCHAIR DISCUSSION



Prof. Joseph S. Nye Jr.
University Distinguished Service
Professor Emeritus and former
Dean of the Harvard's Kennedy
School of Government

### MODERATORS



**Dr. John J. Hamre**President and CEO of Center for Strategic and International Studies (CSIS)

### PANELISTS



Dr. Kurt M. Campbell Chairman and CEO at The Asia Group and Assistant Secretary of State for East Asian and Pacific Affairs (2009–2013)

### PANELISTS



**Dr. Daniel Twining**President of International
Republican Institute (IRI)



**Dr. Rebecca Lissner** U.S. Naval War College



**Gregory B. Poling** Senior Fellow for Southeast Asia and Director, Asia Maritime Transparency Initiative, CSIS



### **KEYNOTE ADDRESS**

H.E, Retno L.P. Marsudi Minister of Foreign Affairs of Indonesia

Hi everyone. Thank you very much for having me. Colleagues,

Ladies and Gentlemen,

Every morning I check my phone and the TV for news on the latest data on global COVID-19. As of this morning, more than 53 million people have been infected by COVID-19 and more than 1.3 million people have lost their lives. I hope that you are all healthy and I am very happy to meet you all virtually.

Ladies and Gentlemen,

For Indonesia and many other countries, November is a Summit month. Last week, we just finished the ASEAN Summit and related Summits. This week we have the APEC and G-20 Summit. On top of that, there are also many bilateral and trilateral meetings taking place this month.

Is this a good sign or a bad sign? For me, it is a good sign.

All countries continue to spare no effort in making the world a better place. For this session, you posed a question: "Is a world of more cooperation and less rivalry possible"? My answer is it is possible, it is very much possible. But for sure, it is not easy.

It needs give and take, it needs cooperation and collaboration, it needs global leadership and commitment. I recall my President's statement during the 75th UNGA last September. At the beginning of his statement, he underlined "There is no point of victory among ruins. There is no point of being the largest economic powerhouse in the midst of a sinking world." This statement holds a very deep meaning.

We all live in the same planet. We breath the same air. We are interconnected to each other. We cannot disconnect from each other. Yet, being interconnected is not enough. We must think of it as our strength, our engine to progress. And this requires global collaboration, because in this interconnected world, when one disconnects, all flows will be disrupted and we all stand to lose. The only way to move forward is by progressing together.

Ladies and Gentlemen,

The world is now facing 3 main challenges: the COVID-19 pandemic; it's socio-economic impact; and how we maintain global peace and stability.

These three elements are different but in fact they are, again, interconnected. We do not have the luxury of dealing with them one by one. The clock is ticking. We must deal with all three elements at once. Let me try to convey my views on these three challenges.

First, on the pandemic.

When I joined the Ministry of Foreign Affairs 34 years ago, I could not imagine that one-day diplomats will have to deal with health issues. This year, I learned a lot about it, about vaccines, about therapeutics, about diagnostic, and others. Now I can discuss the health issue at home with my son. He is a medical doctor.

The question for the world now is "Do we have the resources to provide sufficient diagnostic, therapeutics as well as vaccine for all?" Developed countries have more resources to deal with emergency needs, but what about the developing and least developed countries? Hence, during the upcoming G-20 Summit, my President will be among those calling for solidarity, especially from developed countries. I recall also the statement of DG of WHO in September 2020 on vaccine, Dr. Tedros said "The first priority must be to vaccinate some people in all countries, rather than all people in some countries.

This is not just a moral imperative and a public health imperative, it is also an economic imperative. In our interconnected world, if people in the low and middle-income countries missout on vaccines, the virus will continue to kill and global economic recovery will be delayed. Therefore, equal access, safe and affordable vaccine is vital. Multilateral vaccine frameworks, in particular COVAX AMC, for example needs USD 5 billion for the provision of vaccine for developing countries. ACT-A needs USD35 billion.

Ladies and Gentlemen.

My second view is on economic impact. Most countries have encountered contraction, especially in Q1 and Q2 this year. We hope, economic situation of Q4 is better and continues to improve in 2021. The IMF for example projected that the global growth would only reach -4.4%, with -5.8% for advanced economies and -3.3% for emerging market and developing economies.

This new projection is less severe than that forecasted in June 2020. The revision reflects better-than-anticipated second quarter GDP outturns, mostly in advanced countries where activities began to take place sooner than expected, after the lockdowns were scaled back in May and June, as well as indicators of a stronger recovery in the third quarter.

Now the question is with the emergence of second wave or third wave in many countries and the imposition of more restriction in Q4, "What will be the impact for the Q4 growth?" To achieve better growth, we have to work hard. If global supply chain remains locked, business trips put on hold, protectionism continue to abate, I am afraid we will not get there

Therefore, enabling environment is needed, to put our economic activities back in action, without risking health. Against this backdrop, Indonesia is making arrangements with a number of countries and we will continue to do so. Indonesia has established Travel Corridor Arrangement with the United Emirate Arab, Republic of Korea, China and Singapore.

We are in the midst of negotiations with Japan. Indonesia also proposed this kind of arrange-



ment with ASEAN countries. Leaders of ASEAN, on 12 November 2020, adopted the ASEAN Declaration on an ASEAN Travel Corridor Arrangement Framework.

### Colleagues,

My third view is on peace and stability. Now this is my core business, but still it is not an easy one. It is getting more challenging to maintain peace and stability amidst rivalries. What I would like to focus on is the role of ASEAN as an engine of peace and stability in the region.

On July 2020, Indonesia proposed to ASEAN foreign ministers to issue a statement on the maintenance peace and stability in South East Asia. The statement was agreed upon and issued on 8th August 202, as ASEAN celebrated its 53rd anniversary. The statement carries much weight.

It shows the commitment of ASEAN to maintain South East Asia as region of peace, security and stability and strengthen peace-oriented values in the region in-line with international law. Reaffirms the unity of ASEAN in promoting its purposes, principles and common interest. Reaffirms the importance of upholding the Treaty of Amity and Cooperation (TAC), ZOPFAN, as well as the principles of AOIP and encourage partners to cooperate.

This statement should be read as a commitment of ASEAN to be neutral, to forgo taking side in rivalries and promote cooperation with all partners. What ASEAN wishes to uphold and spread is the culture of cooperation and dialogue. As for Indonesia, we will continue to uphold all the principles as well as international law, including UNCLOS 1982. Indonesia's position is always clear, based upon these principles. An

independent and active foreign policy will remain the foundation of Indonesia foreign policy. Indonesia will spare no effort to contribute to the maintenance of peace and stability in the region and beyond.

And my call, let us do it together.

### Colleagues,

Back to the question of this session "Is a world of more cooperation, less rivalry possible?" Indonesia and ASEAN gave a primary example of cooperation-forthe-better just a few days ago, in which after 8 years of hard negotiation 15 countries signed the Regional Comprehensive Economic Partnership, injecting new hope and optimism for post-COVID-19 economic recovery in the region and beyond.

So the answer is yes. As long as there is global leadership, solidarity, cooperation, respect towards international law and an understanding that the only sustainable path is when we progress together.

I thank you. ▶



### **KEYNOTE ADDRESS**

H.E. Wang Yi

State Councilor and Foreign Minister of the People's Republic of China

Your Excellency Chairman Dino Patti Djalal, Colleagues, and Dear Friends,

I am pleased to be invited to the Global Town Hall 2020, an important discussion of Rebuilding the COVID-19 World.

The outgoing year 2020 will make its mark in human history. The sudden onslaught of COVID-19 shocked the world in every possible way. In less than a year, international travel has virtually come to a halt. Trade has notably contracted. Global economy is mired in a deep recession. And political and social turbulence has exacerbated in some countries. The impact of COVID-19, compounded with major changes unseen in a century, has brought the international situation to a new watershed.

Yet it is by overcoming tribulations and crises one after another that humanity emerges stronger and makes greater progress. As President Xi Jinping stated at this year's UN General Assembly, the courage, resolve, and compassion demonstrated by humanity in the face of this major disaster has lit the dark hour.

The virus will be defeated, and humanity will win. To contain the raging virus and plan for the post-

COVID world, countries need to draw experience and lessons from the disaster, build consensus and strength through collective response, and work together to usher in a better future for humanity.

We believe that countries need to fight for an early victory against COVID-19 through enhanced solidarity and cooperation. The coronavirus is still wreaking havoc worldwide. Some countries are seeing an even more ferocious resurgence than the earlier outbreaks. No one can stay immune from the crisis, and we are all in this together.

As one of the first countries to effectively contain the coronavirus, China will continue to leverage its strengths to advance international cooperation on epidemic response, and share its experience on containment and treatment with other countries. We will continue to provide support and assistance to countries and regions in need, and deliver our solemn commitment of making COVID-19 vaccines a global public good. We will continue to fully engage with the World Health Organization (WHO) and other parties, and actively pursue a global community of health for all.

We believe that countries need to improve the global governance system through strengthened multilateral coordination. This once-in-a-century pandemic once again tells us that no country can solve its own problems through a beggar-thy-neighbor policy or zero-sum approach. And such practices offer no solution to global challenges



As a responsible major country, China will continue to advocate and practice multilateralism, firmly uphold the UN-centered international system, and firmly defend the basic norms governing international relations underpinned by the UN Charter. Meanwhile, under the principle of extensive consultation, joint contribution and shared benefits, we will continue to work with all countries to promote necessary reform and improvement of the global governance system, so that it can balance equity and efficiency more properly, respond to global challenges more quickly and effectively, and better reflect the justified and legitimate demands of emerging markets and developing countries. All this will make the global governance system more equitable, reasonable, inclusive and beneficial for all.

We believe that countries need to promote global economic recovery through greater openness and integration. What has happened shows that COVID-19 cannot and will not stop the prevailing trend toward economic globalization or regional integration. Seeking "decoupling" or "erecting walls" is self-destructive in the long run. Retreating to isolationism and protectionism is anachronistic. The Regional Comprehensive Economic Partnership (RCEP), formally signed a few days ago, marked the establishment of the world's largest free trade area.

With concrete actions, participating countries have sent a clear message of their shared commitment to openness and cooperation.

As a major economy in the world, while keeping COVID-19 response measures in place, China will continue to work with other countries to improve

"fast tracks" and "green lanes" for the movement of people and goods, and keep the global supply chain stable. China will stay committed to the winwin strategy of opening up, and building a new and open economic system of higher standard. It will strengthen mutually beneficial cooperation with other countries bilaterally and under multilateral mechanisms, advance high-quality Belt and Road cooperation, and contribute its share to the early recovery of the global economy.

We believe that countries need to safeguard peace and development in their regions through enhanced dialogue and mutual trust. East Asia, our shared home, is the most vibrant region in the world with the biggest development potential. The hard-won peace and stability of East Asia should not be taken for granted. Attempts to create division and confrontation and to form exclusive geopolitical blocs in the region would give rise to great security risks.

As a responsible country in East Asia, China will remain guided by its neighborhood policy of amity, sincerity, mutual benefit and inclusiveness. In promoting cooperation, China will continue to advocate the spirit of mutual respect, the principle of openness and inclusiveness, and a development-centered approach. It will firmly support ASEAN centrality, and stay committed to properly handling disputes with countries concerned through dialogue and consultation. It stands ready to work with ASEAN countries to safeguard regional peace and stability, and work with the whole international community to build a post-COVID-19 world that enjoys lasting peace, prosperity, stability, and fairness and justice.

Friends, winter is always followed by spring, and dark night will be brightened up by the light of dawn. We are confident that if all countries truly come together and forge ahead side by side, our world will emerge from the pandemic more prosperous, and that humanity will embrace a better future. Thank you.

## SESSION

# THE STATE OF COVID-19 WORLD IN 2020

Time: 09:15-10:25 | GMT+7

### PANELISTS

### 1. Dr. Dino Patti Djalal

Founder and Chairman of Foreign Policy Community of Indonesia and Vice Minister of Foreign Affairs of Indonesia (2014)

### 2. Prof. Amitav Acharya

Distinguished Professor at the School of International Service at the American University

### 3. H.E. Chan Heng Chee

Singaporean Ambassador-at-Large and Ambassador of Singapore to the United States (1996–2012)

### 4. Prof. Ichiro Fujisaki

President of Nakasone Peace Institute

### 5. Prof. Wu Xinbo

Dean of the Institute of International Studies at Fudan University

### MODERATOR

### Prof. Gordon Flake

CEO of Perth USAsia Centre

### **MODERATED DISCUSSIONS**

### Prof. Gordon Flake:

 Give us your assessment of what the COVID-19 world looks like in 2020 in terms of trends, underlying developments and challenges, so we can understand this from a global perspective.

### **Prof. Amitav Acharya:**

- I do not think that COVID-19 fundamentally changes everything. I consider COVID-19 as an accelerator, and not a creator of new change. The world is already moving away from the western dominated world order to a more diverse and pluralistic world. Power was shifting to Asia and COVID-19 economically and strategically has accelerated it. Thanks to learning from SARS in 2003 and pragmatic policies, East Asia is going to come out of this much better than the Western world.
- I think we should remember that this is not about the United States and China—world order is not only the United States or China.
   I think when I talk about a decentered—pluralistic world I also look at other world powers, other players. If we look at the COVID-19 response, you will see that neither China nor the United States have done the world a big favor in handling the COVID-19 crisis. It is partly because of their mutual competition—even the US and Soviet Union during the Cold War have more cooperation on such things like pandemic or global issues.
- The world will have to look for other types of world leaders, and not just the United States

- and China. And this is why I said world leaders are not going to be a sort of centralistic great power, but a more diverse and pluralistic world. There could be a search for a third way.
- If you look at who has done well during the COVID-19 pandemic, this is it not about power, this is not ideology, this is not about culture. In this crisis, both democratic and autocratic countries have done well and bad. It is not about ideology. It is not about power, but it is about governance.

### **Ambassador Chan Heng Chee:**

- 2020 has really been quite a year. COVID-19
   was a black swan, although we should have
   seen it coming. In fact, Bill Gates has warned
   the world about it. He said that it is microbes,
   not missiles, that will kill people—millions of
   people. He made this point after the Ebola
   crisis, he was concerned that the world will
   not be ready for the next pandemic. Even if
   COVID-19 is a grey swan, we could not have
   imagined the scale and fatality of the disease.
- I agree with Amitav. In terms of countries handling COVID-19, it is not wealth or affluence that is the determinant, but governance.
- Pre-COVID-19, world order was already changing. In fact, some said it had changed.
   Amitav said it had changed from a Western oriented world to a non-Western oriented world with the East asserting itself. COVID-19 has simply accelerated some of these changes.
- There are four points that I would like to make: One, the United States-China rivalry and tensions, over the last 4 years, especially in the last 2 years, have gone sharply downhill and polarization has taken place completely. In 2019 at the Bloomberg New Economy Forum, Dr. Kissinger said that we are at the foothill of a cold war and he spoke with urgency that both sides—the United States and China—must find a way to step back, because otherwise the consequences are enormous.

- COVID-19 has become another platform for the United States and China to carry out this rivalry. In terms of Biden administration, I think that the decibel will be lowered and there will be a little bit more predictability. But a reset is really hard, given the nature of the rivalry and relationship.
- Point number two, I think the United States' leadership particularly in the region during the pandemic has been limited and absent. The result is that the world and Asia have seen far more agency from mid powers, small powers, and other major powers. For instance, other countries have taken leadership roles on trade. Japan led the CPTPP, when the United States stepped out. China is said to have led RCEP. I would like to remind everyone that RCEP is actually an ASEAN initiative. ASEAN worked with China. However, China is the largest economy in this grouping. Naturally, there tends to be more influence in that way. In the same way that TPP was in fact initiated by P4; Singapore, New Zealand, Chile, and Brunei, and then the United States kind of took over because they were the biggest economy. Leadership is not absent. If the United States wants to return to the region, the United States will find the region somewhat different and slightly changed. The United States must listen more, consult more, and understand that initiative must not always come from the United States.
- Point number three: indeed multilateralism
  has weakened and it has been undermined.
  It is with full hope that President-elect Joe
  Biden will make the United States return
  to multilateralism. We should always work
  together to pull through the COVID-19 period.
- Point number four: nationalism and protectionism are on the rise during the COVID-19 period. There is an awareness in developed countries, as well as developing countries, that while COVID-19 is a major crisis, so is climate

and the environment. Now, it is easier to make an argument that climate change has an impact on the health crisis.

### Prof. Ichiro Fujisaki:

- I would like to speak on two things; the impact
  of COVID-19 on society and the world. As for
  society, there are people and industries who are
  affected. This is a great opportunity, similar to
  after World War II when there were devastated
  fields. Some people who were innovative
  thought "Hey this is the chance, the opportunity"
  and they made a great way out of that.
- Second is on world order. In my view, it did not change very much because of two reasons:
   One, it was a golden opportunity for China, but it missed it. It was not because of the United States-China relations. It was because of COVID-19. China unfortunately went into some difficult situations with the United Kingdom, France, Australia, Germany, Canada, India, and all the major countries. Why? Because the Chinese did not differentiate two things: domestic propaganda and international public relations.
- Second, the United States chose Presidentelect Joe Biden over President Donald Trump. That makes major changes. The analogy is we had to navigate in very stormy seas, without any maps, without any lamps. Now it is going to change—it is going to be more of a team play with the government, allies, and friends. It will be a lot more predictable. I am very optimistic. In that sense, the world order, I think, would not change as a lot of people predicted.

### Prof. Wu Xinbo:

 I have three points to make: First, working out of COVID-19, we need a strong governance and hope for both developing and developed countries. The most important lesson that

- we have learned from this episode is that sometimes governance is more important than growth. For example, let's take the risk control, crisis management and better social welfare system. All of these things, if they are not well developed, they may make the fruit of economic growth evaporate overnight. The number one lesson that we learn from this, for the developed countries or the western democracies, for a long time you just assumed that democracy and individual freedom will ensure your success, which did not turn out to be true. Look at the United States. How to deal with a challenge like the COVID-19 is something new, even for the developed countries, the western democracies. We should put aside the traditional emphasis either on economic growth or complacency over individual freedom and democracy but to work in a more pragmatic way to improve domestic governance.
- Second point, we need to make better use of new technology. In this case, IT technology.
   Without IT and smartphones, I cannot imagine how we could do better in terms of early warning and tracing in dealing with the virus, and also to survive through online shopping.
   This new tech, cell phones, has changed the way of life and work. Of course, you have to pay the price, your privacy. Between privacy and the need for life, health, and work, you will need to strike a good balance.
- The third point is we need strong international institutions. This is the time we need to improve global governance systems to promote better coordination and cooperation between countries.

### Dr. Dino Patti Dialal:

The first trend that I see is that COVID-19
 has become a political virus. These days
 the virus affects every country in the world,



elections, political legitimacy, political expectations, and political credibility. These are all affected and determined by COVID-19 in different degrees. In the United States, if it were not for COVID-19, I am confident that President Donald Trump would be reelected for a second term. We see in many countries: the reputation and credibility of leaders are either restored or enhanced because of COVID-19. This gives possibility that leaders should have more political will to cooperate with one another in tackling this global pandemic. Unfortunately, we are not seeing optimal results.

- The second trend that I see across governments is that health security is now regarded as human security and national security. I bet most governments did not see the virus or the pandemic as a real or credible threat that we should be worried about. It has been like that—number one is usually territorial disputes, transnational crimes, and political rivalries. Now, the pandemic is number one priority and this has caused a lot of paradigm shifts in the way governments organize and determine their budget and policies.
- The other trend that I see is that more countries are becoming more inward looking. As a result, a lot of countries around the world are really not engaged in the international scene the way that they used to be.
- There is another key trend that COVID-19
  has disrupted; a slowing down of diplomatic
  agendas. There is no doubt that digital
  diplomacy rules the waves now. But it is not
  a substitute for the real diplomacy, which relies
  on meeting physically in person.
- Lastly, and unfortunately, what we are seeing in 2020 is a rise of conspiracy theories everywhere. On one hand you have governments that need to be science and evidence-based in making decisions, but governments operate in

### Prof. Gordon Flake:

[Regarding the global response to the pandemic]
 How are we doing as a global community?
 What do you think the priorities of the global community or we as individuals should be?

### **Prof. Amitav Acharya:**

- I want to talk about multilateralism and how we can rethink multilateralism. I think a lot of people think that multilateral institutions have done badly, that is including the UN system & institutions). However, if we are looking at the regional organizations, they have done a little better. The European Union (EU) actually managed the pandemic guite well because they had resources. It did not address the pandemic so well, but it certainly addressed the economic situation. ASEAN does not have much money, but at least ASEAN now has regional travel and health plans. Instead of focusing on reviving old multilateral institutions, we should think of building new multilateralism.
- When you talk about multilateral cooperation, pay attention to human security because this COVID-19 pandemic is a huge threat to human security.
- One last point, Mr. Biden as President-elect can certainly do something to revive American soft power but President-elect Joe Biden could not bring the world back to what it was 20 years ago. The world order has changed, and it will continue to change.

### **Ambassador Chan Heng Chee:**

 All regions and countries have a sense of agency, so they come up with initiatives and get things together. My answer would slightly differ from Amitav, in saying that the Inequality is a major issue in the world today and is greatly emphasized and accelerated by COVID-19. As individuals, if we live a responsible and sustainable lifestyle, as well as support good governance, we may reach a better place.

- answers (to this global problem) are not in multilateralism, but regionalism finds answers to some of the problems.
- Subsequently with the incoming Biden presidency, I am hoping for his administration because he has said that he would emphasize on COVID-19 recovery as the first priority and economic recovery as a second priority. That will mean that he will move with multilateral cooperation like with the WHO, and every other country, to lead in this. I think that the absence of the United States' leadership in the COVID-19 response did impact on how the world reacted. I see that we can move forward with multilateralism, particularly in COVID-19.
- I think there is a concern to also move with multilateralism on climate change, and cooperation can be built around climate change.
- Inequality is a major issue in the world today and is greatly emphasized and accelerated by COVID-19. As individuals, if we live a responsible and sustainable lifestyle, as well as support good governance, we may reach a better place.

### Prof. Ichiro Fujisaki:

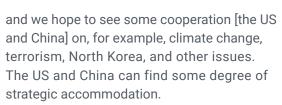
 We have to objectively review World Health Organization (WHO).  Institutional framework, law, tax, and education need to be improved to control global community. Now, discrepancies among haves and have nots within a country are expanding so rapidly. It is the responsibility of think tanks, politicians, and governments to sit down together and discuss the issues. I think the Sustainable Development Goals (SDGs) are not at all addressing the issues and we have to do a bit more.

### Prof. Wu Xinbo:

- We need to promote better international cooperation and I hope that the Biden administration will start with this cooperation with China in dealing with the pandemic.
   I hope, starting with the Biden administration, China and the United States will conduct cooperation both bilaterally, but more importantly within international organizations such as WHO.
- We need to promote regional cooperation in East Asia.
- We need to develop a better sense of community of shared destiny for humankind.
   We really need to have a broader perspective about the future of the country, region, and the world.

### Dr. Dino Patti Djalal:

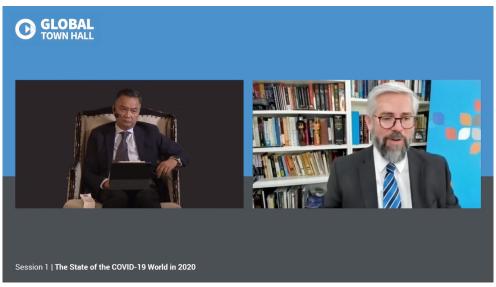
- We are in a different place now psychologically compared to where we were in January. When the virus came up in Wuhan, China was pretty much alone and the world was not engaged on this. Now, after this has affected the world, there is a feeling that we are in this together and I hope there will be greater effort at cooperation on this [COVID-19].
- I do hope that the US and China will be able to cooperate. I think that the Biden administration will produce some degree of geopolitical reset



 If they [the United States] do come to the region and listen to us [ASEAN], they will hear that many of us do not feel comfortable with this rivalry. It is not the right time, we have much more important things to do—saving our people, avoiding the economic recession, and building the architecture. ▶

End of Session; Moderator closes the session.











### **KEYNOTE ADDRESS**

**Hon. Marise Payne**Australian Foreign Minister

The hallmarks of a good partnership and friendship are trust, openness, respect, and a willingness to support each other through both good and challenging times. 2020 is a tough year. The world and our region have been seriously impacted by the COVID-19 pandemic. The pandemic continues to test nations, posing both important challenges and opportunities to

work together to advance our shared interests.

To respond to this pandemic effectively, our countries need to support each other and to support economic growth and recovery. Australia's efforts have been focused on supporting a peaceful, inclusive, sovereign, and resilient Indo-Pacific Region. ASEAN is at the heart of this region. At the ASEAN-Australia Summit, the East Asia Summit, and the RCEP Summit this past weekend, Australia's Prime Minister Scott Morrison made our commitment to recovery, resilience, and security very clear. Australia is investing in partnerships in Southeast Asia, and the region's priorities are our priorities. We have a shared stake in each other's recovery.

The first step to addressing the impacts of COVID-19 is to bolster our regional health response. Australia has already played a crucial role in rolling out medical equipment and direct support in Southeast Asia in response to COVID-19. Looking ahead, we want all countries to have access to safe, effective, and affordable COVID-19 vaccines. Any country that discovers a COVID-19 vaccine must share it. Indeed, should Australia find one, we will share it. That is why the Australian Government has announced a landmark investment of new funding to support vaccine access and health security in Southeast Asia. As part of our 500 million dollar package to support access to safe and effective COVID-19 vaccines in Southeast Asia and the Pacific, Australia will also contribute 21 million dollars to the new ASEAN Center for Public Health Emergencies and Emerging Diseases which would help combat COVID-19 and prepare the region for future pandemics. Recognizing the importance of a broader approach to health security, we will provide 24 million dollars to combat infectious diseases in the Indo Pacific through the global fund to fight AIDS, tuberculosis, and malaria.

Unfortunately, we have also seen a number of actors exploit COVID-19 for harmful purposes.



They have used the pandemic as an opportunity to pursue financial or political or strategic gain at the expense of others, including by targeting vaccine research and spreading disinformation. Disinformation undermines countries' efforts to contain the virus and to save lives. COVID-19-related misinformation and disinformation can undermine public health responses and threaten social cohesion. Disinformation literally can kill. That is why Australia is working with partners across our region to counter it. The best antidote to disinformation is producing and promoting accurate, transparent, and timely information from credible sources. COVID-19 information-like all vital health informationshould be grounded in credible, scientific, and medical advice that is based on verified and attributed evidence. We need to provide this information to the public quickly via social media and other online media. Demonstrating a strong global response to disinformation will uphold our common values and the rules-based international order.

Australia is also focused on supporting economic recovery after COVID-19. Our trade and investment relationships are already very strong. Last year saw more than 122 billion dollars in two-way trade, and over 250 billion dollars in two-

way investment stocks with ASEAN nations. But we can and we should find more opportunities to expand our economic engagement, facilitate more trade and investment, and empower our businesses to grow, prosper, and create new jobs.

The historic signing of the RCEP agreement will do just that. Our businesses will benefit from the RCEP agreement, which will open up new markets and new economic opportunities. Our people will also benefit from the creation of new jobs that growing businesses and stronger economies provide. To ensure RCEP is a success, Australia is providing 46 million dollars as part of a regional trade for development initiative to help ASEAN countries to implement this and other trade commitments.

In order to grow our economies, we also need to develop quality infrastructure. Australia will work with our partners in the region to share advice and support for development of infrastructure across ASEAN. Infrastructure is the backbone of our countries. It needs to be high quality. It needs to be sustainable, and it needs to meet the needs of the community it serves. Australia's approach to infrastructure investment is a partnership with Southeast Asian countries. Our funding will support infrastructure policy

and regulatory reforms to deliver economic and social benefits for all. We will also make sure that ASEAN partners have access to the advice they need to make the best decisions about infrastructure planning, procurement, policy, and projects. Australia has demonstrated expertise in developing infrastructure that we are keen to share, including in the transition to renewable energy technologies and climate resilience infrastructure. Together, we can build smart, sustainable, resilient cities across the region.

To support our Mekong partners to recover from COVID-19 and to narrow the development gap, Prime Minister Morrison announced last weekend a new 232 million dollar Mekong-Australia program. This program is an investment in one of Southeast Asia's most important assets. It is a human capital. Australia's funding will provide new scholarships for future leaders. It will boost economic capability by providing technical assistance, build environmental resilience, and strengthen cyber and critical technology capabilities. The program will support jobs and growth, with an initial focus on implementing the Vietnam-Australia Enhanced Economic Engagement strategy. We are also expanding our diplomatic presence in Myanmar with a new liaison office to be opened in 2021. This will also lay a foundation for closer engagement and cooperation between our countries. The health and prosperity of our countries rely on our region's security and stability.

Australia strongly supports ASEAN Outlook on the Indo-Pacific. Our support is grounded in a firm belief that a peaceful, inclusive, sovereign, and resilient region is in all of our interests. To bolster our region's security needs, Prime Minister Morrison announced a further 104 million dollars to support closer defense ties and greater security capability. Another important outcome from the ASEAN-Australia Summit was an agreement to increase the tempo of our engagement. From 2021, ASEAN and Australia leaders will meet annually. This marks a new chapter in Australia's strategic partnership with ASEAN and reaffirms the strength of our relationship. The comprehensive initiatives announced by Australia recently are investment in resilience, recovery, and security in our region. They are also an investment in the future of our partnership with Southeast Asia. Australia and ASEAN are connected by common purposes: to ensure our people are healthy and educated; to empower our people to earn a living, grow businesses, and support their families; to provide safety and securities for all our communities; and to recover and rebuild from COVID-19 together. Australia remains resolutely focused on our realizing these outcomes together. Thank you. ▶

### SESSION 2

# THE GREAT SOCIAL RESET: ANOTHER SHOT AT BUILDING A JUST, EQUITABLE, AND HARMONIOUS SOCIETY

Time: 10:40-11:40 | GMT+7

### PANELISTS

### 1. President José Ramos-Horta

President of Timor Leste (2008–2012) and Nobel Laureate

### 2. Nurul Izzah Anwar

Member of Parliament, People's Justice Party Malaysia

### 3. Rev. Kyoichi Sugino

Deputy Secretary-General, Religions for Peace International

### MODERATOR

### 1. Prof. David Capie

Director, Center for Strategic Studies

### 2. Dr. Jeffrey Reeves

Vice-President for Research, Asia Pacific Foundation of Canada

### **MODERATED DISCUSSIONS**

### **Prof. David Capie:**

- 2020 has been a hugely challenging year around the world. Alongside health and economic issues, the pandemic has exacerbated deep issues of social inequality and discrimination that global policy makers need to be mindful of. These issues include the scapegoating discrimination against Asian people during the pandemic, the Black Lives Matter movement that emerged as a response to systemic racism not just in the US but also around the world, and terror attacks by extremists who justify their actions in the name of religion or racial superiority.
- On top of that, we know that the pandemic has also had significantly gendered impact.
   According to the UN agency, an estimated 31 million gender-based violence cases were reported globally in the first six months of COVID-19 lockdowns. An additional 15 million cases are expected for every three months that a lockdown continues.

### **Dr. Jeffrey Reeves:**

 Some communities are prone to scapegoating and becoming more vulnerable during a crisis only due to their lower socio-economic status and the deeply rooted exclusion resulting in their diminished access to medical care and other social services. These are the communities that are very likely to suffer oppression regardless of whether or not there is a pandemic.  As for the pandemic itself, it can either be seen as a temporary aberration, or it can be seen as a chance to reset the unjust social system that has been at work for centuries. Politicians, religious leaders, activists, and indeed ordinary people all have a role in a possible massive transformation process. That is the only way to build a just, equitable, and harmonious society.

### **Prof. David Capie:**

Racial stigmatization, religion-based discrimination, as well as gender-based violence and discrimination are said by a whole range of different agencies and sources to have become more common this year during the pandemic. Do you think that in 2020, the world is regressing from a path of pluralism, multiculturalism, and tolerance? Do you think the pandemic has worsened the social inequalities that have already existed?

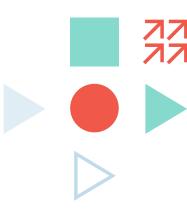
### President José Ramos-Horta:

- The first victim of abuse after the breakout of the COVID-19 was ethnic Chinese or anyone who looks Asian. We also have the economic meltdown exacerbated by COVID-19. However, the sign of economic slowdown was already there two years ago, with a hyper deficit in the United States, with banks in the United States and Europe repeating the mistake that led to the economic and financial meltdown in 2008 and 2009.
- The question is: can we get out of it?
   Muhammad Yunus and I and many others
   have written extensively on vaccines for poor
   countries, to make vaccines common goods
   for humanity. We have written an appeal to the
   G20, the G7, and the UN to look at the impact
   of the COVID-19 economic meltdown on the
   fate of children, on the poorest of the poor.
   There has been no response.

The only country that so far has come up with compassionate, wise, forward-looking, and generous initiatives is Australia through its
 Prime Minister. A few weeks ago, Muhammad Yunus and I went to see the Prime Minister of Australia and urged Australia, within G20 and beyond, to mobilize the rest of the world to make sure that vaccines will be made available for third world countries. But I do not see much of it. For example, we have not seen a debt-relief initiative of the most impoverished countries. We have not seen a debt reduction by in Western countries. Russia exports its weapons to the Middle East. Old habits die hard. That is why I am very skeptical right now.

### **Nurul Izzah Anwar:**

- First is the context. When you come from a multiracial, multi religious setting such as Malaysia, you expect that there has been some degree of acceptance. We have three major races and there has been a cycle of some symbiotic relations. But because of the political scene, it is kind of showcasing the concerns on the ground. The pandemic is then being seen as sharpening the existing divides. It may be in the background before, the predominantly indigenous Malay community, which felt they are more economically impoverished. When the pandemic hits, whether princess or pauper they do get infected, but the level of healthcare that they enjoy is diverse. It has pushed the country, the region, and the world to be far more racially tense.
- It really pushes for the role of stakeholders.
   It predominantly should be holding politicians accountable, and also the religious leaders.
   In countries like Malaysia and Indonesia, religion plays an important role. When you ask people to adopt a more nuanced multiracial approach, you need to get the different stake



holders together, and the religious leaders have to be clearly evidence-based. Which is of course demanded in Islam that you have to be scientifically based. When the pandemic pushed a largely Muslim population to not continue their Friday prayer, it is relatively accepted in Malaysia. This is important because it gives a sense of egalitarianism across different segments in the community and you push people to adopt a clear cut consideration in practices to manage their own and the community's safety during the pandemic.

- I completely agree with what Bapak Ramos-Horta has mentioned. Malaysia, in my view, is an upper-middle-income nation. However, in the COVAX facility, we are considered as a high-income nation. A lot of the leaders across the government and the opposition feel the main principle in the pandemic is also to take up the responsibility. If you are managing better, then you must assist countries that are less well off to do better, to assist them, to improve the connectivity of education to the vulnerable groups.
- My fear is, this great reset that we talk about during this session, might not take place. We talk about the new normal, but the problem is the new normal can sometimes couple with business-as-usual. Vaccine deployment and accessibility are a little bit controversial. You may hear big companies are trying to "find the cure" but we also have key politicians, officeholders making money out of their previous ownership. I think we need to be more vocal in pushing for adoption for the vulnerable segments and to ensure that the reset takes place. Moving forward, we have to make sure that there are concrete steps being fulfilled by governments and fulfilled by the various stakeholders to improve the just status of the world today.

### **Prof. David Capie:**

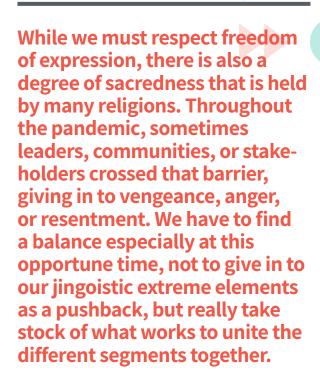
 Do you see religious leaders as having a particular set of responsibilities in the way they communicate information during the pandemic? Have you seen the pandemic as something that has amplified a sense of faith amongst people or has it fostered a greater sense of intolerance?

### Rev. Kyoichi Sugino:

- As you have seen globally, the pandemic has fueled ethno-religious tensions through misinformation, scapegoating, hate speech, social media portraying the ethnic minority community as irresponsible in its conduct in the pandemic or even allegations of organized spreading of violence. Instigating religious hatred has been prevalent during COVID-19 situation.
- At the same time, the pandemic brought us a greater awareness of our fragility as human beings, our interdependence on one another. Pew Research Centre findings show that a large percentage of the population in the US indicates that their faith has been strengthened during the pandemic, as more people sought the meaning of human existence, fragility, and interdependence in our societies.
- Pope Francis addresses social inequalities highlighted by the pandemic in the new encyclical letter called "Fratelli Tutti" on fraternity and social friendship. This encyclical is based on the Document on Human Fraternity, signed by the Grand Sheikh of Al-Azhar and Pope Francis last year. This new encyclical laid out a vision for the post-COVID-19 world. The Pope said that the pandemic has proven that major theories of market capitalism, neoliberalism have failed and a new type of politics that promote







- dialogue, solidarity, reject war and violence is needed.
- We should observe the positive side of religious communities. In the COVID-19 crisis, it is important to acknowledge that the world's religious communities came together, partnered with intergovernmental organizations such as WHO, UNICEF, and UNHCR to respond to COVID-19, working collaboratively and building a multi stakeholder partnership to care for the most vulnerable populations, overcoming misinformation and discrimination, and addressing violence against women.

### **Dr. Jeffrey Reeves:**

 We also noticed how there had been a sense of bigotry and social injustice taking place in developed countries, which to a degree, suggests a lack of causality or relationship between economic development on one hand and social stability and inclusivity on the other. What are your thoughts about this?

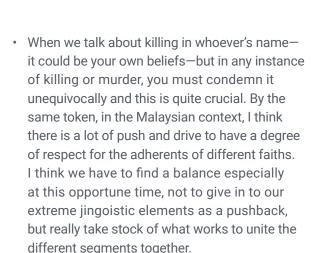
### Rev. Kyoichi Sugino:

- In developed countries, there seems to be a clear correlation between growing inequality and the rise of anti-immigrant, nationalist, populist forces. The liberal democracy suffers from an erosion of trust in the institutions and the actors that have the mandate to represent the will of the people. The populist surge is a reflection of the declining trust and confidence that the citizens have in the traditional forms of representative democracy. Extreme forms of nationalism, authoritarian leanings and aversion towards ethno-cultural groups are observed in many Western liberal democracies. Faced with the limitations of liberal democracy and the challenges of cultural and civilizational divisions, we need to develop ways to nurture responses and find solutions based on shared-values such as fraternity, dialogue, solidarity, and shared well being.
- Here is one example that demonstrates such challenge and also efforts to find solutions based on shared values—in response to recent events in France and elsewhere: Religions for Peace world council as represented by the Grand Sheikh of Al-Azhar and all major religious traditions of the world came together to issue a statement. The statement said that there is no doubt that Muslims, whether they reside in France or elsewhere across the world, experience hurt when their Prophet is seemingly insulted. However, it does not justify breaking the various principles laid down in Islam and in every faith to prevent atrocities. It is our obligation as faith leaders to model responses that are dignified, humane, and merciful rather than vengeful. Freedom of speech is a human right. It is also a liberty

- that requires civility. Hand in hand with the freedom of speech, comes a shared value of honoring the dignity of all human beings. Words are powerful and should foster respect and cohesion in society rather than intensify divides.
- We are living in an imperfect world and we will continue to face challenges and struggles.
   However, as expressed in the Document on Human Fraternity and Fratelli Tutti, we need to continue our efforts to build values-based institutions, nurture human interaction, and find solutions based on fraternity, dialogue, solidarity and shared well-being.

### **Nurul Izzah Anwar:**

- It reminds me a lot about the basic tenet in Islam, Karamah Insaniah, the dignity of man.
   While we must respect freedom of expression, there is also a degree of sacredness, which is held by many religions. I think, through the pandemic, you sometimes see leaders or communities or other stakeholders... they crossed that barrier, whether giving in to vengeance or anger or resentment, and it really provides us with an opportunity to take stock of what is happening and rise to the occasion to do what is right.
- In the particular circumstances that Malaysia faces, we have a relatively robust healthcare system but I see the different clusters that developed. The first was the Tabligh, a Muslim clerics religious cluster. Then there was the Sivagangga cluster: someone who visited India came back with a quite infectious strain of COVID-19. The third one was the prison cluster. In each of these cases, it really helps bring home further awareness of the plight faced by different communities. Generally, people do not want to talk about the plight of prisoners behind bars but when the cluster emerged, it became a huge problem. Then, the need to implement prison reform was taken seriously by the legislators.



 Yes, the world has become far more polarized and this is also due to the different leaderships that have taken control of different segments of the world. But it also provides us with the opportunities to push back and assert that the future lies in bridging gaps.

### **Dr. Jeffrey Reeves:**

 How do we ensure that the economic growth in developing countries is inclusive? Maybe we need to rethink the idea of gross domestic product and replace it with something else that measures how the economy is equitable with respect to developing economies to address some of these issues?

### **President José Ramos-Horta:**

In 2000, the UN launched the Millennium
Development Goals, then in 2017 the
Sustainable Development Goals. All of these
were affected by the impact of the 2008, 2009,
2010, 2011 financial crisis. Prior to that, most
Western countries, OECD countries, pledged
to increase Official Development Assistance
(ODA) in relation to their GDP. There are
five countries in Europe—Norway, Sweden,
Finland—that always meet 0.7%—the UN's
ODA target of 0.7% of Gross National Income/
GNI. Then we heard Spain, Portugal, the US,
Japan, and a few other countries in Europe
went on to increase. After the 2008 financial

- crisis everybody went down and there was a severe reduction in ODA. Furthermore, ODA was never directly benefiting the poorest in the recipient countries. It was not always the fault of the host countries. It was both ways.
- Now we have an even bigger problem. We have 10 to 20 years of setback because of the current pandemic and the global recession. This requires far greater visionary leadership. But of the powers that be—the United States, Europe, China, India, Japan, South Korea, the G7, the G20-I do not see much of that. Look at what is happening in the United States: whether we like it or not, it is still the greatest power in the world. When the President of the United States is the first to undermine the multilateral system, beginning with the UN and its agencies, its alliances with Europe and Canada, where are we going to find inspirational leadership to tackle these catastrophic consequences of this global pandemic and global recession?
- Europe has seen—as a result of the war in Syria, drought, and extreme poverty in North Africa they end up with several million refugees at their doorsteps. If we do not address the current situation caused by the pandemic, how many more people are going to leave their homes?
- I am pessimistic. We can all make great pronouncements. But in the end, it is the G7, G20 that have to make the decisions. I have not seen big banks announcing that they will relieve poor countries' debts. I have not seen the richest companies in the world having a summit of their own, making bold decisions to help the world's economy. I have not seen a summit of the biggest foundations in this world. That is where we are, in this miserable situation.

### **Prof. David Capie:**

 You are well known as a staunch advocate of promoting gender equality, what are some of the biggest roadblocks that you have faced in that work? How do you think the pandemic has affected gender equality?

### **Nurul Izzah Anwar:**

- In Malaysia, gender-based violence has also been increasing. The problem is that the way we look at the Ministry of Women, Family, and Community and its role: my colleagues and I have been asking why is it not a frontline ministry in the pandemic? The plight of the vulnerable, the plight of refugees, the plight of women, the plight of children, these are the most crucial elements, not defense procurement.
- I would like to address a few key things that
   I think are doable. Malaysia has just taken
   a move to revise our poverty line. I think this
   is important because in a pandemic, people
   are going to be worse off financially. The gains
   that were made in 2017, everything has been
   wiped out with regards to eradicating poverty.
   Having this mechanism of measurement to
   make sure you have a more concrete measure
   and a depiction of what people are facing is
   important in the post COVID-19 era.
- Number two is broadening social security.
   In Malaysia, 55% of our workers do not have social security protection. I can see that this is also reminding the government not just to subsidize payments per month but also actually to look to broadening social security for independent workers.
- My final point: you want to take care of genderbased violence? Make the Ministry of Women, Family, and Community a frontline ministry.

### **Dr. Jeffrey Reeves:**

 Rev. Sugino, why do you think that, despite the advocacy to respect religious freedom and inter-religious tolerance at a top-down level, at the grassroots we still see much bigotry on a daily basis? More pointedly, in your opinion, can we keep religious tolerance without mutual respect between religious groups?

### Rev. Kyoichi Sugino:

- In response to President Horta's comments,
   I think religious communities are working on
   debt cancellation and their advocacy for the
   G20 has been underway. There are some small
   but significant achievements through the
   global civil society advocacy so that the G20
   nations have agreed to freeze debt repayments
   for countries at least until June 2021.
- To answer your question, of course, we need top-down and bottom-up approaches but what is actually required is a multilayered, multidimensional and multi stakeholder approach. Just to give you one example, the Inter-Religious Council of Sierra-Leone, served as an official observer of the peace process, negotiating for the release of child hostages and helping eventually end the war. That same civil society multi-religious mechanism works to respond to the HIV/AIDS and Ebola crisis in partnership with UNICEF and others. Based on those experiences, the Inter-Religious Council of Sierra-Leone is currently working with Ministry of Health, the WHO and UNICEF to disseminate public health information, train local trainers and prevent misinformation and discrimination related to COVID-19. It is important that once a habit of collaboration among different communities is nurtured then such multireligious mechanism can work in times of peace, conflict, and humanitarian emergencies.

### PUBLIC QUESTION AND ANSWER SESSION

### **Prof. David Capie:**

 Seeing how there are many economic meltdowns and social upheaval during the pandemic across the globe, how do you picture us as a global community surviving this tangle? We have seen so many countries around the world turn inward, how do we build a sense of global solidarity to respond to these kinds of challenges?

**President Jose Ramos Horta:** 

- ASEAN is one of the most effective, credible regional organizations and yet—I might be wrong—I have not seen any ASEAN joint initiative in tackling COVID-19. Even the European Union, it took them time. It is obvious that each country has to find its way to deal with COVID-19.
- In our case, Timor-Leste has been very fortunate that we have a great neighbor with resources, Australia. We were lucky that we did not have massive imported cases of the coronavirus. Some countries have also come to our support. I have to say that since 2017, with the election of President Donald Trump there has been a hostility to the multilateral system. Fortunately, Joe Biden is the newly elected President, who is extremely experienced and dedicated to international partnership. There is a chance that the US will be able to work again with the UN, the

European Union, China, India, Japan, Korea, G20, and G7 as they assist us. Otherwise, each country has to fend for itself.

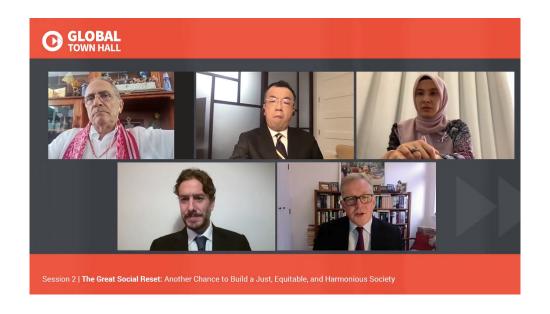
## **Dr. Jeffrey Reeves:**

 How can religious leaders promote public health measures that can often be contravened by extremist religious leaders? How can religious leaders help promote public health measures that might become a bit controversial within the religious community?

## Rev. Kyoichi Sugino:

The role of religious leaders is in two forms, one is normative and the other is pastoral. The normative is sharing the values and principles to their followers. Pastoral work is: we have to educate the followers about the importance of aspects of religious tradition and key principles. These roles even before COVID-19 or during COVID-19 will continue to prevent extremism and will positively contribute to addressing this public health crisis. ▶

End of Session; Moderator closes the session.



## SESSION 3

# POPULISM AND NATIONALISM DURING THE TIME OF COVID-19

Time: 11:50-12:50 | GMT+7

## PANELISTS

## 1. The Hon. Stephen Smith

Minister for Foreign Affairs of Australia (2007–2010)

## 2. Prof. Dewi Fortuna Anwar

Co-Founder of Foreign Policy Community of Indonesia and Deputy Secretary for Political Affairs to the Vice President of Indonesia (2010–2015)

## 3. Ameshia Cross

Democratic Strategist and Political Commentator

## MODERATOR

## Dr. Rommel C. Banlaoi

Chairman and Executive Director of the Philippine Institute for Peace, Violence, and Terrorism Research

## **MODERATED DISCUSSIONS**

## Dr. Rommel Banlaoi:

 What do you think of the state of populism today? And how do populist leaders vary in the time of the COVID-19 pandemic?

## The Hon. Stephen Smith:

- The risk and the danger of populism are always at the point when a country or region or the globe faces a time of crisis—economic crisis or security crisis. When there is economic hardship, it is very easy for simplistic populist notions to be presented as a solution to a nation.
- This year we have witnessed a crisis of a different nature, the global pandemic. This also presents the ingredients for populism to flourish, because you have a crisis where nations are trying to deal with that crisis while citizens are becoming concerned. It is very easy, in that environment, for simplistic notions to be presented as a quick and easy solution to a pandemic or a health crisis.
- Perhaps, the two most noteworthy populists in the context of the pandemic are President Donald Trump (US) and President Jair Bolsonaro (Brazil). In the first instance, simplistic notions and simplistic solutions do work. However, as the crisis gets deeper and the need grows to depend upon evidencebased solutions and carefully-considered advice from experts—and the longer the crisis goes, the more the simple and easy popular solution is exposed as being inadequate.

The risk and the danger of populism are always at the point when a country or region or the globe faces a time of crisis – economic crisis or security crisis. When there is economic hardship, it is very easy for simplistic populist notions to be presented as a solution to a nation.

· If you want to successfully resolve a pandemic or a health crisis, you have to be cognizant of the evidence, the scientific solutions, and methodically work your way through that. At the same time, you should explain to your citizens that these are complex and complicated matters and that people should not be afraid or fearful. The people should be given understanding through the information that the government, officials, and scientists of the day are transmitting and there are ways in which you can protect yourself and ways in which a country or a citizenry can work its way through those problems. The longer a crisis goes, the more difficult it is for a populist to not be exposed for not having the solutions which are required in an assiduous manner.

## Dr. Rommel Banlaoi:

 How do you think populist leaders are doing in today's situation of crisis? Are they doing well?

## The Hon. Stephen Smith:

· The populist leaders at the end of the day

- are doing worse. So, when you look at the countries that try to adopt the scientific or forensic approach, those countries are doing better in difficult circumstances.
- Evidence-based response, careful methodical work is a long term and much better approach than the simplistic solution which is often, but not always, bound to fail.

## **Prof. Dewi Fortuna Anwar:**

- Populism, as previously outlined by Prof Smith, is emotional in nature and tends to be anti-establishment. Before COVID-19, populism was on the rise as a backlash against unfettered globalization. There is antiglobalization, anti-multilateralism, anti-free trade, and anti-elite.
- Populism is very much on the rise before COVID-19 and I agree that the intial days of COVID-19 have made populism stronger.
   A virus that started in a small town in China can spread all over the world within a very short time and it became proof of this unfettered globalization. The immediate solution was to lock your borders. Populism thus tends to be nativistic in its nature and inward-looking as well as being anti-others in Europe and America, anti-immigration.
   So, during the beginning of the pandemic, it actually strengthens the arguments of these populist leaders.
- The simplistic notion of populism is that COVID can be overcome through prayers or spiritual practice, and things like being antiscientist, anti-evidence based, and much more intuitive and emotional rather than rational. It worked in the beginning to rally your support base, but as it goes on, it became clear it cannot solve the problems.
- In order to develop vaccines, countries are forced to cooperate. No single country can overcome the triple impacts of COVID-19, such

Populism is very much on the rise before COVID-19 and I agree that in the time of COVID-19, it has made populism stronger. A virus that started in a small town in China can spread over the world within a very short time. And the immediate solution was to lock our borders. This goes with populism where it tends to be nativistic in nature and tends to be inward-looking and anti-others.

as the public health impact, the economic impact, recession, and social welfare impact. Countries need to work together and leaders need to listen to scientists in addressing the COVID-19.

- To answer the question of which countries are best in addressing the pandemic, democratic countries and authoritarian countries – some are doing well, some are not. So, it is not really about the institutions themselves but rather the discipline and willingness, to listen to the experts as well as the rigorousness of policies. So I would argue that populist leaders have tended to do less effectively during COVID-19.
- Therefore, it takes multilateral, international, and global cooperation because no country is safe until all countries are safe. One can neither say that the elites are less vulnerable than the poor because COVID does not reflect

social status or borders. In this case, populist leaders are really challenged. What happened in the US is proof of that— if there is no COVID then he [Trump] could still win the election.

## Dr. Rommel C. Banlaoi:

 Do you agree with the observation that populist leaders at present are listening more to the popular sentiments rather than the scientists and experts?

## **Prof. Dewi Fortuna Anwar:**

 Populist leaders by nature say that they are pro-people and they see experts as elitists.
 It may work on certain issues, but not on issues like climate change or the pandemic, which clearly have to be based on evidence.

## **Ameshia Cross:**

- Populism was on the rise in the US long before President Donald Trump. I would argue that American populism has existed for generations across this country, and it has only expanded these past few years. Under Trump.
- When we think of populism in the context of a cult of personality that it takes to make it work, you will have a fundamental understanding of people who feel like they have been downtrodden-even when they really haven't. In America the downtrodden populations always tend to be minority populations such as blacks and browns and immigrants. But these are not people who latch on populism; those who do are those in the upper echelon, middle class whites, and those who feel like they do not want to compete. They feel as though there are immigrants who should not be here. And they saw in Trump someone who is willing to take it to its limits and 'make America great again.'
- Even though President Donald Trump recently

lost the election, populism did not die and actually they got a lot stronger. Republicans won down-ballot races at astronomical levels, not only in Congress, the House, and the Senate but also at the state level as well. Many state legislative wins that Democrats had in the last session are now gone, and that proves the point that populism has taken hold of this country [US], specifically the conversations around the working class.

- When we relate it to the response to COVID-19, the recognition must be that populism and individualism go hand in hand.
- · A lot of the economic downturn that we are seeing now has actually advanced that populism narrative to a certain extent. One of the biggest drivers of populism across all countries, is a shift in the economy. When people feel as though they are not where they used to be or where they want to be, they all of a sudden develop these weird scenarios around how and who is to blame for that. These populist characters manage to find an out group to posit their narrative around that group, and make that group into an enemy. To the credit of the Republican party sadly, and the Trump administration as well as his campaign, their use of vitriol and use of narratives, specifically, such as anti-immigrant, anti-Black Lives Matter, and anti-black, was used across social media channels. They use social media as a weapon, and I think that is what we are seeing a lot of these populist leaders do.
- They [populist leaders] recognize that the propaganda in terms of turning people's interests away from and diminishing the authority of science—but also the authority, the understanding, and the belief in systems is very important; and they utilize these social media channels to say that these systems no longer matter or these systems are faulty.

President Trump is doing this right now with the voting system, the justice system, and several others. He has disrupted so many systems and made people think that these things, the systems, are inherently wrong and are against you.

 So, just because President Donald Trump did not win his re-election, does not mean that populism is gone or populism is dead in this country. It [populism] is something that we are going to be dealing with for many years to come and it is something that President-elect Joe Biden will also deal with in his administration, being mindful that the Congress that he is walking with is one that bought into that populism narrative and one that is not willing to let go anytime too soon.

## Dr. Rommel Banlaoi:

 What kind of nationalism has emerged during the pandemic and how does it influence national policies aimed at responding to the public health and economic crisis?

## **Ameshia Cross:**

- President Trump had a nationalistic narrative created long before the pandemic; it was "America First". Since Americans are very individualistic in nature, lots of people latched on to that narrative. America First in his mind meant that we can go it alone; we are the guiding lights and don't need any assistance. But, that doesn't work because the alliances matter. America is one of the youngest countries in the globe, and there is a recognition that a lot of our strength is because of the economy of other nations as well.
- In response to COVID-19, originally President Trump wanted the pharmaceutical companies to make the vaccines only available to America. In the era of populism, many people stood by



it and thought it was a good thing. I personally was disturbed by that because that is not how health care and common good works.

- What we have seen is a President that has been able to utilize the social media in a way that elevates America meanwhile diminishing every other nation. It is frustrating because it puts us on a very strong loss, particularly because there is a lot going in the process of developing drugs and building a coherent strategy around a pandemic. Populism has not only segmented us from other nations, but also segmented us within our own country.
- President Trump did not shut down the border

from China because of COVID-19, but because he wants to punish China and it has nothing to do with the pandemic. In addition, he was very serious in ignoring the fact that COVID-19 was an issue and now he is quite frankly ignoring it completely. If we had responded early and differently and were not xenophobic in our approach, I think we would be in a much different place.

## **Prof. Dewi Fortuna Anwar:**

 Countries in Southeast Asia which have come up from colonialism, have a different view on nationalism, where it is not really seen as something negative or as being anti-foreign; but mostly nationalism is a force that binds the country. In Indonesia, the force of nationalism is the one that enables over 700 different ethnic groups and different religions to come together. So, for us, nationalism is considered to be, in general, positive nationalism.

- COVID-19 has shown that national resilience is important. This is not nationalism in a sense of xenophobia, but how nation can cope in a time of global pandemic where the supplies of necessary goods are disrupted. Particularly in big countries, where different regions have to survive on their own, providing food, health and energy security. The argument is how to not be overly dependent on imports and how to develop national capacity to fulfill your basic needs at least for a certain period of time.
- A country like Indonesia has been rather ambivalent: on the one hand it engages in regional and multilateral economic cooperation, but at the same time there is always this fear that Indonesians are not that competitive. So, there is this desire to strengthen national capacity.
- For countries in Southeast Asia, our nationalism is always closely linked with regional cooperation, so it is not only national resilience, but also regional resilience. At the end of day in times of crisis where you cannot get supplies from outside, there should be sufficient capacity inside to provide healthcare, food, and clothing to its people. While at the physical level, a nation-state has to become self-sufficient, at the same time the one that persist in times of crisis is e-commerce and e-learning, which transcends national boundaries.

## The. Hon Stephen Smith:

 It is often the case that populism flourishes in times of economic difficulties. The historic

- and the ongoing basis of populism is its simplistic solution held out to those people who are in economic difficulties. It is a lesson for countries that in the end we have to make sure that when the country's prosperity increases, that will increase other aspects too. Too often we hear that the rich are getting richer but the ordinary person is still under economic pressure and the divide is getting bigger. Those are the ingredients for populism to flourish.
- The second point is that it suits populists very well to find a monster bigger than them. So, if you are a populist and your simplistic solutions are not working, then you will find someone who seems to be a bigger problem and from a political perspective, you can distract the public attention towards the larger problem. Therefore, if you are failing to respond to the pandemic crisis, it is very easy to resort to China as the monster.
- The case of Indonesia is a nationalism
  that unites different cultures and ethnicity,
  whereas in Australia, Europe, and America,
  the term nationalism tends to mean more of
  an economic nationalism where we do not
  want to trade and engage with other countries
  and being inward looking. In Australia, the
  economy's nationalism can bring with it the
  notions of being inward-looking, of being
  protectionist, of not wanting to compete on
  a global scale, not wanting to engage in trade
  with other countries and other parts of the
  region and the world.
- One of the things we learned from the consequences of Covid-19 is that we engage in globalization, but once the global supply chain is disrupted, we do not have national capacity to respond to that.
- So, there are areas where you have to ensure, not from an economic nationalistic point of

view, where the supply chains that we need are from diversified and different providers, while at the same time having a national capacity, whether that national capacity is upfront, or it is relied upon when your supply chain is disrupted. Now, that is not economic nationalism, but that is sensible, looking at how to protect the interest, both economic and social and also health of your citizenry.

 Therefore, there is a difference between crass economic nationalism which is protectionism and making sure that there is diversity of supply chain and national capacity.

## PUBLIC QUESTION AND ANSWER SESSION

## Dr. Romel Banlaoi:

 Even though it [populism] is a 'backlash' against our failing political and economic system, don't you think since it is a byproduct, it is not inherently bad?

## Prof. Dewi Fortuna Anwar:

- It is a backlash, which means that it is a lesson.
   Leaders should have paid attention to this.
- We have this jargon: no one should be left behind. When you carry it out, whether it's regional integration, global or multilateral engagements, there are people who have the ability to benefit from that, but as we see that now particularly in this digital age, access becomes very important. Access to education, access to information, access to technology, access to market, and those who are able to get that access will win and those who do not have access will lose out and become disgruntled.
- This is where policy intervention becomes very important. You cannot simply leave it to the market and say, "The trickle-down effects can be done simply through market forces." Here

you can have ideological interventions about the role of the state, but I am a strong believer in policy interventions, government policies, not just at the national level but also, at the regional and global levels. Paying attention to the Sustainable Development Goals, not just making that into pro forma but really paying attention to all of the SDGs, so that we do not leave the vulnerable behind.

## Dr. Rommel Banlaoi:

 Will populism and nationalism be a threat to the world? Because I am worrying that those ideas are the same ones which led to World War II?

## **Ameshia Cross:**

- Yes, populism remains a great threat to the world. Populism has a habit of creeping up in dictatorships, but when populism takes hold of democracy, that tells us something.
   Because democratic government is built out of people having the freedom to choose, speak, protest, and have free and fair elections when populism takes hold in a place like that [it is concerning].
- As far as I studied populism, it doesn't
  have many positive traits. It always has an
  undercurrent of something that can be very
  scary. It is one thing to love your country; it
  is another thing to become so nativist, so
  populist that you are not willing to bridge gaps
  with other nations. What we have developed
  is a culture of individualism that is frightening
  because it doesn't allow us to build the
  multinational relationship that we need to get
  us out from one of the hardest times that we
  are in.

## Dr. Rommel Banlaoi:

 If opportunistic behavior is bad, and exploiting the emotions of people is bad, then who is the good guy in politics?



- The good guy and gal in politics are those politicians who seek to advance the interests of their country and their people, both economic and security, but do it on the basis of what is the available evidence, what do we know, what have we learned, and what do we think is a policy prescription, which will actually help, rather than ignoring evidence as to the cause of a particular problem.
- Sometimes we can learn from populism.
   If you look at President-elect Joe Biden's election, he is elected with the largest single vote that we have ever seen for any presidential candidate. President Donald Trump surprisingly gets a bigger vote than he [Trump] did in 2016 and gets the largest vote with a Republican-Democrat candidate.
- President Donald Trump managed to do that because the basic ingredients for his attractiveness to a lot of the American public remain the same as they were in 2016. In other words, people there are saying: "My economic opportunity is gone; he may have done a whole range of different and strange things, but I am sticking with him because no one else is talking to me in terms which address that particular problem."
- The single biggest domestic issue that President-elect Joe Biden has in addition to dealing with the minority and racial problems that he must address is: "What is my policy prescription to those people who continue to see that their pathway to economic advancement is lost? And what is my policy prescription for people who live in the outer suburbs but more particularly in rural and regional United States?"
- When you examine the county votes, Presidentelect Joe Biden received good votes in city and suburban population centers, but President Trump got massive votes from those outlying

- areas which are, all in my view, related to economic decline, economic downturn and, most importantly, no economic hope.
- I have learned that there is a political opportunity there for a populist. My responsibility as a politician or a political practitioner who wants to advance his people's interests is: "What is my policy proposal to alleviate that problem and to advance people's interests?" Unless you can do that in a sensible way, you will continue to lose out to the simple populist notion.

- We always believe that politics should be about the head, but it is also about the heart. It is a combination of getting all the facts and evidence-based policy, but the successful politician is also able to reach out to the heart. Unfortunately, this is the problem with our common world: identity politics matters more often than rationality. This is a threat to our peace and stability, where demagogues reach out to the emotion more.
- I suppose for the good politicians, you have to be able to articulate complicated messages in a language that could be understood and not only touch the heads but also the hearts of people. This is not easy as we can see that many scholars in many countries do not make good politicians.

## **Ameshia Cross:**

- One of the biggest issues in America, at least among progressive Democrats, is the issue of messaging. There is a crisis mode when it comes to being able to create a message that reaches to those people who live in the rural areas. And I think that has never been more recognized than the crisis that we saw in the election results of 2020.
- Again, removing Trump was not the only goal. Democrats also wanted to make sure

that they win ballot races, the Senate, and the House, and what we saw was that people whose name was not 'Donald Trump' but who ran on the exact same policies that Donald Trump champions in the White House all won. This does not mean at all that Trumpism has been eradicated, it just means that people did not support President Donald Trump in the numbers that they did previously.

- We know the story and belief system that the
  working class was a class that typically landed
  in the Democratic camp for generations prior—
  that no longer exists. I think that at this point,
  it is part of an understanding that maybe they
  are looking for something else and it is not just
  jobs, there is, at least in this country, an innate
  racism that exists within this group as well.
- When we talk about working class, we also have to remember that working class does not only mean working class whites, they are working class Blacks, Latinos, Asians, and people of various different demographics and backgrounds. I think that when the parties are looking towards developing their messaging, they are only looking towards this siloed group of Caucasian individuals who, by and large, still feel because they bought into the narrative that conservatives have used year after year since the 60s—this is not new; they have always found a group to blame for wage stagnation for plants and factories leaving this country and it has always been people of color.
- I think that we are watching a populism that has risen and boiled up over years and over time of discrimination, quite frankly, that a lot of people hold within this country. Even though America is considered a melting pot, I would say that is absolutely untrue. Yes, we have people from every corner of the universe who live in this country. However, those people are largely siloed into their own groups and very

- little of their culture is actually represented or even thought of in a positive way.
- We are at a point now where we see so much of this that is basically coming to its head and the Democratic party is going to have a hard time over the next few years being able to relate to or try to reach out to these rural communities, without also isolating what they see as their base in terms of people of color, because another thing that we've seen is that: those notions of populism also have a strong current of racism, and for you to be able to appeal to them—Caucasians or working class Caucasians you also have to appeal to that and that is a very dangerous and tight rope to have to walk.

## Dr. Rommel Banlaoi:

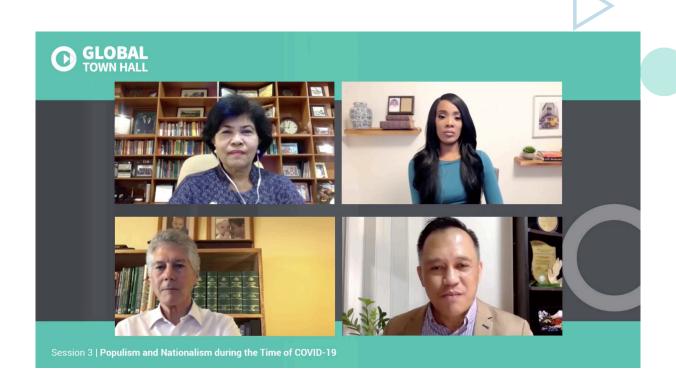
 Amidst the mainstreaming of populism by some media, what approach would effectively shift the public understanding that 'populist' and 'nationalist' policies would not sustainably address COVID-19?

## **Prof. Dewi Fortuna Anwar:**

 That is not easy. However, the most important thing is honesty. The leader must be honest.
 Populist strategies are not going to address the issue of the pandemic. When we are faced with real crises, stop playing with politics.
 We have to address the pandemic in the most scientific manner and also be honest. It is valid for both government and civil society leaders.

## The Hon. Stephen Smith:

 Exhibit A that the populist approach to COVID-19 does not work is President Donald Trump. You can have all the right policies in the world, but in the end, you have to be able to communicate that in a way that strikes a chord with individuals. This is often the challenging thing: to compete with a populist.



## **Ameshia Cross:**

 The majority of people in every country is not someone who has the same access—they are not going home and reading a hundred pages of policies. That is how we see the rise of populism take off, because they can send a lot of ideas and they are able to sell them. That is what makes it extremely difficult to combat. ▶

End of Session; Moderator closes the session.



## GEOPOLITICAL RESET: IS A WORLD OF MORE COOPERATION, LESS RIVALRY POSSIBLE?

Time: 12:55-14:05 | GMT+7

## PANELISTS

## 1. The Hon. Kevin Rudd

Prime Minister of Australia (2007–2010, 2013) and the President of the Asia Society Policy Institute

## 2. Dr. Marty Natalegawa

Minister of Foreign Affairs of Indonesia (2009–2014)

## 3. Prof. Kishore Mahbubani

Distinguished Fellow at Asia Research Institute (ARI), National University of Singapore (NUS)

## MODERATOR

## 1. Mr. Sunjoy Joshi

Chairman of the Observer Research Foundation

## 2. Dr. Anton Bespalov

Deputy Editor-in-Chief of Valdai Discussion Club

## **MODERATED DISCUSSIONS**

## Mr. Sunjoy Joshi:

- Let us talk about this global reset, and the reboot in the midst of what you have often described not as Cold War 2.0, but as Cold War 1.5.
- At a time when the US-Russia Cold War is again resurgent, is there any sense in using the same cliché to describe the US-China slugfest? Was the US onslaught on multilateralism and institutions an aberration under Trump, or do you think something has fundamentally changed about the United States and its position in the global order that Presidentelect Joe Biden will find extremely difficult to pull back from?

## The Hon. Kevin Rudd:

- In terms of using old, hackneyed phrases such as the "Cold War" or "Cold War 2.0" to describe the US-China relationship, my simple argument is that the US-China relationship, even today, cannot be characterized like the US relationship with the Soviet Union during the Cold War. There are a number of simple logical reasons for that.
- First, during the Cold War between the Soviet Union and the United States, we had mutually-assured Armageddon between two thermonuclear stockpiles targeted at each other under the doctrine of Mutually Assured Destruction. Yes, China has its nuclear force, but it is a second-strike force. It is

- not anything in the order of magnitude that the old Soviet Union or the current Russian Federation has.
- Second, the old Soviet Union and the United States had zero economic engagement. If you look across trade, investment, capital markets, technology talent and product standards, there is a high degree of engagement between the US and China.
- Third, in the days of the old Cold War, there
  were dozens of proxy wars between the Soviet
  Union and the United States in various parts of
  Africa, Latin America, and parts of Asia. That
  is not the case, at least, at this stage between
  China and the United States.
- Therefore, I think we need to be very careful before we haphazardly use this sort of language. It is a structurally tense relationship, and the structural reason for it is a change in a relative balance of power between China and the United States. That is, in turn, inducing different sets of behaviors by China and the United States.
- What about the future of, let us call it, "multilateral rules-based" order in the midst of this deep and pronounced challenge between the great powers? The multilateral order has become increasingly thin in recent times, even preceding the election of the Trump administration. Certainly, the Trump administration has chosen unilaterally to walk away from the range of existing multilateral institutions. The Biden administration is committed to re-embracing those multilateral institutions, but what happens in terms of multilateral problem-solving via the G20, the United Nations, and the Bretton Woods institutions will still take a secondary place to the primary—as it were—engagement between the US and China in what will become, increasingly, the dynamics of great power rivalry.

• In conclusion, for the third countries, whether that is Indonesia, the countries of Southeast Asia, the rest of East Asia, including India, this will present a complex set of geopolitical challenges. As we move into an increasingly binary world, where the rest of us have sought to remain with open relationships with both Beijing and Washington, that will become increasingly problematic. But for the decade ahead, I think it is imperative for third countries to do what they can to ameliorate this great power tension between the two powers, China and the United States.

## Mr. Sunjoy Joshi:

 Do you think Indonesia, as a rising middle power, has a greater room to enhance its role as an important balancer in a world split in the way which Prime Minister Rudd has described? What can middle powers like Indonesia do to help enhance and advance a global reset if there is going to be one?

## **Dr. Marty Natalegawa:**

- We are able to somewhat describe, and even to analyze, what is confronting us in terms of the US-China competitive dynamics. The question is, how are we going to respond as a third country in the face of the US-China dynamics. I believe it is not sufficient for countries to simply adopt an equidistant posture when they are in the middle ground, or not choosing between the US and China.
- Recently, I have seen some ASEAN thoughts
   on reviving the idea of neutrality amidst all
   this. I think the best course of action would be
   a proactive one. Due to the strategic autonomy
   that countries like Indonesia and ASEAN—in
   general—wish to enjoy, it has to be built for
   a certain purpose, it cannot simply be lying low
   and hoping for the best.
- · For countries like Indonesia, the value-adding it

- can bring is how to help stabilize the US-China rivalry and how we can mitigate or manage the potential risk such as miscalculation where small incidents can quickly develop to become a major crisis.
- There are room and scope for countries like Indonesia and ASEAN to help find the modalities, how we can promote a certain predictable behavior in this part of the world—in essence, by externalizing ASEAN's own experiences, building strategic trust in the wider region between the US and China in particular. I have spoken in the past of having a TAC-like (Treaty of Amity and Cooperation) commitment to the non-use of force by the major countries, to, say, essentially, irrespective of the differences that they have, ultimately, they commit themselves to resolve it through diplomatic means.
- Next, in a timelier manner, to establish a crisis management capacity. At the moment, this part of the world is bereft of such capacity.
   We have crises occurring on a regular basis and yet the pace of their [regional architecture] engagement is not thinking in a more timely

The real game-changer is, if you want to get a glimpse of the world in 2050, look at the RCEP, the world's largest free trade agreement when no one is looking. The fact that you can have the RCEP is the sign of how in a sense, to answer your question directly, China is winning.

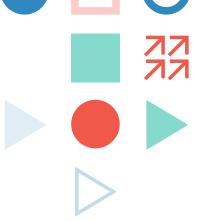
- way. For instance, the East Asia Summit was only convened last week. Between January and November, things have happened, yet there has not been any crisis management capacity being invoked by the East Asia Summit.
- Countries like Indonesia cannot simply
  express concern, we cannot simply complain
  and express exasperation. We have to offer
  a concrete policy recommendation. The area
  where I think we can excel is in ways and
  means to promote strategic stability and
  predictability of behavior between the US and
  China. By the way, it is not only the US-China;
  there are other bilateral relationships that we
  need to be mindful of, including China-India,
  China-Japan, and many other nexuses to
  be managed.

## Mr. Sunjoy Joshi:

Has China already won or really won? Has
it rather not lost a golden opportunity to
enhance its soft power post-COVID-19?
I think it had a golden chance, but instead
it has chosen to become a nation which
few countries are really trusting. Do you
seriously believe that a government with less
democracy, both within and between nations,
can really move into a proper multilateral
world that needs other countries to be treated
democratically and not unilaterally?

## **Prof. Kishore Mahbubani:**

- The answer is no, or more accurately, not yet.
  But if you look at trend lines and where we are
  going in terms of China's influence and impact
  on the world, there is absolutely no doubt that
  China's weight and influence in the world have
  grown exponentially.
- I will say that as we try to focus on what is happening in the last few months, we should also look at the larger long-term trends happening. There are at least three very clear,



- definable long-term trends that are actually driving the big picture.
- The first one is the return of Asia. Secondly, I agree with The Hon. Kevin Rudd that this is the result of the change in the balance of power between the two, but there are also additional factors that are driving this contest between the US and China. One is the fear of a yellow peril in the West. Now to see the conceivable world where the number one power is a non-Western, yellow power, it is a very painful emotional thing. Third, the one mistake that the Chinese have made is to create a bipartisan consensus in the United States against China. There is a rock-solid anti-China consensus in Washington DC.
- The relationship between China and a whole host of countries is growing very significantly, and a simple example of this is the Belt and Road Initiative, in which countries are free to join or not to join. 127 countries have joined out of 190 countries in the world. The real game-changer is if you want to get a glimpse of the world in 2050, look at the Regional Comprehensive Economic Partnership (RCEP). At a time when the US cannot sign any free trade agreements, we just had the world's largest free trade agreement being completed at a time when everything else in the world is not working. The fact that you can have the RCEP is the sign of how, in a sense, to answer your question directly, China is winning!

## Mr. Sunjoy Joshi:

 On 15 November 2020, between Phase I and Phase II of the Malabar Exercises, which the Quad (Quadrilateral Security Dialogue) was undertaking in the same region, 15 nations came together to sign the world's largest free trade agreement, which was just described by Prof. Kishore Mahbubani. Do you see this as an irony or as political justice?

## The Hon. Kevin Rudd:

- When analyzing a robust free trade agreement in terms of a free flow of goods and services, and investment capital, RCEP is not a "highquality agreement", it is a relatively "lowquality agreement." Therefore, there is an open question in my mind, substantively, the extent to which RCEP will increase the level of intra-regional economic connectedness than would otherwise be the case at a geopolitical level, that RCEP has some significance. It has been brought into being at a time of panglobal protectionism, pan-global recession, and at a time of binary conflict between China and the United States. But I think we should be very cautious before we attribute to RCEP as "the new nirvana of free trade across the Asia-Pacific region".
  - In terms of how third countries respond to the central strategic and economic dimensions of the US-China relationship, we have three sets of responses. In classical international relations theory, we have those who are beginning to balance against the rising power, in this case, China, and we know which countries they are across the wider region. Then we have those who are band-wagoning with what is perceived to be the rising power largely Prof. Kishore Mahbubani's point about "has China won?", and people looking at the economic trajectory of China's rise through the mid-century and reaching their own bandwagoning conclusions. There is a third set of responses as well, which is the complexities of variable, bilateral, and multilateral geometries, as people seek to have differential engagements with the US and China across both security and economic domains in this murky period of the decade which is unfolding.
- Given the above and the aggregate tendencies of balancing, band-wagoning, or the multiple variable geometries, there is a responsibility

There has been collective relief following the election of Biden's administration, simply because following the roller coaster ride of Trump's administration, a level of stability will be welcomed by most countries.

for the rest of us, particularly in the Asia-Pacific region, to think about ways in which we can militate against the absolute binarization of everything. That brings us back to the absence, in the Asia-Pacific region, of anything approximating a useful piece of a security architecture that can bring about levels of confidence in security building measures, which at a minimum do not produce conflict by accident at this time of greater geopolitical instability. That is where the East Asia Summit began its process in 2005. Through the Kuala Lumpur Declaration, it is where many of us in the period since then has sought to add to that architecture.

## Mr. Sunjoy Joshi:

 We have this whole issue of security, skepticism, and expansionist designs, while on the other hand, you have this unilateral push. But this big push for trade which is happening in the region do you think it is mainly positive there or are there deep concerns for countries like Indonesia?

## Dr. Marty Natalegawa:

 If one were to actually look at the origins or genesis of RCEP, the RCEP is very much an ASEAN-initiated idea. It was as early as 2011 when ASEAN came up with the notion of a framework for RCEP. Subsequently, in 2012,

- the other non-ASEAN countries rallied around it, and for the past eight years, we have been working on it. The RCEP may perhaps one day become more China-dominated, but I do not think it is quite right to describe it as being so at the moment.
- At the time of RCEP's initiation, there were a number of competing ideas. China's main comfort level was the idea of having an East-Asia Free Trade Area, limited to ASEAN Plus Three (APT). That is their preferred modality, because within that set-up, clearly, China would be the most dominant economy. At the same time, Japan had the Comprehensive Economic Partnership idea in East Asia, the same composition as the East Asia Summit, but it is Japan-initiated. At that time, countries of ASEAN felt that unless they are proactive, they will become sidelined, hence, they proposed the idea of RCEP.
- · After all, the initial idea of RCEP was to encompass only countries with whom ASEAN has Free Trade Agreements. Basically, it is similar to East Asia Summit, minus the US and Russia—but then even that possibility [of US and Russia joining] is still left open—and to have India from the beginning was extremely important. It addresses the limitations of APEC, and at the same time the Trans-Pacific Partnership (TPP), which some ASEANcountries were engaged in. In other words, for countries like Indonesia from the vantage point of 2011, we pushed for RCEP as a way to ensure continued ASEAN centrality in a driving seat role. Unfortunately, in the final moments, India chose to opt-out, but I hope the prospect of India or even Russia and the United States joining is not completely closed.
- The whole idea is to dilute China's preponderant possibilities by [including] heavy economies of Japan, Australia, and New Zealand as part of the pot. I used the term in the past "dynamic equilibrium," not containing China but putting

- China's rise in a wider context. RCEP, in my view, is not only about economics, it has always been about geopolitics.
- It would be a sad development for ASEAN, having introduced the idea, if they were to give up leading it and as a result, the forum will become precisely as Prof. Kishore Mahbubani said: "China-dominated." It does not have to be that way, but it requires ASEAN to continue investing in the process and not simply drop back from their initial initiative.

## Mr. Sunjoy Josh:

 Do you see any ground for optimism that in the post-COVID world, governments will be forced to change tack, de-escalate military development programs, and turn more to the welfare and the health of their citizens as primary concerns, or are we going to see more "business as usual" and the reset will not be really a reset?

## Prof. Kishore Mahbubani:

- There are three significant additional dimensions of the RCEP.
- First, there were basically three visions for the future of this region floating around. The first is the Asia-Pacific Vision launched by (former Prime Minister) Bob Hawke of Australia in APEC, supported by (former US President) Bill Clinton in the first APEC meeting, carried on by (former US President) Obama with the Trans-Pacific Partnership—this vision came to a grinding halt when the US walked out of the TPP. Then, there is the alternative vision, which the Trump administration was pushing, of the Indo-Pacific region. We also have the Indonesian Indo-Pacific vision, which I completely support and endorse. But the other Indo-Pacific vision was to bring India in and make it a part of the regional architecture, and frankly RCEP was the most important way of bringing India into the game. India did not

- sign this agreement, and that cuts off the legs of the Indo-Pacific vision. That leaves an East Asian economic system that is developing very significantly.
- Second, people have not realized that the only reason why RCEP happened is that only ASEAN can and has signed agreements with Australia, New Zealand, South Korea, Japan, and China. The three biggest economies in the region— China, Japan, and South Korea—could not sign an agreement with each other because of all the suspicions, but under the cloak and guise of RCEP, we have now created something for them to cooperate. That is a big game-changer.
- The third and final point is at the end of the day, between guns and butter, it is always about butter. It is about your economic game that ultimately determines where you stand in the world.
- In 1980, the size of the Indian Gross National Product (GNP) was the same size as the Chinese GNP. Today in 2020, the Chinese GNP is five times the size. We can go into all kinds of reasons why that happened, but one clear reason is that China decided to integrate itself with the world order. As Xi Jinping said in his 2017 speech, China plunged into the choppy waters of globalization, drank the water, struggled to swim, but they learned from globalization.
- The rest of the world should be frightened of India joining the global competition, but, as the Hon. Kevin Rudd said, the Indian Ministry of Commerce wants to lock up India and keep the Indian economy shut. When you keep the Indian economy shut, you do not grow.
- If India wants to be a player in the region, one small suggestion, go ask yourself very simple questions: how are these ten ASEAN countries, relatively weak, do not have big GNPs—how did they become such a game-changing player? and how is it that ASEAN was the one that generated and delivered?

 The ten ASEAN countries should not wait for the post-COVID-19 world to come. The ten ASEAN ambassadors should go to Washington DC and collectively tell the United States and send the same message to China—that we have more important things to do in the world, COVID-19 has to be killed first, and you should pause your geopolitical contest, let us get together to kill COVID-19 completely, and then we can go back to the normal world. We should not be passive; we should be proactive in dealing with these matters.

## **Dr. Anton Bespalov:**

 On the legacy of Trump's administration, the sanctions war with China and the withdrawal from the Trans-Pacific Partnership, do you think it will change under President-elect Joe Biden? Is there a chance that sanctions against China will be alleviated or totally removed? Is there a chance for the United States to join the TPP-11 in the near future?

## The Hon. Kevin Rudd:

- The world would not be frightened but will be delighted if India joins the global free trade.
   In fact, the absence of India from APEC, RCEP, and the full-scale integration with the economies of East Asia is the missing elements in the overall strategic jigsaw and overall geo-economics of the future.
- First, it is fair to say that there has been a collective sigh of relief about the election of the Biden administration, simply because the roller coaster ride of Trump's administration has been a perplexing experience. Therefore, anticipation of a level of normalcy in American global conduct would be welcomed by most countries across the wider region.
- Second, will the Biden administration repeal any of the existing trade sanctions against China? I do not see it likely because of the nature of the bipartisan sentiment in the

- US Congress against China. On the second question you raised, despite the protectionism which lies very much at the base of the Democrat Party and the labor unions in particular, we should not be surprised to see TPP by another name, become the vehicle through which Biden's administration engages the TPP economies.
- Third, the fact that President Donald Trump could not be bothered to turn up at EAS and APEC meetings sends a huge American message to Asia that: "we [the US] were not all that interested." The Biden administration, however, will most likely turn up and attend these meetings. But, our friends in Southeast Asia will carry a level of residual skepticism about whether the United States will turn into a revolving door of isolationist Republicans, followed by isolationist Democrats, followed by globalist Democrats, in a cycle into the future that reflects the unfolding dynamics of US domestic society and politics. It will become President-elect Joe Biden's domestic challenge to remove that simply as a cyclical phenomenon in American politics and return it to a bipartisan trajectory for the future. If he governs effectively domestically and removes the core elements giving rise to American populism, there is a chance that the US will resume global engagement, including in Southeast Asia.

## **Dr. Marty Natalegawa:**

 One rather interesting legacy is how Trump changed the important lexicon or important terminology in this part of the world; his usage of the term "Indo-Pacific" instead of "Asia-Pacific" was rather game-changing. Indonesia has propagated it in 2013, even before, and Australia too. But, President Donald Trump made it one of his key signature outlooks and in a way, pushstarts many of the pre-existing initiatives in the region. It forces ASEAN to be more proactive,

- coming with a so-called "Indo-Pacific Outlook" (ASEAN Outlook on Indo-Pacific).
- I would like to also highlight the Korean Peninsula. [President Trump's approach] was rather unconventional and disruptive, but many hoped that it would change the dynamics [in the Korean Peninsula] in a positive way. Certainly, President Donald Trump did not follow the conventions in dealing with the Democratic People's Republic of Korea (DPRK), and many of us felt that perhaps this is one way of disrupting and changing the dynamics on the issue. Unfortunately, it has not resulted in any progress that some of us may have hoped, but I am hoping that the process could have instilled a Northeast Asia regional process. There was a potential that President Donald Trump's rather unconventional and disruptive methodology in Northeast Asia could usher in new dynamics between the two Koreas, between DPRK and Japan, between Japan and Russia, and Russia and DPRK—in other words, it was a potentially game-changing junction, but somehow it became more of a show and is now beginning to dissipate.
- I want to highlight and reinforce the sense of absenteeism of President Donald Trump, which I hope will be done away with. The Indo-Pacific, I think, was an important legacy that he is leaving. The Korean Peninsula and the Northeast Asia dynamic was a potential, but unfortunately, [one that] has not quite borne fruit.
- For President-elect Joe Biden's administration,
   I am hopeful and I am hoping that there is
   more comprehensive US engagement, no
   longer only on a transactional, mercantilist,
   economic orientation or the uses of the
   economic instrument for geopolitical ends, but
   a United States that engages the full facets
   of its strength, including in the area of good
   governance and democracy.

## **Dr. Anton Bespalov:**

 Is there any chance for the US-China relations to have less tension under the Biden administration?

## Prof. Kishore Mahbubani:

• It is going to be a paradoxical relationship between US and China. It is very complex, and

we should try to understand that complexity. On the one hand, President-elect Joe Biden's election changes everything; you will have a very stable, calm, predictable, and rational actor once again, which the region would welcome a lot. They will stop insulting China and engage with China instead. But, on the other hand, even though everything has changed, nothing has changed too, because of a rock-solid consensus in Washington DC.

- It is important for them, Biden's administration, to come to East Asia and listen carefully to what the people here are saying. Asia in 2020 is different from the Asia in 2016 that they left behind; it is a different Asia. Things have changed significantly. Just for COVID-19, everybody here is surprised at how incompetently the United States has managed [the pandemic]. There is a staggering gap between China and the United States in terms of competently handling this.
- If the United States came and listened to the countries in the region, they would hear a two-part message: part one is, "We love you the United States"—there are huge reservoirs of goodwill towards the United States in Southeast Asia, and you will find everybody welcoming with open arms. The second and equally strong message is: "Do not ask us to choose between the US and China, because we also have equally important ties with China."
- The primary goal of Southeast Asia's government today, especially after the COVID-19, is economic growth. The United States cannot provide the engine to do that. The engine that will drive economic growth in Southeast Asia is China. Therefore, the US needs to understand that they will find lots of friends here, but do not ask them to choose between the US and China. ▶

End of Session; Moderator closes the session.





## **KEYNOTE ADDRESS**

H.E. Subrahmanyam Jaishankar Minister of External Affairs of India

I am delighted to address the Global Town Hall 2020 and thank you, Foreign Policy Community of Indonesia (FPCI) and the Australian Strategic Policy Institute (ASPI) for the opportunity. As I was asked to speak on 'The Indo-Pacific and the COVID-19 Crisis', my remarks focus on three issues: the rationale for the Indo-Pacific, the Indian response to the COVID-19 crisis, and how the two come together.

Every era produces its own strategic concepts and analytical constructs. The current one is no exception. After all, the sharp distinction between the Pacific and Indian Ocean theatres was only made after the Second World War. What has changed now? To begin with, the intensification of globalization and inter-dependence that has expanded the horizons of all nations, especially major ones. In India's case, the Indo-Pacific was a natural extrapolation of its Act East policy that has made China, Japan, South Korea, Indonesia and Australia major economic partners. Indeed, we do more business East of India than West, quite a reversal from the immediate post-colonial era.

The second factor is the rebalancing that has taken place in the global order. There have

been changes in the capabilities and reach of nations, making some do more and others less. But both categories treat the Indian and Pacific Oceans in a more seamless manner than before. The resulting multi-polarity also requires the like-minded to work more cooperatively and effectively than before. As a result, we have seen initiatives that go beyond alliances and working arrangements that are more flexible and imaginative than before.

From any objective viewpoint, the Indo-Pacific is a more contemporary description of current reality. Such a landscape actually creates an ethos for greater cooperation, one particularly necessary at a time when global goods are in short supply. If challenges multiply but capacities do not keep pace, the answer is only in more intensified cooperation. Issues like maritime security, transparent and market-based connectivity or counter-terrorism require such solutions. Indo-Pacific is also a rejection of spheres of influence and all that this may imply. It is a reiteration that the world cannot be frozen for the benefit of a few, even if that is the case with the United Nations. It is an indication of our future, not a throwback to the past. Only those harboring a Cold War mindset will see such intentions.

There has been a growing recognition of the logic of the Indo-Pacific in recent times. The ASEAN

Outlook on Indo-Pacific was a notable step. Apart from the nations of the larger region, we have also seen Germany, France and the Netherlands subscribe to this approach. The need of the day is to give it a practical shape. This can be done by plurilateral diplomatic consultations such as the Quad. Or, it can be furthered in a structured fashion by the Indo-Pacific Oceans Initiative that India tabled at the East Asia Summit in 2019. This is built on the seven pillars of Maritime Security; Maritime Ecology; Maritime Resources; Capacity Building and Resource Sharing; Disaster Risk Reduction and Management; Science, Technology and Academic Cooperation; and Trade Connectivity and Maritime Transport. It is natural that we will see different ideas and suggestions in interplay and harmonizing them is very much part of the pluralistic political culture that many of us support.

While strategic debates have their own importance, there is no getting away from the context of COVID-19 which shapes so many of our priorities today. From the Indian perspective, I can tell you that we have responded with determination and discipline to this challenge. An economy which did not make ventilators, testing kits, PPEs and N95 masks today not only caters to its own needs, but those beyond. By setting up more than 15,000 dedicated COVID treatment facilities, we created an infrastructure to respond effectively. Our high recovery rate and low case fatality rate speak for themselves, as indeed does a social distancing culture and mass adoption of preventive measures. But for the world, what is more relevant is the emphasis we put on global cooperation to deal with a global challenge.

COVID-19 created a spike in demand for pharmaceuticals, especially hydroxychloroquine and paracetamol. We naturally ramped up production but more important, responded to the requirements of others. Both Australia and Indonesia were beneficiaries. Today, the focus

has shifted to vaccine production and rapid testing, both essential to the return of travel normalcy. India is deeply involved in many international collaborations and initiatives. Prime Minister Modi has committed to the United Nations that we will help make vaccines accessible and affordable to all.

It is revealing that in the midst of a global health crisis, Indian diplomacy has actually put its Indo-Pacific approach into practice. We provided assistance to Solomon Islands, Nauru, Papua New Guinea, Kiribati, Tonga, Tuvalu and Palau for procurement of medical equipment and supplies to assist them in their response to COVID-19. This was natural given the growing development partnership between India and the Pacific Islands.

The pandemic also underlined the extensive nature of global mobility and migration. As people sought to return to their homes, cooperation between Governments to create the necessary logistics and protocol was essential to that objective. In India's case, more than 2.5 million citizens came back, almost 24,000 of them from Australia alone. We are deeply appreciative of the extra mile that many went to in their desire to help. On our part, we supported the movement of more than 110,000 foreigners out of India to 120 countries.

So, let me conclude by highlighting the big takeaways from the COVID-19 experience. Above all, it is a call for more international cooperation on the key issues of our times. In a world where trust and transparency are now at greater premium, it highlights the importance of building more resilient supply chains. It is also a reminder of the importance of multilateralism. And that, in turn, requires adherence to a rule-based global order. Out of every traumatizing experience, we try to come out better. We should ensure that this is the case this time too. Thank you.

# SESSION 5

# THE INDO-PACIFIC AND THE COVID-19 CRISIS: WHAT ARE THE NEXT STEPS?

Time: 14:15-15:25 | GMT+7

## PANELISTS

## 1. H.E. Bilahari Kausikan

Permanent Secretary of Ministry of Foreign Affairs of Singapore (2010–2013)

## 2. Peter Jennings

Executive Director of Australian Strategic Policy Institute (ASPI)

## 3. Prof. Richard Heydarian

Non-Resident Fellow, Stratbase ADR Institute

## 4. Dr. Ruan Zongze

Executive Vice President and Senior Fellow of China Institute of International Studies (CIIS)

## MODERATOR

## Prof. Dewi Fortuna Anwar

Co-founder of the Foreign Policy Community of Indonesia and Deputy Secretary for Political Affairs to the Vice President of Indonesia (2010–2015)

## **MODERATED DISCUSSIONS**

## Prof. Dewi Fortuna Anwar:

 Southeast Asia is very much in the middle of the Indo-Pacific, geographically, we are at the center. How has the Southeast Asian outlook evolved? In the past, it has been very much in the East Asia Pacific. To what extent has it evolved to Indo-Pacific? Secondly, we have talked so much about "ASEAN" centrality. How do you define ASEAN centrality?

## H.E. Bilahari Kausikan:

- ASEAN was a little bit slow off the mark in coming up with its own outlook on the Indo-Pacific. Although we should not forget that it was Pak Marty Natalegawa that first tried to bring ASEAN into this discussion, when he proposed an Indo-Pacific treaty.
- When [the ASEAN Outlook on the Indo-Pacific (AOIP)] was first rolled out to the public, there was some criticism that it was "old wine in a new bottle". This was misplaced because the fact that you could get a new bottle under very difficult circumstances where you had different strategic outlooks among and around ASEAN in a very geopolitically fluid situation, was not an achievement to be dismissed.
- One of ASEAN's weaknesses is having to define a problem, and once we come up with a basic consensus to a problem, we tend to think that the job is done. We have not had a sufficiently deep discussion within ASEAN on how we are going to make use of this "new bottle" in our own interest.



- [In regards to the "new bottle" as an achievement itself] I think it consists of old principles but nonetheless very important ones: openness; inclusiveness (in particular not looking at the world in purely binary terms), and finally, a recognition that geopolitics and geo-economics are actually inseparable and this carries both risks and opportunities.
- We need to discuss this to come up with a more defined idea of how we are going to implement it [the principles]. Our idea of the Indo-Pacific itself is going to be the object of geopolitical competition. We saw some of this recently and still ongoing in ASEAN meetings. For example, Indonesia and some other countries were trying to insert some reference to AOIP in the East Asia Summit's fifteenth anniversary statement. But it fell victim to these rival currents outside. One of the reasons (for this) is that (the idea) was not sufficiently defined. It is not enough to just put a reference on the AOIP on our documents.
- [Another example] Indonesia came up with a paper on the defense sector's relationship to the AOIP and I think it is being discussed even as we speak by the ASEAN Defense Ministers Plus Meeting. I will bet you anything that it will not find favor because there will be divisions among the Plus countries, if not within ASEAN.
- We have not yet gone deeply enough into our own idea. It is not an easy task, as Minister Jaishankar noted, in a very fundamental way. The very idea of the Indo-Pacific, all the various ideas of the Indo-Pacific reflect the fluidity of the situation that all of us find ourselves in today. And that fluidity and uncertainty have been certainly enhanced by the pandemic, but it was not created by the pandemic.
- We need to think more deeply about what we are going to do. What does the concept of the Indo-Pacific really mean in terms of ASEAN's agenda. ASEAN has its own agenda, but how does this fit into that? It is not a matter of

taking this label and sticking it on anywhere it would stick. Because if we just do that, we would be at the mercy of external forces as we have been so far in this later series of meetings.

## .Prof. Dewi Fortuna Anwar:

 Can you tell us more about the evolution, the concept, and with the release of the strategic update, maybe there are more clarities on what actually is Indo-Pacific to Australia?

## **Peter Jennings:**

- In modern Australia's strategic thinking, the idea of the Indo-Pacific was really given a boost in the 2013 Defense White Paper.
- What is interesting about this strategic update which the Australian government released on the first of July this year is, if anything, we are doubling down on the importance of the Indo-Pacific from an Australian diplomatic and strategic point of view. Australia has been really heavily involved in a series of conflicts in the Middle East, really going back 20 years now. Now it is our government's intention to concentrate our focus on the Indo-Pacific region to a very significant extent.
- We have, what I would call the arrival of "COVID Diplomacy" and I think it has been fascinating to watch how political leaders in some ways take advantage of it.
- [What shaped Australian thinking] was the relative absence of the United States from global leadership on significant multilateral issues for the last four years. I think that has been sharply demonstrated by COVID and the absence of an American effective global response. Australia has had to learn how to think for itself. A lot of the diplomatic initiatives that we have undertaken was the product of Australia working with countries in the region, to the extent that we can exercise our global influence.

- Australia has been promoting "the Pacific Step-up" for several years, which is about rebuilding some of the connections with the Pacific Islands countries. Australia is looking to ASEAN with an intent to establish closer relationship bilaterally and multilaterally across the board. Domestically, I have been calling for Australia to establish a signature initiative that would do for Southeast Asia, just like what "the Pacific Step-up" has done for our relations with the Pacific Islands. I think there is a consensus across the Australian Policy and Political Community about how important that is [an initiative for Southeast Asia].
- We feel we have had a breakthrough in terms of our relationship with India. Because of COVID, we have been doing video diplomacy with India ever since and that is bringing us into, for example, the military area, the Malabar Naval Exercises.
- Prime Minister Morrison has just very recently been in Tokyo and concluded a new defense agreement with Japan, only the second of its type that Japan has, the other one having been signed sixty years ago with the United States.
- The country we are struggling to develop closer relations with right now is China. And at the moment I think people would acknowledge that there are more difficulties apparent in that relationship than there are opportunities. Notwithstanding that we are a very important trading partner with China in many areas such as coal, iron ore, gold, and other commodities which are still happening, still trading, still very important for the Australian economy and the Chinese economy.
- The strategic update has created a very firm commitment to level the Australian defense spending above two percent of Gross National Product. Long-term investment plans to remodernize the Navy and plans to strengthen our capacities to operate at significant distances in our region. And creating a stronger deterrent

effect. The Australian defense forces seek to engage as much as it can with countries of the Indo-Pacific region and we look forward to building deeper defense and security connections with those countries.

## **Prof. Dewi Fortuna Anwar:**

 Do you think that there is going to be more change or more continuity in the next Biden administration? What exactly do we expect? And there was an expectation in the region that with a Biden administration, it will be an Obama 2.0. What is your take on this?

## **Prof. Richard Heydarian:**

- There is a sense that under Trump, there is a much more robust push back against China and greater commitment to the Philippines with the Secretary of State Mike Pompeo clarifying that the Mutual Defense Treaty of the Philippines and the United States will specifically cover any attacks on our troops or personnel or warships in the South China Sea.
- But clearly the Trump policy also had its shortcomings. It was not much focused on good-governance promotions, on human rights and democracy. There was not much of an economic engagement with the region after nixing the TPP.
- What we hope to see under Biden is not a return to the past, essentially an Obama 3.0, nor a blind continuation of some of the better policies of Trump or just blind rejections of everything Trump.
- On China, for instance, I am expecting a much more compartmentalized or as Kissinger said, "differentiated approach". On climate change, on World Health Organization (WHO), on COVID-19, on nuclear proliferation, on armsrace control, Biden will engage China in ways that Trump did not.
- Biden could also push for an expanded TPP, it could be TPP 15 with the Philippines,



- Under Biden we hope to see the US having more support to the WHO, having a more comprehensive and robust COVID-19 diplomacy in the region, and hopefully join the GAVI (The Vaccine Alliance) and international vaccine distribution efforts.
- The way forward for us [relationship with ASEAN] is to talk about more minilateralism and minilateralism plus. There should be more coordination among Quad, among the EU 3 (Germany, France and England) who have been more involved in the Indo-Pacific and key countries within Southeast Asia who are likeminded on certain shared risks, including the militarization of the South China Sea and other concerns whereby we could not really get an ASEAN-level consensus.
- We should just focus on minilateralism among key members within the ASEAN together with like-minded powers: Australia, Japan, India, South Korea, and the EU 3, among others.
   I think that is a much better idea than going for an Asian NATO.
- ASEAN has shown in different periods in its history, its ability to reinvent itself. I think it is not helpful to say ASEAN is this or that. The question is how should ASEAN evolve to meet the challenges of the time. With the Biden administration and a more multilateral US administration, together with the Quad partners, EU 3, among others and also with China. There are issues where we share concerns with China and China can be very helpful to us.
- I agree that maybe the Indo-Pacific is an "old wine" but the "new bottle" we introduce is this: China is an indispensable stakeholder in the Indo-Pacific. We cannot exclude them. It is correct to for us to say that ASEAN can push back against exclusionary visions of the Indo-Pacific and bring in China and work together around issues where we have common

China is an indispensable stakeholder in the Indo-Pacific. We cannot exclude them. It is correct for us to say that ASEAN can push back against exclusionary visions of the Indo-Pacific and bring in China and work together around issues where we have common concerns including the COVID-19 and how to recover from that in the coming years.

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## **Prof. Dewi Fortuna Anwar:**

 China has been quite reluctant to embrace this Indo-Pacific concept. Can you give us insights on how China stands on this discourse?

## Dr. Ruan Zongze:

- First, we need to recalibrate. Recalibrate
  means we adjust our policy towards the
  ongoing profound changes in the Asia Pacific
  and beyond. This is because the COVID-19
  pandemic played an enormous part in shaping
  that agenda and also probably the regional
  and global order.
- We have witnessed the divergence of approaches in dealing with the pandemic: one is a unilateral approach, the other is a multilateral approach. This pandemic creates an urgency for all of us, not only in the Asia Pacific, but also the rest of world, to come up with a joint effort. This is a global challenge, so it definitely demands a global response.

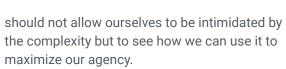
- Second, it will be very misleading to bring back a so-called new NATO, because it will create division, not unity. It will also create insecurity and decoupling. We have talked about decoupling technology issue and economic issue. But the so-called NATO is a decoupling of security issue. This will be very dangerous for Asia and beyond.
- In Asia, we need the RCEP, for example, and now that the APEC is also out there.
   A number of other multilateral institutions very much focused on economic issues need to be adjusted because this pandemic poses a grave challenge. In the same time, economy will be the key. And if we do not do well, then the recession will come to us. So, I think in the near future, we need to work together.
- [In regards to ASEAN Outlook on Indo-Pacific (AOIP)] From my perspective, China agrees [on] ASEAN centrality. From my point of view, the ASEAN centrality means ASEAN Plus. We have seen this paradigm in the last decade: ASEAN Plus One, ASEAN Plus Three, ASEAN Plus Sixteen, now ASEAN Plus Fifteen. ASEAN is always there.
- ASEAN has been so resilient and always come up with good ideas to adapt with the everchanging situation. The RCEP for example, is a recognition of the centrality of ASEAN.
- We need to extend reassurance to our partners in the region and beyond. China seeks no confrontation. We prefer dialogues. This is also reflected in the AOIP. Dialogue must prevail, rather than divisions and confrontations.
- We say the COVID-19 is a virus that we need to fight together. At the same time, we also need to fight a "political virus" that is artificially created confrontations and decoupling in the region. China would like to make the COVID-19 pandemic as an opportunity to promote a region-wide economic, political and security dialogues and cooperation.

 How do you see that we can actually bring the geo-economics and geopolitics together [in Indo-Pacific region]?

## H.E. Bilahari Kausikan:

- Within ASEAN, I think the effects of geoeconomics has been positive, it brought us all closer together. My criticism is that we have not moved faster in that direction. In the broader canvas of the Indo-Pacific, I think the effect is mixed.
- The synergies and the interdependencies that have grown up sort of form parameters for competition, as well as they had become the instruments of competitions.
- This idea that the US and China can decouple completely, or that China can create completely separate systems—if that is the goal—is rubbish. There will be greater separation in several domains, [but] total decoupling is not going to happen.
- The challenge for the Biden administration is how to deal with this far more complex situation. For us in ASEAN, I think we should not forget one thing: complexity creates agency.
- [In regards to US-China situation] It is a much more complex and tangled situation and we

This idea of the U.S. and China can decouple completely, or that China can create completely separate systems—if that is the goal—is rubbish. There will be greater separation in several domains, [but] total decoupling is not going to happen.



- The challenge for the Biden administration is how to deal with this far more complex situation. For us in ASEAN, I think we should not forget one thing: complexity creates agency.
- [In regards to US-China situation] It is a much more complex and tangled situation and we should not allow ourselves to be intimidated by the complexity but to see how we can use it to maximize our agency.

 Is the Quad going to work as a building block in the regional architecture of the Indo-Pacific or is it going to exacerbate differences? Is there any possibility for minilateralism, such as a trilateral cooperation between India, Indonesia and Australia? What is your take on that?

## **Peter Jennings:**

- ASEAN is still going to be a central focus for Australia, multilaterally, but also, we are seeing increasingly close bilateral connections being established in the military and security scenes and the diplomatic scenes between Australia and a number of ASEAN countries.
- I think a key challenge now is how do we
  effectively re-integrate the United States,
  which I think is going to be a more traditional
  administration, but where Biden will have
  a lot of domestic constraints on his ability
  to engage. It will not be like Obama. It is up
  to America's friends and allies to sort of find
  a creative and constructive way for them to
  become more deeply engaged into the region.
- I always take the proposition that geopolitics beats geo-economics every time. [With] the ever-tighter technological integration which exists around the world, the concept of a sovereign economy is something that simply does not exist any longer. I think what we will

see in the coming decade is a lot of efforts to try to unpick some of the negative aspects of that [technological integration] to give countries more sense of surety that they are able to look after their own sovereign interest.

## **Prof. Dewi Fortuna Anwar:**

 What kind of reform would you like ASEAN to do? Is it in terms of the decision-making process?

## **Prof. Richard Heydarian:**

- [Peter Jennings] is right that we should not be complacent, that interdependence will bring a degree of peace on a sustained basis.
- One of the things I always abhor whenever I am in an international conference is that they talk about ASEAN and Southeast Asia as if this is just a chessboard between two superpowers [China and the U.S.]. We are in a very complicated situation, whereby no single power can dictate how things move forward and I think that is where there is a lot of room for intervention by ASEAN.
- [Despite the pandemic] We have pulled off unthinkable things no matter how messy and ineffective things are around the world. I think this shows you that there is always a potential for radical reorganization and radical reinventions. In the same spirit, I believe ASEAN as a whole can do a lot of radical reinvention on different levels. Unfortunately, because of unanimity rather than a consensus-based decision-making process, there are limitations to ASEAN multilateralism.
- As a Filipino, I am proud that we made that "unilateral decision" to initiate an arbitration case in South China Sea. Because that now has given leverage to Vietnam, Malaysia, even Indonesia to cite the Arbitration Award of 2016 to defend their legitimate sovereign rights, and exclusive economic zone rights, not only in South China Sea but also in Natuna waters.

- I think ASEAN could make certain adjustments—
  we can bring elements of plurilateralism and
  minilateralism. Sometimes even unilateral
  actions by visionary members in ASEAN
  can help us to overcome the challenges of
  the future.
- · Climate change is real. Artificial Intelligence is going to be a big challenge, ILO (International Labor Organization) is projecting that 50% to 60% of jobs will be gone—that is a huge challenge, it is going to create social crisis and political instability. All of that on top of geopolitical tensions we are already facing at the South China Sea, among others. In my opinion, asking, "What will China do? What will the U.S. do?" completely misses the point. We really have to go for plurilateralism, minilateralism, and not be bound by organizations and alignments that may have worked in the 20th century but clearly are anachronistic to the challenges of the future and the 21st century.

• [In regards to China becoming a game changer, and an economic and military power] do you really believe in this more Hobbesian prognosis that we will see more conflicts rather than cooperation? Will geopolitics define our region, or will these interplays between peace and development continue to be the primary factor that undergird our regional interchange? And also, [views on the Biden administration] do you agree with Richard's prognosis that it will be more compartmentalized and issue-based, rather than this holistic struggle between two superpowers?

## Dr. Ruan Zongze:

 One way or another, they [geopolitics and geo-economics] are associated with each other. I strongly believe that multilateralism

- will prevail. Take East Asia as an example, and ASEAN itself is a success of multilateralism. As ASEAN grows, it also creates the ASEAN Plus X paradigm: ASEAN Plus One, ASEAN Plus Three, etc.
- Though there are some problems and issues, but it will be unbelievable or unconceivable without such kind of multilateral collaboration.
   The problems would become even more difficult to address. [In regards to the future] I think this is also the bright side. China tries to create as many institutional dialogue and partnership as possible.
- In the last four years, the China-US relationship
  has very much deteriorated because the US
  has changed. Going against multilateralism,
  the US pursued unilateralism and decoupling
  issues. This creates a lot of problems not only
  for China but also for America's relationship
  with its partners and allies.
- China is ready to work with whoever is in the White House. Whoever the leader of the US is, as long as there is multilateralism, we can work on areas where interests converge.
   For example, in issues of how to control the pandemic, how to revitalize the world economy, how to address climate change, and how to address terrorism—all these are very fundamental global issues. A country, no matter how powerful it is, would not be able to address it alone. It definitely needs a collective effort. China is ready to join and make its contribution.
- Very recently, there is a number of multilateral platforms like the APEC, the RCEP, the BRICS.
   Chinese leaders made it clear that China will play a responsible part in these.
- China is undergoing a transformation in itself.
   If you look at the latest policy elaborated by the leadership [President Xi Jinping], China will introduce a new development paradigm that says domestic circulation as well as

- international circulation will reinforce each other. This will put China in a stronger position to adapt to internal and external change.
- Ultimately, this will create a lot of opportunities for our trading partners. China will be the only major economy that will experience growth this year and next. That means China's market will be even bigger, and this is extremely important for many countries that are struggling to export or to do business opportunities. This is a win-win situation, as China will also benefit from that.

- [The most important point] Indo-Pacific is a very complex region.
- I would like to see China be more willing to adopt the term Indo-Pacific itself, because we see that Indo-Pacific does not have to be politically loaded, it is just an affirmation of the saliency of the maritime domain.

- From the Indonesian perspective, as Foreign Minister Retno Marsudi underlined, we see the Indian and Pacific Oceans as one indivisible geostrategic theater. But, there are some concerns that geopolitical rivalry will somehow upset, or not be able to be mitigated by the increasing economic interdependence.
- On the other hand, the experience of Southeast Asian countries shows that because of the desire to prioritize economic development, countries have been able to exercise restraint. ASEAN for a long time is a dependent variable.
- In viewing the Indo-Pacific, it has to be a more eclectic approach—the realist perspective, the constructivists, idealist perspectives, also have equal roles to play.

End of Session; Moderator closes the session.





## **KEYNOTE ADDRESS**

**Dr. Tedros Adhanom Ghebreyesus**Director-General of
the World Health Organization (WHO)

Excellencies, Distinguished Colleagues,

Equitable access to vaccines is in the national interest of each and every country.

In our interconnected world, if people in lowand middle-income countries miss out on vaccines, the virus will continue to spread and the economic recovery globally will be delayed.

That's why, WHO and our international partners created the Access to COVID-19 Tools (ACT) Accelerator and the COVAX facility to develop vaccine diagnostic and therapeutic fast and to allocate them fairly especially for health

workers, older people, and other at-risk groups. I would like to commend Indonesia for joining the COVID-19 vaccine Solidarity Trial and the COVAX facility and for working to strengthen its own national production capacities.

But, even with the progress we have made on vaccines, we must not be complacent. The virus is still circulating and most people remain susceptible. All countries must remain vigilant.

In responding to COVID-19, we do not have to choose between health and the economy. Between life and livelihood.

The pandemic has shown us that health is not a cost, but an investment that is the foundation of productive, resilient, and stable economies.

I wish you a productive discussion.

I thank you. Terima Kasih. ▶

## SESSION 6

## VACCINE FOR ALL: UTOPIA OR A POSSIBILITY?

Time: 15:40-16:40 | GMT+7

## PANELISTS

## 1. Weining Meng

Vice President of Sinovac HK and Senior Director of Overseas Business of Sinovac Biotech Co., Ltd.

## 2. Elen Hoeg

Senior Policy Manager at Coalition for Epidemic Preparedness Innovations (CEPI)

## 3. Vladimir Primak

Director at the Russian Direct Investment Fund (RDIF)

## 4. Darren Welch

Director of Global Health at the Foreign, Commonwealth & Development Office of the United Kingdom

## MODERATOR

## **Timothy Marbun**

News Anchor at KOMPAS TV

## **MODERATED DISCUSSIONS**

## **Timothy Marbun:**

We often hear the term vaccine nationalism.
 Can you explain what this means? Why is vaccine nationalism problematic?

## **Elen Hoeg:**

- The term vaccine nationalism refers to the legitimate need and responsibility of any government to protect its own population.
   Safe and effective vaccines are the best exit strategies out of this pandemic.
- As Dr. Tedros has mentioned, this pandemic is not only a challenge for vaccine research and development but of securing supply and fair allocation as the global demand in the time ahead is going to outstrip the supply. This is the reason why CEPI (Coalition for Epidemic Preparedness Innovations) together with GAVI, the Vaccine Alliance and the WHO cocreated COVAX.
- Many countries have signed bilateral agreements with vaccine manufacturers; however, ensuring vaccination within the country is not sufficient to protect its population. As long as the virus is out there, it represents a future threat. Therefore, leaving behind countries who are unable to pay is problematic not only for the countries in question but also for the whole world as the virus does not know borders.
- Analysis indicates that if vaccines are distributed to high-income countries first,



33% of deaths may be averted. On the other hand, if vaccines are distributed equally based on population, 61% of deaths may be averted. Fair access for high, low, and middle-income countries will save lives, save the economy, and allow us to end the pandemic in the best possible way.

 With political will and financial support, COVAX has the ability to turn the tide on vaccine nationalism.

## **Timothy Marbun:**

 Just a little question to add there, with around 200 vaccines being studied right now to face COVID-19, could we take comfort in this large number or would it mean nothing to us?

## Elen Hoeg:

The number might be even higher. As mentioned, a significant two to three hundred

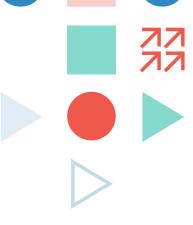
- vaccine candidates are being explored and already near 50 are in clinical trials. The results coming in are positive, which gives us hope that we will be able to achieve the goal of delivering vaccines at an unprecedented speed.
- It has to be said that we do need to continue the trials, the Research and Development (RnD), and the world will need multiple vaccines with different attributes to cover all its needs.

## **Timothy Marbun:**

 Mr. Welch, could you please explain why making equitable, fair, and equal access for the COVID-19 vaccines should be the interest of every country?

## **Darren Welch:**

 There is a strong moral case for this. We have signed the Sustainable Development Goals number three (Good Health and Well-



- being); we have committed to leaving no one behind. It will be unconscionable for us not to offer equal access to vaccines when they are available.
- However, this is not just pure altruism; it also enlightened self-interest to act this way. We want the world to be back up on its feet where the economy is up again. We need to end the pandemic everywhere for everyone if we are to get back to full economic activity.
- But we also need to think of the secondary impacts: over a billion children have been out of school as a result of this. 150 million people are estimated to be pushed back in poverty, 250 million are potentially facing food insecurity at the moment, and domestic violence is on the rise as well. Those are the reasons why we need to act together to end this pandemic.
- To sum up what the UK Prime Minister has said, "Unless we unite, ultimately everyone will lose."

## **Timothy Marbun:**

 Mr. Welch, of course, everyone wants the COVID-19 vaccine, everyone realizes how much this pandemic has affected everybody's life in the whole world, but how could we ensure that the race is truly for getting humanity recovered and not just about a race to find a medicine?

## **Darren Welch:**

 I think we have seen an amazing sense of partnership and collaboration by industries to help end this pandemic. If you look at the statement by the CEOs of the 16 leading pharmaceutical companies before the UN General Assembly, there was a very strong commitment to making sure vaccines will be made affordable for everybody and will be distributed quickly and equitably. That is a good sign but the challenges remain.

## **Timothy Marbun:**

 Mr. Weining, Sinovac has an interesting business model which is a Business to Business (B2B) model with the Indonesian state-owned company Bio Farma. Despite this being a B2B model, how do we ensure that people, especially those who are coming from lower-income countries, can get this vaccine as well?

## **Weining Meng:**

- We started the development of this vaccine at the beginning of this year. We got the major data from phase one and two clinical trials.
   After that, we need to go on to phase three but there are no cases in China so we need to find another place to carry out the phase three trial. Through collaboration with Bio Farma, we are able to implement the phase three trial in Indonesia.
- Another issue is production capacity. Currently, we have more than 300 million doses per year capacity. The bottleneck is the filling and packaging capacity. Meanwhile, Bio Farma has huge filling and packaging capacities; by collaborating with them we can easily increase the capacity.
- Indonesia has a big population and to rely on the supply of doses, especially single doses, while the syringe is from abroad, it will be a huge work. Through this collaboration between two manufacturers, we can increase accessibility and affordability for this vaccine. Furthermore, we can also lower the production cost.
- I think this a fundamental condition, no matter
  if poor people or other people get the vaccines,
  as long as we have enough vaccines available,
  it will be possible for different groups to get
  the vaccines.

## **Timothy Marbun:**

Phase three is currently still going on for

Sinovac, would you share with us the timeline? And you say that you can lower the cost by working with Bio Farma, do you have any estimation of how much that would be?

## Weining Meng:

- Phase three trial is running quite well. We conduct it in Indonesia, Brazil, and Turkey. I hope next month we will have the data available.
- Regarding the lower cost, we can lower the production cost and save the delivery cost. The vaccine might be approved at the beginning of next year and several other vaccines will be approved during that period. It will be difficult to deliver the vaccines because every country wants vaccines. The vaccines are mostly delivered by airplane; there will be a huge burden considering the damage the pandemic has inflicted on the global logistics system.
   I cannot give an exact number but we can certainly save a certain percentage of the cost.

## **Timothy Marbun:**

 There is a widespread expectation that once we have the vaccines, it will solve the pandemic and protect people from the virus. The Director-General of WHO, Dr. Tedros has said that vaccines will not end the pandemic and scientists have warned that vaccines will not be the silver bullet to end the pandemic. What are your thoughts on this?

## **Vladimir Primak:**

 Frankly speaking, the pandemic would not be probably finished with the vaccination, but there would be considerable improvements especially in places where vaccination occurs. Alternatives to vaccination are even more complex and burdensome to the economy, the people, the freedom of movement, as they require lots of restrictions. Therefore, vaccination may not be the best solution, but it is better.

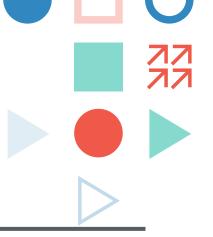
- Another question is how quickly this
   vaccination could be carried out. There is
   a responsibility on the part of the people who
   are already vaccinated. It does not resolve
   the problems immediately as it takes time for
   antibodies to develop. Usually, people are safe
   after a month since they first got vaccinated
   and there are two doses of vaccination.
- Considering the challenges on the production and logistics side globally, and in some parts of the world the matter of affordability, we believe it will take many months before the situation improves.

## **Timothy Marbun:**

 Sputnik V is probably the earliest vaccine that we have heard being used. Could you update us on how is the situation now? How far are you from mass production, and also from sharing these vaccines with other countries as well?

## **Vladimir Primak:**

- We completed the first and second phase
  of clinical trials back at the beginning of
  August. The third phase of clinical trials
  together with clinical research organizations
  globally are being arranged and finalized
  in Russia and several other countries. The
  interim result of that will be ready within
  the next three weeks. More than 20.000
  people have already received injections. The
  preliminary data on safety immunogenicity
  and efficacy have been received and we
  recently published some of them.
- The production on a certain scale has already started and the at-risk group of Russia's population is already vaccinated.
   But the massive supply is expected starting from December to January, and of course, there is a big challenge in terms of massscale production, due to huge demand globally, and there are a lot of challenges--



not only for us but other producers as well to deal with the logistics and expansion of production.

 We hope that starting in the first quarter of next year there will be massive supplies from Russia and other producers which will help the situation globally.

#### **Timothy Marbun:**

 Has logistics been a problem because once the vaccine is produced, logistics could be the next big problem that we will be facing?

#### **Vladimir Primak:**

 For sure. The temperature would be a big challenge because there is a lack of cold chain logistic facilities. This is a task for all the countries: to create such infrastructure that does not exist yet.

#### **Timothy Marbun:**

 Certain countries already have initiatives and also agreements between countries; for example, Indonesia with China, and other countries as well. What will happen to poorer countries that do not have agreements like this and do not have the funds to acquire vaccines immediately?

#### Elen Hoeg:

- 92 countries have been identified as eligible for receiving vaccines through the GAVI Advance Market Commitment (AMC).
- 95 high incomes countries have signed up to and committed to supporting the COVAX fair allocation mechanism, and principles, giving hope that there are a political will and funding to ensure that this is distributed in equal manners to low and middle-income countries.

#### **Darren Welch:**

· There is a strong hope and expectation that

We are seeing quite a unique global will to collaborate and a global will to find solutions to for distributions and allocation of the vaccine. It is a time to be pragmatic and choose collaboration and COVAX is the best testimony that this might happen.

there will not be any countries excluded from this vaccine. The international financial institutions are really stepping up and helping with these efforts as well. Our Foreign Secretary hosted an event on the margins of the UN General Assembly on the vaccine and in that event, the World Bank announced that it would be committing up to 12 billion dollars to support countries to access vaccines, therapeutics, and diagnostics as well.

#### **Timothy Marbun:**

 How could we ensure that the vaccines will be received by people with lower income within each country?

#### **Darren Welch:**

 Countries should apply an evidence-driven, science-based approach to make sure that the vaccine goes to the most vulnerable groups, and that is what we should do on the basis of vulnerability rather than the ability to pay. Countries will need to make their own policies on how will they roll-out the vaccines.

#### **Elen Hoeg:**

 Back to the fact that through COVAX we intend to distribute billions of doses and hoping that it

- would enable them to take care of their at-risk populations in evidence-based ways.
- CEPI through its investments and partnerships has secured the first right of refusal for over a billion doses to the COVAX facility.

#### **Timothy Marbun:**

 What would it mean if there are companies who are faster in achieving effective vaccine than Sinovac, what would it mean to Sinovac?

#### **Weining Meng:**

- Actually, we already have a couple of companies that have very good efficacy data. They are encouraging the whole industry and also encourage us. We see that the vaccine does work, and it gives us a lot of confidence.
   That means other vaccines also have a high possibility to succeed.
- Only one or two or three vaccines is not enough. The whole world needs different kinds of vaccine with different characteristics. We really hope by working together and by collaborating with other industries we can provide vaccines as soon as possible. We also hope that other colleagues from other manufacturers can be successful in their vaccine development.

## PUBLIC QUESTIONS AND ANSWERS

#### **Timothy Marbun:**

 Is it feasible to consider the vaccine as an instrument of power?

#### **Vladimir Primak:**

 Firstly, it is an instrument of medicine, and it is an instrument to resolve the pandemic. We do not consider that as an instrument of power. Maybe as an instrument of prestige.  It should be proven by proper research and proven to be safe. Otherwise, the element of this is just an additional push to do the process faster and in a more efficient way. However, in terms of power, I do not see any substantial power, maybe a soft power.

#### **Darren Welch:**

- The vaccine should not be seen as an instrument of power. Naturally, people will have pride in terms of how their country is doing.
- The COVAX facility has been specifically designed to promote and to enable global collaboration on vaccines. It is a way of sidestepping issues such as geopolitics, enabling everybody to join and have the same access to vaccines.

#### Elen Hoeg:

 Without a doubt, vaccines are the most powerful tool for this pandemic. We are indeed seeing for COVAX that this would not be used as a geopolitical tool.

#### Weining Meng:

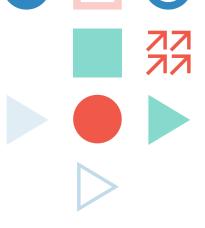
- As vaccine developers, the most important role for us is to make the vaccine successful. Increasing availability and making more and more vaccines available.
- Power or not, the most important thing is that the vaccine could be used for the population who really need it.

#### **Timothy Marbun:**

 How much do you think the geopolitical situation itself will determine who gets whose vaccine?

#### Elen Høeg:

 We are seeing quite a unique global will to collaborate and to find solutions. We all want to end this pandemic as soon as possible



and we might choose different ways to get there. It is a time to be pragmatic and choose collaboration, and COVAX is the best testimony that this might happen.

#### **Timothy Marbun:**

· What is your thought on this?

#### **Darren Welch:**

- Many influential countries are involved in vaccine research and that is a great thing.
   We need different approaches, different technologies.
- There has been an astonishing degree of global collaboration. Getting something like COVAX up and running in a short period of time has been astonishingly unprecedented. Plans are already being put in place to roll out this vaccine and there is support to countries to help with those roll out plans when we get the vaccines fully available.

#### **Timothy Marbun:**

 What are your thoughts on that? Is there any effect of the geopolitical situation on providing the vaccine?

#### **Weining Meng:**

- The world needs not only one or two vaccines, it needs several—as many as possible.
   A single vaccine cannot cover the whole world. We have collaborations with Indonesia, Brazil. When we try to collaborate, that means in the future, we are trying to enter the market. The most important thing to do is to first select countries with a huge population. By collaborating with them, we can serve the big market and supply the vaccine to those countries. We are not considering whether these areas are close to China or not.
- For other manufacturers, they also have their own strategies.

#### **Timothy Marbun:**

How do you see this would affect the geopolitical situation now?

#### **Vladimir Primak:**

• The better the relationships between the countries, the faster the cooperation goes. But to improve the relations it is vital to have topics for this improvement. The vaccine is actually one of those topics which can be mutually considered as a potential for the improvement of the relationship. We are trying to work globally with our vaccines. It is faster to do so when the relationship is warmer but we do not see restrictions in terms of working with any country in the world. We hope that whatever are the political differences, these should not impact the cooperation in the field which is needed for everyone.

#### **Timothy Marbun:**

 BBC has exposed failures in the UK contact tracing system, how will this impact the UK's vaccine distribution given the problems in the UK's most vital pandemic response tool?

#### **Darren Welch:**

- That is not part of the government that I work with, but I can tell you that plans for rolling out the vaccine are well underway here in the UK.
- We have a number of reviews underway globally. There are lessons for many countries to learn. One of the things we are keen to do is to ensure that we all collaborate in order to build back better. This pandemic will not be the last one. We have a real opportunity to strengthen health systems around the world and prepare ourselves much better when we face these sorts of challenges in the future. That is one of the reasons why our Prime Minister has set out his vision for a five-point

plan for better global preparedness for the next pandemic.

#### **Timothy Marbun:**

 How can you ensure, even though the demands are very high and everyone is racing for a vaccine, that the vaccine is provided as cheaply as possible?

#### Elen Høeg:

 Again, the whole concept and idea about COVAX are to achieve collaboration both around investments and risk-sharing in development, and also in strengthening the procurement tools and to undertake joint procurement on behalf of all the participating countries. That also implies GAVI has the negotiations rights with the companies to ensure that we can get the best prices.

#### **Timothy Marbun:**

 How could you ensure that the price is the cheapest and not considering profit but considering finding the cure for a situation that the world is facing?

#### **Weining Meng:**

- The vaccine will be produced by the manufacturers, by the commercial companies. Those companies like Sinovac, they do need profit and we cannot produce the vaccines with zero profit. If that is the case [making vaccines for no profit], in the next pandemic, there will be no vaccines available. The key is to balance profit because this is a public good and not a normal commercial product.
- From our company's perspective, we are also willing to—through different collaboration and models—lower down production cost and to make sure the vaccine price would be as low as possible. That is why we have the collaboration with the different

manufacturers because through this kind of collaboration we can lower the cost of some parts; from the local feeding, packaging, packing materials, and logistic arrangements.

#### **Timothy Marbun:**

There are so many expectations and misleading information about vaccines. I am sure everyone here has their own concerns about what misleading assumptions spread out there since everyone is thinking about vaccines.
 Some people think about how this will affect their life. What is your biggest concern and how would you like to address that?

#### Elen Høeg:

- Vaccines will never be truly useful unless people are willing to accept them and take them, and we achieve a high coverage rate.
- You are touching on the most important thing and that is making sure these vaccines have a robust safety and efficacy profile and that we talk with truthfulness, openness, and transparency around any side events that might occur and make sure our communications with the public is truly balanced.

#### **Darren Welch:**

- Vaccines work. We have a fantastic global experience, for example, how close we are to eradicating polio worldwide.
- We got a huge global opportunity to sharpen collaboration and solidarity. This is a real moment of test for the global community and that is why we strongly support COVAX and those collaborative mechanisms. We call on others to get behind them and show their global solidarity.
- Misinformation is really important. It is dangerous and we need to tackle that. We



need to be transparent, honest and we need to have a science-led approach. Only that way we can rebuild confidence and public trust that will enable us to get the best benefits that we possibly can for these investments we are making in vaccines.

#### **Vladimir Primak:**

The biggest concern is to avoid the misinformation campaigns and to avoid unfair competition using this misinformation. There are different commercial interests from different parties in the world but that should not hamper the main task to resolve this pandemic. The objective information is vital and critical and we hope that the global media will act responsibly.

#### Weining Meng:

- I am very confident about the COVID-19 vaccine.
   In the next couple of weeks, there will be more vaccines with more efficacy data available. That means in the first quarter of next year, several vaccines will be approved to be used.
- The concern is that transparent information should be shared globally and to not mislead the people's awareness about the vaccines.
- I am confident that the vaccine does work but the development of vaccines is just one part. After that, the distribution and the administration of vaccines also require huge work. Thus, we should work hard. ▶

End of Session; Moderator closes the session.



# LIGHT AT THE END OF 2020: WHAT WORRIES ME, WHAT GIVES ME HOPE

Time: 16:50-17:50 | GMT+7

#### PANELISTS

#### 1. H.E. Syed Saddiq

Minister of Youth and Sports of Malaysia (2018–2020), Member of the Parliament for Muar, and Co-Founder of Malaysian United Democratic Alliance

#### 2. Cinta Laura Kiehl

Indonesian Entertainer and Entrepreneur

#### 3. Heart Evangelista

Filipina Actress and Artist

#### MODERATOR

#### Dr. Dino Patti Djalal

Founder and Chairman of Foreign Policy Community of Indonesia and Vice Minister of Foreign Affairs of Indonesia (2014)

#### **MODERATED DISCUSSIONS**

#### Dr. Dino Patti Djalal:

 What are you passionate about and what cause do you think people should pay attention to?

#### H.E. Syed Saddig:

- I feel very passionate about youth activism and youth advocacy. I am a firm believer that young people should not just be treated as leaders of tomorrow but should also be acknowledged as leaders of today—especially during this time of COVID-19. While this is a tough time, I think it opens up new rooms for young people to overtake existing elite establishments and existing political structures.
- If you look at the current report by CNBC "Disruptor 50", while in America there are more than 40 million Americans who have been jobless, the top 50 disruptors-which are predominantly run by young people—are hiring a lot more people and are now leading the chart of the global economy. At the same time, you will also see a great problem in the current economic system. For example, the billionaires in America, while more than 40 million people have been jobless, their total net worth has increased by more than half a trillion. What does this mean? It means that while this is a time of crisis, it is also a time of great opportunities. These opportunities will come predominantly when young people dare to think critically and out of the box and treat themselves as disruptors. This is the age of connectivity, the age of the 4th industrial

revolution, the age in which those who think conventionally will fall behind. At the moment based on the current conventional system, young people are placed at a big disadvantage. We do not have great experiences like those who are much older than us, we do not have the financial capital, and the networking. But we do have a great disruptive mindset, we dare to think critically and unconventionally to resolve conventional problems.

- Young people of today should seize that opportunity to treat ourselves and our generation as the generation of disruptors, to ensure that we shake the system and that we climb up much faster and not just follow the same conventional pathway which many others will go to.
- I feel particularly passionate about activism and youth activism not just in an economic sense, but more from a political viewpoint.
   Coming from a background of a workingclass family, it taught me that politics should be about constructive politics or politics of service. It is also about empowering democratic institutions and bringing many young people together so that we move collectively and not only as individuals.
- Politics should open up a greater pathway for many young people to join. It is about the politics of service - bring more young people to the front lines so people do not treat the youth as liabilities. Do not think that just because we are young and we do not share the same level of experience as those who are much older than us, that that makes us (the youth) automatically much weaker and more incapable than them. That is not true. Politics should not be a disruptive path, but one which is constructive, builds unity and greater diversity among all people.

#### Dr. Dino Patti Djalal:

· As a young person who gets into politics and

sits in a position of power, do you think that there are a lot of people who joined politics for the wrong reason?

#### H.E. Syed Saddiq:

 Absolutely, and that is why I am a firm believer in decentralizing power and empowering democratic institutions. We do not want politics to be about personality so that if you do not play the game, you can be kicked out, even though you have the right reasons and idealistic viewpoint. At the end, we need to empower democratic norms and to ensure that there is a great culture of transparency and accountability. Therefore, when we rise, we rise together with the right people, the right reasons, and the right values.

#### Dr. Dino Patti Djalal:

 As a brilliant young politician who is very idealistic and has a "can-do" attitude, do you think you are a minority in the sea of politicians in Malaysia or around the region?

#### H.E. Syed Saddiq:

- I believe that Southeast Asia is in no way deprived of talent. We have great talents. The only problem is when we do not give them the opportunities to climb up and when the existing power structure is very exclusive. They kick out those who pose a threat to existing politicians. That is when it becomes a problem. We do not have a deficit of great young leaders in Southeast Asia. It is just that we need to break a lot more glass ceilings and a lot more walls, which imprison the great potential of young people in Southeast Asia.
- While the youth might be a minority of the existing politicians, I know that there are many others who are interested, who feel that they want to contribute, to join for the right reasons.

Thus, it is our responsibility—for those who are already in politics—to bring them up, to pull them in together, to build great networks, not just in our respective countries, but in Southeast Asia overall.

#### Dr. Dino Patti Djalal:

 What is your passion these days, what is the cause that drives you?

#### Cinta Laura Kiehl:

- Since our conversation today pertains to times during the pandemic, I would say that I have always been very passionate about education, even more so now during this pandemic because, obviously, a lot of children who are attending school and—at least the majority. In Indonesia, we are still experiencing a great digital gap. We assume that we are all interconnected with the availability of wi-fi, signal, and internet connection, but people are still struggling to acquire internet connection outside of big cities. Even though a majority own a smartphone, without internet connection, they cannot receive the study materials required to learn. Another issue is that many of these children need to be guided by someone who can teach them class materials. But unfortunately, for those who are under the poverty line or those who have not completed their education, they are not able to guide their children in studying and reaching their maximum potential.
- We have also noticed a major spike in sexual violence and abuse during this pandemic.
   Women's rights and child protection has been something that I have really focused on in the last year. If children are unable to learn to their maximum capability, how can they also know how to treat each other with respect and kindness? We have discovered through various surveys that a lot of public educational

- institutions still lack classes that teach genderequal values. We are now seeing statistics that a lot of women and children are suffering from abuse.
- We might also experience a huge education gap for the next two to five years because many children are missing a whole year of school. We cannot expect them to rely on technology in order to learn.

#### Dr. Dino Patti Djalal:

 Are you worried about the disparity in education? In Indonesia, if you want to have a good education you have to pay a lot of money. If you do not have enough money, you would not have the education that is competitive and in proper standard. This suggests that educational access is still dependent on economic mobility. Do you see this as a long-term problem for our human capital?

#### **Cinta Laura Kiehl:**

 This is absolutely true. Oftentimes the children are only taught to memorize and not taught to think critically. They are not taught to view things from various perspectives and therefore do not acquire their own opinion regarding various issues that exist. Now, with the digital gap, not only do people who do not have the means to go to good schools are incapable of learning, but accessibility becomes even more difficult.

#### Dr. Dino Patti Djalal:

 I notice that one of the biggest challenges for our education system is encouraging critical thinking. You are totally right on this. The problem is that our teachers do not encourage critical thinking enough. What would be the solution to that? Should we retrain our teachers, change our curriculum and methods of teaching?



#### Cinta Laura Kiehl:

Yes, I think there should be a curriculum change. It is important to create a grassroots education platform that can penetrate more on isolated regions in Indonesia as I feel that our education system is very much focused on urban areas. We are neglecting the fact that people do not just live in urban areas in this country. It is such a huge country. It is imperative that we create smaller learning hubs so we can focus on kids who do not have the same facilities as we do in the city.

#### Dr. Dino Patti Djalal:

 Are you concerned that out of so many high school graduates, very few actually make it to higher education? A large part of our labor force only possesses a high school diploma, not to mention a majority has only elementary school certificates, meaning they will not have proper economic mobility. How do you perceive this issue?

#### Cinta Laura Kiehl:

- We should create more scholarship programs in this country because a lot of children feel that they also do not have the opportunity to move up the social hierarchy.
- Based on my personal experience, my family and I own a foundation called Soekarseno Peduli. Since 2004, we have rebuilt dilapidated schools in the area of West Java. Prior to rebuilding those schools, we found that when we asked children there about their dreams, oftentimes we would not receive a response, because they do not have a dream to nurture. It was only until we provided them with various facilities and practical skills beyond the school system when they suddenly realized that there is a whole world out there for them to explore and that they are capable.
- Our education system often times does not cherish creativity—it is very much memorization

based, and it is time for us to change the system. Because, in order to become strong future leaders, we need to be innovative, creative, and able to think out of the box.

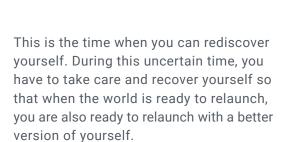
#### Dr. Dino Patti Djalal:

What are you passionate about?

#### **Heart Evangelista:**

- I want to show people that having a conversation with others is important. However, oftentimes people hesitate to express their issue with others and that is a problem. The moment we acknowledge that we have a problem, then we can ask for help. I have gotten to a point in my life where I did not know what was wrong. I had everything in my life and I did not know why I was unhappy when I should not be. I think a lot of people out there feel the same way. I know a lot of privileged families that have lost their children because they committed suicide and usually it came out of nowhere. It is not anybody's fault but we do not talk about it (mental health) as much as we should, and there are not enough outlets, forums, and places to go to. People who are suffering with depression, anxiety, or suicidal thoughts need to know that there is a place that they can go to where they can do something about it. It is important to understand that it is okay not to be okay.
- In connection with mental health, youth, and social media, it is okay to take a break and detach yourself from social media. When you have anxiety and depression, you are drowned in your thoughts. In connection with the pandemic, not having access to the outside world and being isolated, you tend to feel more alone and overthink. There are pros and cons about social media but you have to find something good about this. This is the great pause, you are not the only one on pause, and everybody is on pause.





#### Dr. Dino Patti Djalal:

 As a result of the pandemic, a lot of people are depressed, many become suicidal, and people are getting more prone to domestic violence.
 At what point should people treat their mental health just by talking to somebody or see a psychologist?

#### **Heart Evangelista:**

 Help comes in different forms, pick one which is better for you as long as you seek help. Talk to someone you trust so they can help you find further help.

#### Dr. Dino Patti Djalal:

 This is a good message for families. Parents have to embrace their children more than usual because this is the time when they need most emotional support.

#### **Heart Evangelista:**

 Exactly. Misunderstandings and stigmas surrounding mental health is sometimes a generation gap problem between older people and younger ones.

#### Dr. Dino Patti Djalal:

 Is it true that it is hard to be an idealist? How hard is it to maintain your idealism?

#### H.E. Syed Saddiq:

 Being young, we must always have that strong sense of idealism embedded in us. If not, we will only be a part of the same system and the same problem with a lack of any willpower to challenge and confront existing problems. However, it is also important to balance between idealism and pragmatism. It is about finding the middle ground where you combine both idealism and pragmatism. The best middle ground - to ensure that you save that idealism - is to go as a collective group, not only as individuals. That is where you have your natural check and balances. Your friends and family members continuously remind you why you have embarked on this path and you want to stay on this principled path.

 If someone asks me what is the balance between pragmatism and idealism, always go for idealism because you always want to have that burning desire and passion to keep you working hard for the underprivileged, for your beliefs and causes. You do not want to lose that idealism too early to the point that you get corrupted by the system.

#### **Cinta Laura Kiehl:**

 Oftentimes, someone is referred to as an idealist because the majority does not agree with their ideas or beliefs. If you have a certain idea that you believe is for the greater good of the people, and you have evidence to back up what you are saying, continue to preach it because it will eventually be heard. Just be persistent and consistent.

#### Dr. Dino Patti Djalal:

 Why is there so much cynicism and pessimism among young people where they should have been the most optimistic? What happened to this segment of young people who feel cynical, apathetic, and pessimistic about things?

#### **Heart Evangelista:**

 The younger generation now are more aware of what is happening. They acknowledge their future and what they want in life. They do not want to give in to things that are halfway. They want everything to be good.  Everyone is starting to care about politics and the government, to know what is going on and what is needed. With everything that is being said on social media, in some ways the government will hear them out. I am sure of it.

#### H.E. Syed Saddig comments:

• There is a great power distance gap between the rich and powerful elite and the working class, which contributes to this issue. The big gap created great distrust and dislike. This also falls into the realm of politics where people do not see if their voices and concerns are being heard and well represented by the political establishment and the elite. When we reduce the power distance gap, I believe young people will get more involved, especially as they are a lot more informed, as Heart has pointed out.

#### Cinta Laura Kiehl:

 From a psychological perspective, the youth is privy to so much information and kids are not taught to discern fake news from real news. With all the negative news around us, we cannot help but psychologically be affected by those things, thus, creating greater pessimism among the youth. The abundance of information is causing us to be very pessimistic.

#### H.E. Syed Saddiq:

 If you believe that politics is toxic, then you should join and detoxify it. Do not stay outside and in the end allow the toxicity to continue.
 Then, your voice will never matter. Political issues can be in various forms, where everyone has a role to play. If everyone plays their role, we can be the change that we want to see.

#### **Heart Evangelista:**

 Politics is not only literally becoming a politician; it is actually as simple as making your voice heard and about highlighting certain issues.

# PUBLIC QUESTIONS AND ANSWERS SESSION

#### Dr. Dino Patti Dialal:

 As you stay home all the time because of the lockdown, what are your tips and tricks to stay sane and positive?

#### Cinta Laura Kiehl:

 I would schedule my day even for the most mundane activities, such as having breakfast. By doing so, it allows me to feel more productive. This pandemic has given me a lot of time to reflect upon myself on what I can do moving forward. It has allowed me to plan the year 2020. Creating an itinerary helps you feel productive and self-reflection is imperative to allow you to plan better for the following year.

#### **Heart Evangelista:**

 While the whole world is on pause, your life is on pause. It is your time to rediscover yourself and know what really matters in my life. I have been such a workaholic, but now I think I have mastered the art of balancing personal life, social media, and work.

#### Dr. Dino Patti Djalal:

 As a politician who represents a challenge to the current norms and values, you meet people who do not understand you. What do you say to these people?

#### H.E. Syed Saddig:

 It is important for me to be critical of myself as well, so that I understand why they do not understand me and build a bridge so that there is greater empathy among ourselves and I can serve them the best way possible.



• There will be people who distrust me and question my motives because I am in politics. These are legitimate concerns and issues which I need to address. I will show that I will stand and work for them and their interest and not one that is based on selfish interests. I want to ensure that the power distance gap can be resolved and we see each other as a collective, moving forward together. If we harness our diverse energy, we can do great things together.

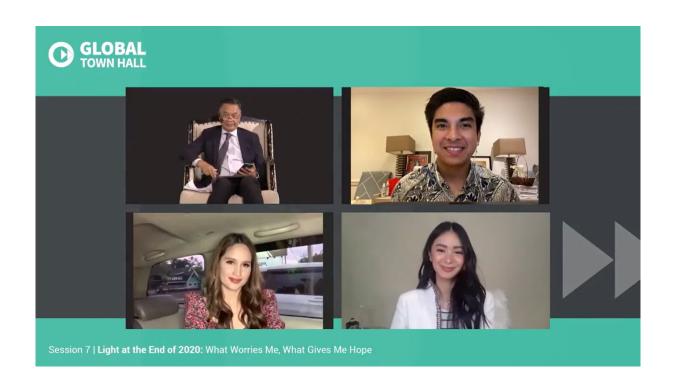
#### Dr. Dino Patti Djalal:

 With kids having to be homeschooled during the pandemic and a lot of them feeling disconnected from their friends, most fall into depression. What do you think about this and how do you find light at the end of the dark tunnel?

#### **Heart Evangelista:**

Filipinos are family people where mothers are always with their family and kids. It is important to create a good balance, to stay connected hand-in-hand with their problems when it comes to school and personal life. At the same time, it is important for parents to allow their children to play. Online school is hard. When they want time off to do whatever they want, I think it is important to allow them.

End of Session; Moderator closes the session.





#### **KEYNOTE ADDRESS**

H.E. Sergey V. Lavrov, Minister of Foreign Affairs of the Russian Federation

Ladies and Gentlemen,

First of all, I would like to greet the participants in the video conference focused on a highly relevant topic of the post-coronavirus global recovery.

I am confident that we all share the understanding that the pandemic has drastically altered the way of life of the entire humankind and has become a serious test for both individual states and global politics and economics in general. To complicate matters further, the current epidemiological crisis has come on top of many other dangerous challenges and threats, such as, for example, international terrorism, drug trafficking, organized crime, old unresolved and new emerging crises and conflicts, and the crumbling architecture of global stability and arms control. Unfortunately, the list goes on.

Russia has long warned against underestimating the transborder nature of most issues of our time. We have always emphasized that these issues can only be effectively tackled by working together, engaging in a constructive inter-state dialogue and uniting the efforts of key global and

regional actors under a universally recognized international legal framework and with the UN as a leading coordinator. We are convinced that the only way to successfully counter COVID-19 and contain its disastrous impact is building on this foreign policy philosophy.

It is evident that in a turbulent ocean of global politics, any step aimed at isolating oneself or creating individual oases of security is doomed to failure. The attempts of certain Western states to use the current situation to achieve unilateral geopolitical benefits and settle scores with unfavorable countries and their governments are all the more unacceptable. As is known, our Western colleagues keep using a wide range of illegitimate instruments, from power pressure to unilateral economic restrictions. They have never listened to the calls of the UN Secretary-General and the UN High Commissioner for Human Rights to suspend the unilateral sanctions with respect to medical supplies, equipment and food required to fight the virus, as well as relevant financial transactions in the light of the global humanitarian emergency.

In order to justify their illegal actions that contravene the basic principles of the UN Charter, the United States and its allies actively promote the concept of a so-called "Rules-Based International Order" that they try to present



as an alternative to the universally recognized norms of international law. In short, it is about elaborating unilaterally beneficial foreign policy guidelines within non-transparent formats and subsequently imposing them on the entire international community as universal.

Such fundamentally neocolonial policy is clearly rejected by the vast majority of members of an international community that no longer wants to pay for the well-being of the so-called "Golden Billion". As a result, we are faced with aggravated tensions, higher risks of confrontation and increased deficit of mutual trust. It only makes it more difficult to successfully overcome common pressing issues, including COVID-19.

These destructive trends should be countered with a constructive, universally acceptable global and regional agenda. Given the 75th anniversary of the United Nations, we should double our efforts to strengthen the UN-centered architecture as a foundation for a more fair and democratic multipolar world order. Today, we need to go back to the roots, to the timeless principles of interstate communication enshrined in the UN Charter. These include the sovereign equality of states, non-interference in their internal affairs, non-use of force or the threat of force, and peaceful settlement of disputes by diplomatic means.

It is only on this basis that an atmosphere of mutual understanding can be created—and, without it, it is impossible to find effective and efficient solutions to the most pressing problems of the modern world. I would like to take this opportunity to remind you of the proposal by President Vladimir Putin to hold a face-to-face summit of the Security Council permanent members in order to recommit to the key principles of conduct in international relations and work out renewed approaches to ensuring peace, security and stability in the world.

The cooperation in the framework of new-type associations, such as BRICS and the SCO, where there are no leaders and followers and decisions are made based on a balanced consensus, demonstrates that such joint results-oriented work is, indeed, possible. Naturally, the G20 also has a role to play in the post-COVID-19 development, as it reflects the current geopolitical realities, embodying the spirit of inclusive dialogue and constructive multipolarity. It is no coincidence that both old and new world centers are part of this forum.

Amid the pandemic and the related downturn in the world economy, the need for a broad trade and economic cooperation based on the WTO norms is especially relevant. Prompt

removal of various barriers and constraints. abandonment of protectionism practices and illegitimate restrictions would help the post-COVID-19 recovery. Ideally, the economy should be the solid foundation for creating the architecture of peace, mutual trust and equal and indivisible security, including in the Asia-Pacific Region. This very philosophy is at the core of Vladimir Putin's initiative to establish the Greater Eurasian Partnership which covers a vast area from Lisbon to Jakarta. It implies a convergence of potentials of different integration platforms and which is open to all the Eurasian States without exception. We are convinced that its successful implementation will ultimately benefit the entire global community which will receive a new powerful source of development.

#### Ladies and Gentlemen,

Understanding its greater responsibility for what is happening in the world, Russia will continue playing a creative, harmonizing role in international affairs, working to ensure the indivisibility of security in all its dimensions. We will continue contributing to the peaceful, political and diplomatic settlement of numerous regional crises and conflicts, be it in the South Caucasus, in the post-Soviet space as a whole, in the Middle East or elsewhere in the world. To this end, we are always open for interaction with all those who are ready to work together on the principles of international law, honesty, mutual consideration of interests and concerns. We are convinced that today, when the prosperous future of all inhabitants of the Earth, our common home, is under threat, reliance on these values acquires special significance.

This fully applies to the Asia-Pacific Region. As Vladimir Putin outlined during the recent East Asia Summit, our country has consistently advocated the establishment of an atmosphere of constructive cooperation and greater stability in the region, including in the military and political spheres. In particular, Russia unilaterally declared a moratorium on deploying intermediate- and shorter-range missiles in the Asia-Pacific Region and other regions of the world as long as such measures are something that the United States refrain from, as long as there are no similar American systems placed there. I would like to confirm our openness to dialogue with all the States concerned.

We will certainly continue to participate very actively in global and regional efforts to combat COVID-19—of course, taking into account the central coordinating role of the World Health Organization on this issue. We will continue to provide assistance to the affected, both in bilateral formats and through multilateral structures.

We have something to offer our partners. The first coronavirus vaccine "Sputnik V" has been developed and is already in use in Russia, the second one has been registered, and the third one is coming. We are ready to share our experience and establish broad cooperation with all interested parties.

#### Ladies and Gentlemen,

Today, when the world is going through a period of severe turbulence, the dialogue should not be curtailed, but intensified. In this regard, it is difficult to overestimate the importance of various international dialogue platforms where representatives of political, economic and scientific elites can freely exchange views and jointly seek solutions to the large-scale challenges the world community is facing. I am sure that your meeting will also contribute to this work.

In conclusion, I would like to wish you fruitful discussions and all the best. Stay healthy!

Thank you! ▶

# SESSION BEST

# REBUILDING BETTER: ANTICIPATING AND SHAPING THE POST-COVID-19 WORLD ORDER AND DEVELOPMENT

Time: 18:00-19:00 | GMT+7

#### PANELISTS

#### 1. Pascal Lamy

President of Paris Peace Forum, Director General of World Trade Organization (2005-2013)

#### 2. Dr. Parag Khanna

Founder and Managing Partner of FutureMap

#### 3. Richard Maude

Executive Director for Policy at Asia Society Australia; Senior Fellow, Asia Society Policy Institute

#### 4. Dr. Samir Saran

President of Observer Research Foundation

#### MODERATOR

#### **Choi Shing Kwok**

Director of ISEAS-Yusof Ishak Institute

#### **MODERATED DISCUSSIONS**

#### **Choi Shing Kwok:**

 In what ways has the COVID-19 crisis affected perception of the current world order? Is it still salvageable or do we need a totally new postpandemic world order? What measure should world leaders take to achieve and maintain national and global resilience?

#### Dr. Parag Khanna:

- In the time of pandemic, "the local" suddenly matters more than "the global". People may have taken global connectivity for granted, and due to COVID-19, people are forced to stay in their local community for quite some time.
   As a result, people have to focus on the task of nation-building, improving self and local resilience, while many countries are suffering due to insufficient preparation in the face of COVID-19.
- The world order will be highly regionalized.
  North America trades more internally than
  the other regions. Europe is more internally
  integrated, having the monetary union for two
  decades, and now Europe is moving towards
  fiscal union. Asia has its own world as more
  than 60 percent of Asian trade is within Asia,
  and more integration to come with the signing
  of RCEP.
- With the world order that is intensely regionalized, the global governance has to think how to optimize and share resources and benefits with each other. For instance, the most necessary area is the transfer

of technology of critical environmentally sustainable energy from the producer regions to the countries that need it the most, so the world's modernization can be more climate neutral and sustainable.

#### **Richard Maude:**

- The world has to learn on how the current global governance responded to the COVID-19 crisis on the national and international level.
   Certainly, the world has to be better prepared in the future time of pandemic or global crisis.
- To achieve economic recovery that will return us to normal will take quite some time. The global governance has to work together to deliver the right policy and to find the opportunity to reform, to drive economic growth, such as the rhetoric of green recovery and the problem of rising debt.
- On trade, the push towards diversification to build resilience in the supply chain will come into realization.
- With the contested and competitive world order, countries have to be more creative to make multilateralism work. United States— China will still have a crucial role to play, and (much will depend on) how the rivalry can be managed and still find a way for cooperation on global challenges.

#### Dr. Samir Saran:

- Governments all around the world need to apply serious implementation of reform and reinvention with the involvement of the youth as the inheritors of the future in making hightable decisions.
- The small involvement of the United States in the global COVID-19 counter-crisis effort might be a sign of the end of the Pax-Americana era that began with the 2009 Global Financial Crisis.
- The implication of the pandemic, the limited effort in sharing COVID-19 data, weaponizing

- supply chain, and other irresponsible acts that occurred, still hardly made China replace the United States. The pandemic shows neither the United States nor China can be relied upon to lead a stable world order. Therefore countries have to look towards "pluralism" cooperation such as through regional coalitions, with like-minded countries cooperating to sustain themselves through the new-normal.
- Multilateralism of the future will be different.
   Non-state actors, corporations, big community, and individuals of significant influence will work together to change the course of the future.

#### **Choi Shing Kwok:**

 As Parag and Samir mentioned on regionalism, if you have been looking at your region, it has been promising for the last 10 months. Reflecting from the response outcome to COVID-19, what is your comment on regional organization as a solution?

#### Dr. Parag Khanna:

 The new globalization has to focus on delivering in functional areas of public goods, not just limited to setting norms. There is a need for common response, for example sharing vaccines, technology, and research.

#### **Choi Shing Kwok:**

 The WTO has been severely impacted by the lack of cooperation by some member nations.
 What is the kind of reform that WTO needs to win back the confidence of the members and how can it drive multilateral trade liberalization in the post-COVID world?

#### **Pascal Lamy:**

 The issue of supply chain is basically an issue for business. The COVID-19 crisis in some circumstances has revealed priority in some supply chain, which needs to be addressed.
 In my opinion there will be no serious global



reshaping in globalization or multi-localization production system of goods and services. It is because the span of the world supply chain is efficient, although sometimes it is painful. As what I always believe, globalization is efficient and painful, and deglobalization is inefficient and painful.

- I believe opening trade while making sure this takes place on a level playing field, is the way to go. It does not address important issues which some people have with globalization and trade openness, which is the social impact of more competition with foreigners in an open trade. It is not the WTO issue; this has to do with countries themselves, the way they build or not a welfare system, social security, and training for work adjustment.
- There is pain in open trade, but I believe there is more gain than pain. What remains, the WTO issue is addressing the obstacle to trade and

leveling the playing field. Thus, there is a need to go back to the negotiation table to adjust the new rule-book, including the playing field, on how to trade fairly with the rise of China in the international economy.

#### **Choi Shing Kwok:**

 Given that the WTO has to reform and RCEP was signed to continue the momentum of open trade, is this development positive or negative?

#### **Pascal Lamy:**

 In short, RCEP is positive although it is a wide but rather shallow agreement.
 The effort to reduce obstacles regionally, multilaterally, bilaterally, unilaterally is always positive for trade. In the previous experience, if countries in this case RCEP, step further than trade opening, it helps

- member states to increase the standard level for future multilateral negotiations.
- The world's trade will still depend on geopolitical influence with the United States-China rivalry in the decades to come.

#### **Choi Shing Kwok:**

 The pandemic of fake news has made the job of the government and health experts difficult, as it becomes harder to disseminate right information to the public. How much damage has fake news done? What are the effective strategies that governments should apply to counter this negative trend?

#### Dr. Samir Saran:

- Technology has without a doubt empowered communities like never before. However, with the inadequacy of national and international bodies in curbing info-demics, the old divisions and the old hatred are escalated and exploited. It has been used as targeted weaponization of the information space by state and non-state actors for partisan purposes.
- The phenomenon of misleading information gives us time to think how we want to reorganize our digital future.
- In response to Pascal Lamy, I do not think Trump is the cause of the push-back of trade globally. The push-back is caused by the disconnect of trade institutions and trade negotiations from the people on the streets. We are unable to connect global trade and the conversation with the expectation to those who are going to be impacted by it. The local social impact affected by globalization has to be the subject of international issues since a nation has to join international agreements. Hence, the countries' needs and expectations of the people have to be part of trade evaluation. I do not think of regionalization as a stepping stone, like RCEP, but it is showing the economic reality of the region.

There is pain in open trade, but I believe there is more gain than pain. What remains, the WTO issue is addressing the obstacle to trade and leveling the playing field. Thus, there is a need to go back to the negotiation table to adjust the new rule-book, including the playing field on how to trade fairly with the rise of China in the international economy.

#### Dr. Parag Khanna:

[Responding to the fake news question] There
is a need of independent capacity to monitor,
filter, and determine a regulated information
space to have a civilized discourse. The tech
companies are definitely not going to do it.
Although if the tech companies are doing it,
the monitoring action will be conducted in an
arbitrary fashion.

#### **Choi Shing Kwok:**

 Fake news regulations, should the government or the companies have to do it?

#### **Richard Maude:**

- Misinformation and disinformation have to be tackled with a joint effort between government and the tech companies.
- The government has to do a lot more, for instance by creating fact checking and databases hub such as European Digital Media Observatory to deliver the right information to the community.



 We need to build stronger trust of the society on traditional and official news outlets instead of unofficial alternative sources.

#### **Choi Shing Kwok:**

 What is your last comment on Rebuilding Better: Anticipating and Shaping the Post-COVID-19 World Order and Development?

#### Dr. Samir Saran:

- As things go wrong with globalization, people tend to blame the politicians, strong men, and weak men, but perhaps the economic model that has been promoted is wrong or outdated. Therefore, it is time to relook at the economic outcome of global integration and amend it for the needs of the people.
- Millions of jobs are lost due to the pandemic.
   On the other hand, big tech companies gained trillions of dollars. There has to be a reputable framework to solve this inequality.

#### Dr. Parag Khanna:

I agree with Samir, but I believe this only can be applied in smaller cities or countries that are prudent, have a strong human capital, and apply equitable employment sharing—like New Zealand and Finland. In larger countries like United States or India, it cannot be effective overnight.

#### **Richard Maude:**

- If countries want to retain support for open borders and international trade, they need to look after the losers, which I think is primarily a domestic policy issue.
- With the discontent of globalization, it is likely to have less of an impact if there is a stronger and effective domestic policy like social safety net, transition plan, and training and reskilling programs.

End of Session; Moderator closes the session.





#### **VIDEO MESSAGE**

Mari Elka Pangestu, Managing Director at the World Bank

Thank you for the invitation. It is an honour for me to participate in this Global Town Hall on a timely theme of rebuilding from the COVID-19 World. As we all know, the COVID-19 crisis is different from any other crisis because it is multidimensional. There is a health dimension, an economic dimension and a social dimension. And of course, in some regions and some countries, this is combined with other crises, such as conflicts, natural disasters, and even political instabilities. So, to speak about rebuilding, we need to look at how we can rebuild on these different dimensions.

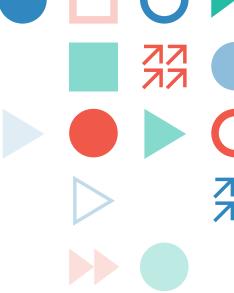
I would like to just share our experience at the World Bank in responding to this emergency situation by providing a relief and adopting a number of principles, which we hope will help in the rebuilding and recovery process.

First, do no harm, which will have a long-lasting effect. Second, find opportunities for recovery while building resilience and sustainability. Third, do not forget other crises such as climate change, as you are designing programs, recovering and

rebuilding. So, let me just briefly address how we rebuild with these principles on these various dimensions. And of course, there are various links between these dimensions. And this is a very fluid situation where things change very rapidly and the keyword is flexibility and adaptability.

So, on the first dimension, which relates to the health aspect, we know that there are already now 56 million cases—with a lot of that increase happening in advanced countries. We have 1.3 million deaths. And it appears that the second wave is likely to last through the winter in the Northern Hemisphere. The key or major issue right now is about the vaccines. When will it become effective? When it is found, how long will it take to actually do the process of the vaccination? We must remember that a vaccination of a whole population has not happened since the small pox. So, countries actually have to build up and expand the facilities to be able to do a mass vaccination.

For us at the Bank, for the poorest countries, the issue is really about a fair and equitable access to vaccines. In past experience with vaccines, whether it is with polio or others, it is found that the developing countries are the last to get access to vaccines. So, this time, we cannot let that happen or it will just sharpen the inequality



that is already there and lead to a long road of recovery for the poorest of countries. At the same time, because we know that the vaccination process is going to take time, we are still in a situation where we still have to undertake the triple T, which is Testing, Tracing and Treatment, as well as, to the extent that it is possible, to start opening up. Then, we need to introduce the safe protocols for going back to school, going back to work, going back to travel. And all these have to be in place at the same time.

What we are doing is really building a pandemic system, so we are ready for the next pandemic, including the data on people and how you can do effective testing, tracing and therefore controlling spreads. So, it is preventing damage and harm in the short-term but also thinking about resilience in the longer terms.

At the same time, in the kind of do-no-harm box, we need to maintain current health services so that they continue to function, so that deaths from other diseases such as HIV, TB and malaria, will not rise and that primary healthcare services, especially for basic maternal and child health services and children's vaccination will continue. Otherwise, you will have irreversible damage that will affect human capital.

On the economic dimension, we are in for the worst recession ever since World War II. No country has escaped this. In East Asia, the recovery is happening earlier than other regions, with China already starting to go back to normal, and having positive growth. It has had a positive effect on many countries, especially in the East Asia region. But extreme poverty will go up. Our estimate is around 88 to 115 million, and there will be the new poor. And women are more affected, youth are more affected, and more urban areas are affected, and there is global hunger that will rise to anything between 83 to 132 million because of loss of income—not because of shortage of food. And we know that there will be an increase in inequality because of the impact on lower income groups and the informal sector.

So, how do we make sure that we save lives and save livelihoods also? This is all about adapting the social protection system and rebuilding them to anticipate the next crisis. Before the crisis, 80% of the poor were not covered by any social protection system. Now, as countries have to introduce social protection programs, we are building out programs with whatever data there is. To the extent that there are data and digital ID, it is much easier to scale up and deliver more effectively. We are working with

many countries to build out better identification of people who need the assistance, going towards digital ID, linking it to digital payment and telecommunication. So, it is actually building out and adapting the social protection system that will enable you to deliver social protection assistance, in this current crisis as well as in the recovery phase, as well as when you are trying to give them assistance to build back on the economic side.

I think the last thing I would like to say is that with this recovery, positive growth is expected in 2021, but it will take time to get back to the pre-crisis pandemic level. And there will be increased risk to growth coming from whether or not the vaccines will come, how long it would be distributed, as well as weaker investment, erosion of human capital and retreat from globalization of global value chains.

And so, preventing in the short-term losses of human capital, as I just described through the health response, and social protection, as well as education, is going to be very important to avoiding a lasting impact on potential output and productivity.

On weaker investment, this is a huge agenda of how to undertake reforms and improve the investment climate. So, this is really going to be a huge challenge to rebuild back post-COVID. The disruption of global value chains and disruptions in trades because of trade tensions and pushback on globalization is going to be a huge challenge. Keeping open trade and investment will continue to be important to ensuring recovery. So, the good news about the signing of the comprehensive RCEP agreement in East Asia is welcome news to us. And hopefully, this will also help in the recovery of the region, and when the region recovers, it will also help globally.

We have to also deal with potential increases in public debt because we see its largest jump since the late 80s and a possible wave of bankruptcies because of mounting corporate debts. So, these are all things that have to be dealt with.

I think the final thing I am going to say, because it is talked about so much, is green recovery. How do you use the physical stimulus to rebuild back better, whether it is the green infrastructure or things like restoration of degraded lands and seascapes, which actually create jobs, improve livelihoods of farmers and fishermen and have environmental impacts? For instance, Indonesia is going to restore 640 thousand hectares of mangroves. So, green economy investment can drive jobs as well as reduce emissions.

You can also think about subsidy reforms in fuel and agriculture, and repurpose them for social protection and supporting clean infrastructures, which will also have benefits. So, these are just some of the ideas that we need to think of hard and carefully: what to do in the short term, do no harm, and what you do in the short term that can build back for a resilient and sustainable recovery in rebuilding these economies. Thank you for your time, and I hope that you have a good discussion in this amazing Global Town Hall. Thank you.



# AT THE EDGE OF A CLIFF: HOW TO OVERCOME THE WORST ECONOMIC RECESSION OF OUR TIME

Time: 19:10-20:15 | GMT+7

#### PANELISTS

#### 1. Jin Ligun

President of the Asian Infrastructure Investment Bank (AIIB)

#### 2. Ahmed M. Saeed

Vice President of the Asian Development Bank (ADB)

#### 3. Richard Samans

Director of Research at the International Labour Organization (ILO) and Former Managing Director of the World Economic Forum (WEF)

#### 4. Prof. Takatoshi Ito

President of Observer Research Foundation

#### MODERATOR

#### 1. Laura Deal Lacey

Executive Director of the Milken Institute Asia Center

#### 2. Dr. Dino Patti Djalal

Founder and Chairman of Foreign Policy Community of Indonesia (FPCI) and Vice Minister of Foreign Affairs of Indonesia (2014)

#### **MODERATED DISCUSSIONS**

#### **Laura Deal Lacey:**

 Is Asia out of the woods? What is the process for Asia's recovery and what are the lessons that the world can learn from Asia?

#### Jin Ligun:

- The global and Asian economic downturn is not part of the normal business cycle, due to the COVID-19 pandemic. We should keep in mind that because of the impact of the pandemic, the social distancing, ban on travel, and a lot of disruptions to the global production chain, any traditional measure and stimulus package would not make a big difference.
- Each of the governments in Asia and the rest of the world should try its very best to contain the COVID-19 pandemic and stop the contagion of the virus. At the same time, speeding up the research and production of safe and effective vaccines is equally important for the recovery of businesses. Only then can our life and businesses be back to normal.
- It requires international concerted efforts to work together to deal with the pandemic on two fronts: one is to try to speed up the efforts of the production of a safe and effective vaccine; the other, contain the spread of the virus in each and every country. Then, we will be able to see what should be done to recover the economy.

#### Dr. Dino Patti Djalal:

 AIIB has set aside 13 billion dollars to aid members' recovery from COVID-19. How are you working with your member countries to help them on the road to recovery? How do we rebuild from this?

#### Jin Liqun:

- The Bank's mandate is to promote investment in infrastructure and other productive sectors for the purpose of promoting economic and social development in its member countries.
   We do not have the policy lending instruments, budget support kind of financing as the ADB or the World Bank; however, given the very special circumstances, it is important for us to shift a little bit from the traditional infrastructure to the budget support and policy-lending, including supporting healthcare.
- With the support of the board, we set up a COVID-19 crisis recovery facility in the amount of 13 billion dollars. For the policylending, we co-financed with the World Bank and ADB. Taking advantage of the skills and macroeconomic research, we can better target these resources to better help these countries. This demonstrates that our bank is very agile, productive and responsive to the member countries.

#### Laura Deal Lacey:

 Can you talk about the Asian recovery and what the world can learn from Asia?

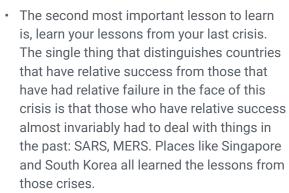
#### Jin Liqun:

 I would be pretty optimistic of the Asian recovery led by China. China has been very effective in containing the virus. China could achieve a positive growth rate this year. This is very good news for the rest of Asia, particularly for the trading partners of China. In Asian countries, the governments are working very hard and have some effective measures. So,

- I am confident that by the end of the second quarter, many Asian countries will probably walk out of the pandemic crisis, particularly, if we could have the vaccine by that time.
- In 1997 and 1998, some of the East Asian countries were hit by the financial crisis, and some predictors said for the next ten years, this would be a very dark period for all those countries. It took just three or four years for Asian countries to recover. So, Asian countries are resilient. They are very much determined and committed. You can see the very good cooperation between the government and the people in dealing with the pandemic.
- As for China, the government took some measures to contain the virus. But, the cooperation by the people has been vital, so much so you never know whether it is the government's role or the people's initiative.
   So, if the government and people can cooperate to contain the virus, it probably can achieve faster results. Likewise, if the government and people, including the private sector and public, are working together, we can also speed up the recovery of the economy.

#### **Ahmed Saeed:**

- The developing countries of the world in the last several decades have been looking at Asian countries for lessons. The first lesson of the crisis is that this role of Asia as a leader in setting the global agenda in development and other areas is becoming increasingly more important than it was before the crisis.
- It is fundamentally important to keep your fiscal and economic house in order for a rainy day. Countries in this part of the world have more space to operate, have been able to move more quickly, with less concern for creating long-term issues, simply because they have been investing in public sector capacity and capability for some time.



- This leads naturally to the importance of strong, decisive, quick actions in dealing with crises like this. Certainly, in terms of containment, Vietnam, for example, was very successful with very early border shutdowns, in terms of the use of testing, tracing and isolation, and also in terms of building up testing and treatment capacity before the crisis.
- Another lesson is the need for policy support, in particular for directed policy support for the neediest. East Asian countries have provided close to 17% of the GDP in terms of fiscal responses to this crisis, the bulk of that in terms of income support.
- The two final lessons are really on the economic side: the first immediate and the second a little bit more long-term.
- The immediate lesson on the economic side is that you want to have flexible capacity within your economy. There are countries in the region that were able to rapidly reorient supply and demand products and allowed some amount of domestic activity to resume. But it also allowed them to benefit from the sharp increase of supply.
- In terms of long-term, two things: specific and more of a policy observation. Long term, it clearly becomes even more important that countries develop in digital capacity for many reasons, not just in terms of growth, but in terms of their ability to deliver support to their people. The question we are going to be grappling with for some time, as we move

forward is: what lesson has this crisis taught us about the relationship between the public sector and the private sector? We have been, for some time, on a trajectory where both have been sort of converging around a new mean, with increasing recognition in some quarters that the state has some role to play, although there are always risks. But we also have seen enormous moves in the private sector towards things like impact investing and standards to recognize that they too have an obligation to have a double bottom line.

 These trends and the new dynamic that emerges in terms of cooperation and even more, collaboration, towards common purpose between the public and private sectors, have been one of the really important lessons and insights that we need to gain from this crisis.

#### Dr. Dino Patti Djalal:

 What do you think the regional economy will look like after COVID-19 and what do you think are the opportunities for transformations emerging from this crisis?

#### **Ahmed Saeed:**

- The first thing to be noted, though it is a sad and an unfortunate but true fact, is: we are in and will be in a world that is much poorer than it was before, at least in the immediate future. That is true in terms of wealth destruction and disproportionate harm on those who are most vulnerable, and maybe the most significant is that we are in the midst of a destruction of productive capacity—in the midst of the destruction of small-medium size organizations that embed within their software and their DNA the potential to generate productivity growth and to generate growth growing forward.
- President Jin made a really good point. This
  crisis is not part of the normal business
  cycle. And thus, also because of some of the
  inherent robustness of both economies and

- public sectors in Asia, it is not surprising that a very strong bounce back at some point will be possible.
- We will see the specific areas of opportunities as they emerge. But clearly, digital economy is something that people recognize as one that for some time will even be more important.
- As we move forward, countries will begin to recognize that having an energy mix that is sustainable and green is actually a competitive advantage in the competition for FDI and development progress. So, with a greater proportion of sustainable infrastructure and having climate-friendly sources of energy, generations will grow.
- Countries with young and growing populations will continue to benefit from rising levels of consumption.
- Leisure, travel, other sectors that are driven by these demographic trends, including financial services and healthcare, will come back after a period of time.
- There will also continue to be a push in the region, both towards a greater domestic-driven and consumer-driven growth, and some ability, potentially, that benefit from a reorientation of supply chains.
- There will be plenty of opportunities on the other side of this. We are going to make up for lost ground and have to build from there. But countries of the region are well positioned for that exercise.

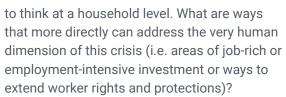
#### Laura Deal Lacey:

 What are your views on the future of jobs, from retraining to reskilling to automation and remote working? What do you think are the long-term effects of the COVID-19 on the global workforce?

#### **Richard Samans:**

 One thing to observe is that the future work is not what it used to be, even as recently

- as a year ago. This particular shock to the economy has quite a significant impact. We have done some global estimations. At the depth of the health crisis, at least its first wave back in spring and summer, we estimated that working hour losses around the globe represented about 17.3% below labour activity that was occurring at the end of 2019. That translates into about half a billion full-time equivalents of jobs. That in turn translates into about 11% drop in labour income. So, there has been some calling back of those losses in both employment and under-employment on one hand, and labor income on the other. These effects will be lingering in guite significant respects.
- It is true that significant parts of Asia are decoupling in a positive way from a trajectory that much of the rest of the world is experiencing, including America, Africa and Europe, where we are witnessing very challenging circumstances, and indeed, a second wave. We are going to be contending with a recovery for quite some time. It seems that the real issue is the extent to which this recovery and the corresponding effects are going to be human-centred. This crisis had a very great effect on people, livelihoods and basic level of human security.
- What is necessary, going forward, is to think through not solely the macro or top-down responses, as important as they are, although "about nearly nine tenths of the global fiscal response to the pandemic crisis has been in advanced countries. About 3% of the value of that fiscal stimulus has actually been in a very large number of lower-middle income and low-income countries." (Richard Samans requested to put quotes on the aforementioned facts).
- The challenge for us is not only to think about the broader instruments, and macroeconomic policy stimulus that are available, but it is also



- There have been some very important extensions of those protections during the crisis, but one important question is what we learn from that, and are we able to then extend it going forward—given how the future work has a number of forces that are driving further dislocation and insecurity on the part of the workers. This extends to the social insurance systems and indeed investing in the capabilities of people.
- There are four elements of investment in people in the view of the ILO, which will really determine the extent to which this recovery shows up not only in broad GDP numbers, but also in human scale. At the end of the day this is the bottom line by which societies measure the performance of economies, not in terms of GDP but in how living standards fare.

#### **Dino Patti Djalal:**

 A lot of economies are going to experience a job crisis, including Indonesia. We have about 12 million people unemployed at the moment. How do we put millions of unemployed workers back to work?

#### **Richard Samans:**

- This requires some really specific thinking of what are some of the most employmentintensive areas of our economies, particularly those areas that have some positive social externalities.
- Take sustainable infrastructure, known to be employment-intensive as investment goes.
   There is a resounding degree of consensus that we ought to be retrofitting dirty, old, or insufficient infrastructure, as well as building greenfield, new, more efficient infrastructure

- that both make for better resource productivity on the one hand and a more liveable planet on the other. But the challenge is the resources and is not the policy-direction.
- To be candid, the international financial community, both in the public and private sector sides, have not managed to correct this problem. We have north of 120 trillion USD of investable assets and institutional investments of firms of various sorts. Yet, only a very small proportion of that goes into infrastructure, and even a tinier proportion into developing country infrastructure.
- Meanwhile, a very significant proportion of those portfolios are invested in neither negative-earning assets, assets that earn less than one percent, or as infrastructure assets have been reliably yielding for years, low, double-digit returns. The loss profiles in African infrastructure are no different and maybe a little bit better than some of the Northern markets.
- There is no other way to state it than to suggest that we have a misallocation of capital. That is not just a financial sector or efficiency issue. The failure to address this misallocation of capital is creating an enormous employment opportunity cost, an opportunity cost for job creation. Particularly now, after this massive hit to our labour markets, this is an area where the international community has to focus and act to a much greater extent.
- We should not just look at labour policy or employment policy, but also at the public and private resources and dimensions of the issue, if we really want to make more rapid progress.

#### Laura Deal Lacey:

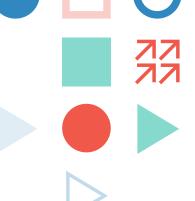
 Talk about Japan, the world's third largest economy. They have a new Prime Minister now, Suga-san. You said that when the vaccine comes out, it will lead Japan into a U-shaped economic recovery. What do you say now about Japan's economy and prospect?

#### Prof. Takatoshi Ito:

 Japan, United States, and to some extent, Europe, share a similar nature and impact of this crisis. For the shape of the recovery, I would say it is a K-Shape recovery. There are sectors which are doing fine in remote working—all the finance people are still working from home. Most suffering is in the small and medium size enterprises and service sectors. So, there are different impacts on different sectors. It is the same in Japan and the United States. All the airline companies are suffering tremendously, but the electronic, computers and delivery businesses are doing fine.

- We have to recognize first that this is sort of a very interesting impact. It is like a natural disaster in the particular sectors of the economy. It is very different from the global financial crisis, where national sectors started the disaster and spread to the real sector. The natural disaster that is COVID affects the real sector first.
- One lesson from here is that we need to contain the crisis in the real sector to keep the financial sector going by remote working. If this spreads to the financial sector by nonperforming loans and so on, then the crisis will get prolonged tremendously.
- We need to realize that there are differential impacts on different sectors. Make the policies accordingly. This is a challenge.





- So, we (governments) need to help the most affected sectors domestically, and international coordination is needed for the countries that suffer disproportionately, like countries that rely on tourism and supply chains from other countries.
- We need a concerted effort to help the countries that suffer most, through additional financing, or a reduction of debt by all the members and lenders across the board. That is one important policy direction that we should be discussing.
- Japan, the United States, and Europe are now seeing this K-shape recovery. The important question is what will happen when we get the vaccines. Are we going to an old or new normal?
- If the K-shape continues, a new normal will happen and thus, we need different kinds of industries, companies and, technologies that support the shift from the industries and sectors which we may not need anymore in ten years and proceed to shift to the new normal industries.
- Ahmed mentioned a very important thing.
   We need a green recovery and to have infrastructures which are targeted to the new industries. That is something we should be thinking and the international organizations like ADB and AIIB should be thinking.
- So, to help the bottom, most suffering industries is one. Two, we should prepare for the new normal and the new kind of lifestyle and industries.

#### Dino Patti Djalal:

 You mentioned that investing in health systems is critical. What is the AIIB doing to encourage more infrastructure investments relating to public health systems?

#### Jin Ligun:

· One of the lessons of the pandemic is that

It is quite ironic in this world when we are all enjoying the fruits of high-tech, e-commerce and robots, yet it took so long for all these countries to produce safe and effective vaccines. It tells us there are weak links in the global economy. Emerging from the pandemic, a lot of countries would have to reconsider their development paradigm.

there must be a balanced investment and development between physical infrastructures and social infrastructure, including healthcare. The pandemic has caused a major disruption in the global economic chain, and the service sector was the worst hit. So, if you build up a lot of assets in physical infrastructures but neglect healthcare, it will be a big problem. Our bank would like to pay proper attention to the health sector moving forward. We believe that a balanced approach would make development more effective and productive.

• Education is very much important. What I refer to is not the general education, but the vocational education which can help the younger generation fit into the AI era, where a high-tech and the non-traditional kind of industry would require new skills of the people. For instance, it is quite ironic that while we are all enjoying the fruits of high-tech, e-commerce and robots, it took so long for all these countries to produce safe and effective vaccines. It tells us there are weak

links in the global economy. Emerging from the pandemic, a lot of countries would have to reconsider their development paradigm. It is important for economies to become resilient, but resilience cannot be achieved without thinking about modern education and healthcare.

- Thus, the Bank will shift our focus a little bit. While we remain focused on developing infrastructure, we would also like to allocate a certain amount of resources to help developing countries improve their healthcare and education sectors.
- People should not draw wrong lessons from the pandemic. They should draw the right lessons. What I mean by the wrong lessons is, since the disruption happened, causing economic troubles to so many countries, people say, "Hey, from now on, why should we be integrated into the global economy? Why not just stay within our border, and turn inward?" That is the wrong lesson. If that happens, that is the recipe for disaster.
- The pandemic certainly has momentarily caused disruptions, so that social distancing is enforced. But the way out is not to segregate all the economies from each other. We should all work better to an integrated economy through some of the measures, which can help provide healthcare services, produce safe and effective vaccines or other kinds of medical treatment, so that people can go back to normal.

#### **Laura Deal Lacey:**

 COVID-19 is making lots of companies and organizations rethink about the future. I know that you have recently pledged the no-coal investment. Can you talk about your ESG and sustainability approach to this from AIIB perspective? Afterwards, let us also hear from ADB their evolving approach.

#### Jin Liqun:

- We need to look at the cryptic or even mystic association of relationships between climate change, drastic weather and the virus bacteria. We say that the COVID-19 is a natural disaster. That is true, but by definition, natural disasters occur naturally. On the other hand, we understand that drastic weather and climate change would be the breeding ground for bacteria and pandemics. So what prima facie looks like natural is not so innocent. So, we should pay more attention to the protection of the environment and ecosystem. Any disorder to the ecosystem would lead to unfortunate occurrences of health hazards. While there is no hard evidence that COVID-19 has a definite relationship with climate change or something of its kind, but I believe that, given my 40 years of experience of traveling to poor areas of low-income countries. When I saw the terrible living conditions and slums, I had no difficulty understanding why bubonic plague, cholera, malaria, and hydrophobia are endemic to those areas. We should understand this and try our very best to deal with climate change.
- A number of countries still depend very much on coal. And this certainly leads to greenhouse gases and emissions. Also, the health hazard of burning a lot of coal is a big problem. So, even though you think that the coal-burning power plant electricity is cheaper, you should look at the other end: increasing medical bills and costs to these people.
- If you take a macro perspective of the economy, looking up all these different aspects of development, you should have no difficulty understanding how supporting renewable energy to reduce the burning of coal or eliminate the coal firing power plants would be really important for the countries' economies and people.

#### **Ahmed Saeed:**

- If we back up and ask ourselves, why do we find ourselves where we are? Whether that question is applied to the political landscape, increasing polarization and the decreasing legitimacy of political institutions in certain contexts, or whether we ask ourselves that question about the private sector and the willingness of companies to do things that impose externalities on others.
- Across every element of society, over the last several decades, we have moved into a world where people did not internalize these externalities formally or informally. Many of the world's problems can be traced to this root cause.
- One of the most important pivots we have to make, as we move forward, in every arena, is to all become people who focus on paying it forward, as opposed to simply being the beneficiaries of good acts in the past that we benefit from.
- What does that mean for ADB? Our work is development. There is an important set of ideas in development theory that says that the legitimacy and capability of institutions is central to the development project. In many of the countries where we operate, it is not just political institutions, but also economic institutions that need to have legitimacy and have a role to play in solving problems.
- We saw this in a very powerful way during COVID-19 across Asia. Here in the Philippines, we have an unprecedented partnership between the government, the ADB and the private sector. We delivered millions of meals, increased the testing capacity of the country from 3,000 PCR tested to 30,000 in a matter of weeks, and we did a whole host of other things -- as a group, leveraging fully our capabilities, with everybody recognizing that

- the responsibilities were not narrowly defined to one subset of their stakeholders.
- The other important thing is a tidal wave of interest in the private sector that is growing to change how they do business, whether that is the statement from the United States from the 50 largest CEOs in the business roundtable, or everywhere else.
- Rick raised a really important question. There are a trillion dollars of assets. And he made a very interesting point—the risk is lower in Africa than in Europe. Why isn't this money moving? Failure to move is not a failure of intent or desire. As the saying goes in the context of the Asian financial crisis, 'capital is a coward.' The number one reason that capital does not move is not because of opportunities not being large enough, but of risk. Those risks are either misunderstood, or actually higher. The other reason why capital has not moved is because we need better measurements. The green bond market with trillion dollars in sale is a great example of a sub-sector where improved methodologies actually created improved outcomes.
- The other reason that it does not move is scale. When I was in the private sector, I worked with a number of the largest investors in the world who are actually very eager to invest in frontier markets. The issues they confronted, more often than not, were questions of scale—how do investors deploy enough money into this asset class or geography for it to actually be worth the cost?
- Some of the aforementioned issues described are impeding the ability of companies and others to realize that their ESG ambitions are the sort of problems that multilaterals like the ADB and the AIIB are uniquely positioned to solve, because these typically reflect collectiveaction problems and problems of creating standards. Our institution has legitimacy,

convening authority, knowledge and, money. This is the suite of assets that can uniquely be deployed against this set of problems. Not only is the opportunity large in the absolute sense, but it is particularly large now because the will exists. We need to seize that opportunity that is represented by that will.

#### Laura Deal Lacey:

 Kindly talk about some of these standard conversations and how the private sector is doing in this phase as the Chairman of the Climate Disclosure Standards Board.

#### **Richard Samans:**

- The will and aspiration are not lacking because there have been tons of policy pronouncements about the right policy direction in this respect. We have seen now an increasing number of private sector policy statements like the BRT statements he referred to and the World Economic Forum earlier this year. The issue is resources and the enabling institutional architecture at the international and to some extent, the national level.
- On the private sector side, part of the problem has been that the official international community and the quasi-official accounting authorities internationally have not seen fit to wade into this space. About 15 to 20 years ago, it moved to the financial accounting world and decided that we needed to be able to have a more global and coherent financial porting system. IOSCO, the International Organization for Security Commissions, was very important. We have seen, through the IFRS, the evolution of more comparable reporting financially around the world, even though there are still some differences in important geographies.
- That has not happened on the sustainability or the ESG side, until recently. I am happy to report that we are seeing positive movements

- on both sides, both in the markets and the five leading ESG reporting standards and frameworks—those organizations—of which I chair one, have been aligning in a very concrete way and issued a joint statement of intent to work together to create a building block or steppingstone for an ultimate movement by the IFRS or other international accounting authorities to move in this direction. In parallel, IOSCO has been embarking upon an internal thought process and consultation process with stakeholders to think about whether it could also provide the catalytic degree of impetus like it did 15 to 20 years ago in the financial reporting space.
- I am quite optimistic that over the next 18
  months or so, we are going to see the birth,
  building on the market, voluntary standards
  that have been created of a better metric
  that can then be a more effective means
  of stimulating more effective and efficient
  sustainable capital allocation.
- On the side of infrastructure financing, there are no better suited institutions than multilateral development banks for putting together the necessary degrees of risk-sharing, risk-mitigation, local currency financing, better policy-enabling environments in recipient countries. We need a combination of things. If they work better to get across them, so you get some regional diversification for all their portfolios and, talking about the MDBs, we will have a more effective way of helping economies recover from the pandemic and at the same time, greatly accelerate climate progress towards the Paris Agreement goals. Thus far, we have not seen this galvanizing leadership from the public sector. It is very difficult for the boards of the institution, if I can say so, to move themselves individually, let alone collectively. Therefore, I would echo and embellish the point Ahmed made previously.

#### Dino Patti Djalal:

 How long do you foresee the current global economic recession lasting?

#### Prof. Takatoshi Ito:

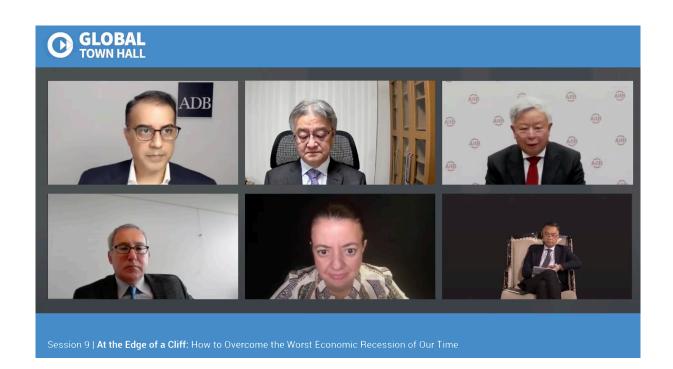
- In a sense, if you measure how long it takes to go back to the pre-crisis peak, in terms of the GDP, industrial production, or other measures, two to three years. That is because the vaccines are coming and COVID-19 treatments will be established. COVID-19 will become more of a disease you can live with.
- Two to three years is a good estimate, but again, the new normal will be very different from the old normal. So, we have to prepare for new ways of living, producing things and

- enjoying life. I firmly believe that we can learn something from this pandemic, and we learn something good about this remote conferencing, teaching and trading. These remote technologies will not go away.
- Recovering to the pre-COVID-19 peak is one thing, but what kind of economy are we reaching is another.

#### Jin Liqun:

 I basically agree with Mr. Ito. But I would say, 2021: the global economy would be struggling; 2022: starting to stabilize; 2023: picking up. ▶

End of Session; Moderator closes the session.





### EMERGING LEADERS DIALOGUE: A DISCUSSION ON THE FUTURE OF DEMOCRACY, REFORMS, AND GLOBALIZATION AFTER COVID-19

Time: 09:15-10:25 | GMT+7

#### PANELISTS

#### 1. Ridwan Kamil

Governor of West Java, Indonesia

#### 2. The Hon. Priyanka Chaturvedi

Member of Parliament of India and Deputy Leader of Shiv Sena

#### 3. Jamie Metzl

Founder and Chair of OneShared. World and Author of "Hacking Darwin: Genetic Engineering and the Future of Humanity"

#### 4. Emmanuel Ametepey

Executive Director of Youth Advocates-Ghana (YAG) and Convener of the African Youth SDGs Summit

#### MODERATOR

#### Johanna Kao

Regional Director for Asia of the International Republican Institute (IRI)

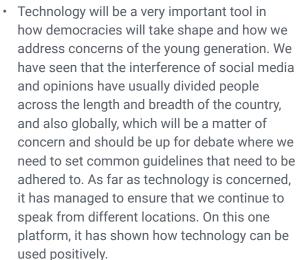
#### MODERATED DISCUSSIONS

#### Johanna Kao:

- We wanted to examine the possible trajectory of democracy and globalization in the wake of the COVID-19 pandemic. To do that, we have asked our panelists to frame their thinking around the future in four broad themes.
- Geopolitics: what would be the impact of the pandemic on global issues such as great power rivalry and international cooperation?
- How to help shape the future for young people?
- What will effective governance look like in the future?
- What is the role of technology in all of these things?

#### The Hon. Priyanka Chaturvedi:

• The future at this point in time looks forward to a country and governance, which talks about youth, health, environment, and issues that matter to the next generation. They are looking at uncertain futures, democracies, and a world order, which is changing constantly. We are also seeing a time when there is a lot of confrontation because of the way COVID-19 has spread. So, yes, the youth looks at its future with a lot of apprehension, and as governments, we need to be very sensitive to what they expect of a better future and how we need to address it. That, I think, would be the fulcrum of every single government across the world.



 In terms of how democracy looks and how the geopolitics will turn out, the situation is something that nobody can predict. We have seen confrontation but also cooperation. We are hoping that the world would not be about unipolarity, but multipolarity and coexistence. America has chosen a new president, so hopefully, people reclaiming democracies is also something that would shape the times to come and especially youth playing an active role in ensuring that democracy survives.

# Jamie Metzl:

- We are coming together in a moment of tremendous fear of the spreading pandemic and tremendous hope that our technology is able to develop a new type of vaccine. The virus and the pandemic are in many ways a metaphor for the world that is changing, in terms of connection, danger, and possibility.
- For the connection, hundreds of years ago, had there been this kind of an outbreak, it would have died in the little, small areas, in most cases, where it began. It is the nature of our connection as a global community that is facilitating the spread of this virus.
- For the danger, it is clear that our world fundamentally failed to respond to this challenge

- and we need to be brutally honest about what happened.
- The United States has fundamentally failed in protecting our own population and not play the type of global role that the United States had played in the past when suppressing smallpox and Ebola—which has significantly slowed global response.
- The World Health Organization (WHO) failed to sound the alarm early enough to have an emergency response, but it was not the fault of the WHO, it was the fault of all of us. We live in a world that is still dominated by nation states where we do not have institutions that can come together to solve global problems—that is one of the biggest and most fundamental challenges that we face right now.
- There is a mismatch between global problems and not-global solutions. We need to recognize that the mutual responsibilities of interdependence must be the foundation

There is a mismatch between global problems and not global solutions. Until we come together to solve that problem, that does not necessarily begin from our own country, but certainly means that we need to learn from the virus. We need to recognize that the mutual responsibilities of interdependence must be the foundation of a new framework for solving problems.

of a new framework for solving problems. In the spirit of hope, technology, youth, empowerment, and inclusion, we need to come together to lay the foundations for the kind of world that we want to live in.

# **Emmanuel Ametepey:**

- Ghana and Africa have come a long way with this pandemic. As we recall, Africa has emerged stronger in many spheres in responding to COVID-19. It is a critical reform that is needed for Africa's re-emancipation.
- Harnessing the demographic dividend and working with young people from across the continent, be it professionals from the health, political, and educational view, would be very critical for post-COVID-19.

#### Johanna Kao:

 In many countries, young people have already expressed dissatisfaction with established political parties and institutions, and that dissatisfaction is likely to be exacerbated by the measures that governing institutions have had to take to address this pandemic. How can incumbent political institutions better engage young people? Or do young people need to be engaged through non-traditional institutions or newer mechanisms of engagement altogether?

# The Hon. Priyanka Chaturvedi:

- The youth want to be stakeholders in the government and want their voices to be heard.
   We are seeing the same pattern across the globe because of rising uncertainties, the feeling that their voices have been ignored and futures have been compromised because of our selfish needs.
- COVID-19 has been the biggest eye opener globally with regards to how uncertainpolicymaking or non-visionary policymaking can impact lives across the world. We live in

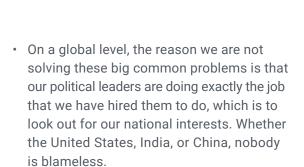
- a connected world yet we have become so disconnected with the reality, and the youth understands that.
- The youth want us to talk about climate change, environment, economic opportunities, and a more globalized world; but they are also very concerned about being excluded from getting better opportunities. I feel that every government would need to take the stakeholders as well as the youth as concerns. They will be the kind of stakeholders that are sensitive to their needs, requirements, and expectations of the government. Those governments who do not listen to their needs and requirements will end up becoming the biggest losers and will face the biggest impact of the post COVID-19 world.
- Young leadership also needs to emerge. We have seen young leaders across the world come up with solutions that have shown that they can also take charge, be responsible, as well as make policies that are sensitive in regards to what they are concerned about.

#### Johanna Kao:

 The need to speak to young people about the issues that they are concerned about, is the challenge for the government at the local and national level. What do you think international institutions may need to do to be more responsive to young people and to better engage them?

#### Jamie Metzl:

 We always talk about how to engage young people and hear their voices; sometimes we do better and sometimes we do worse. The problem that we are facing is not that we are not hearing the voices of young people, but that there are national and global structures of power. There are incentives that leaders face when making decisions.



- If we want a different world, we cannot have a world organized by leaders who are incentivized to look out only at our narrow interest. We need to create incentives for all our leaders in every level and institution to wisely balance our narrow national interest as constituency, as consumers, with our common world interest. We need to build a political infrastructure that makes that possible.
- If you want to have change, it is not just about articulating principles. We need to build an empowered movement that creates incentives and pressures to realize those principles on a global level.

#### Johanna Kao:

 We have been discussing the ways in which the existing political institutions can be encouraged to better reach out to young people who are going to be significantly impacted by this COVID-19 pandemic and how government entities have responded. Given your role in managing the crisis in your province, what are your perspectives on this?

#### **Governor Ridwan Kamil:**

- During COVID-19, I have found an increase of digital use in my province by around 40%.
   While many sectors are down, food, logistics, digital, and also health care businesses have increased. With a lot of restrictions in mobility, now people are voicing out digitally more often.
- I also see many conflicting failures between decision-makers whether they want to make

- a decision based on populism or a rational decision-making process. It is a routine dilemma today, between populist versus rationalist leadership.
- I also see a stronger economic solidarity.
   The value of solidarity becomes higher and stronger and hopefully we can create better tolerance even more.
- The government needs to respond faster.
   In our leadership hierarchy, the worst one is repressive governance. The second would be defensive governance. While a good one is responsive governance and the best one is sensitive governance. I am trying to be sensitive as I monitor the voices through digital media by reading the comments of my people.
- There are at least six new phenomena from COVID-19:
- 1) an increasing sense of solidarity,
- 2) a stronger sense of personal and communal hygiene,
- 3) a stronger use of digital platforms,
- 4) a new definition of living, work, and leisure,
- 5) a new resilient economy,
- 6) a need to see and redefine globalization post-COVID-19.
- COVID-19 teaches us that we cannot solve this global humanity issue by ourselves. We need to work together. We need to be more understanding of one another in the name of humanity.

#### Johanna Kao:

 I would like to ask for your thoughts on how political institutions can better engage young people?

# **Emmanuel Ametepey:**

 Unlike the predictions that we have received, African countries have done a lot in responding to COVID-19. This is very possible



The youth wants us to talk about climate change, environment, economic opportunities, and a more globalized world; but they are also very concerned about being excluded out from getting better opportunities. So I feel every government would need to take the stakeholders as well as the youth as concern. Those governments who do not listen to their needs and requirements will end up becoming the biggest losers and will face the biggest impact of the post COVID-19 world.

because of the role of young people. Africa is a continent of young people, so different sectors and institutions are areas that are occupied by young people. We are having young people in our frontlines in combatting the pandemic, we need to amend the role and contributions of young people of the world. It is also important to recognize that there are certain gaps we need to fill and in going forward, it is important that political institutions are very much responsive to the needs of our young people.

- In the health sector, African countries still lose professionals, doctors, nurses, and health workers to other regions as they migrate to other countries, thus draining their health systems. We find ourselves questioning, how do we ensure that we do not lose these professionals to other countries?
- The education sector still requires investments. Lockdowns have heavily impacted students, as they cannot have access to education and have difficulties in accessing technology and being connected to the digital space.
- These are some critical areas that our government and political institutions should invest in, as we move forward to ensure that not only are we preparing for now, but also so we are ready for what will happen in the future. So we are able to raise a generation of critical thinkers and professionals whom we can rely on in the face of any pandemic in the future.

# Johanna Kao:

As there has been unprecedented cooperation between governments and the private sector in efforts to combat the pandemic, how has this cooperation fared so far and what lessons do you think this holds for all of us moving forward?

#### The Hon. Priyanka Chaturvedi:

- I would look at it in a positive way because an interconnected world has managed to bring in ideas and opens us to suggestions where we could tackle situations better. A lot of social media platforms also lifted up the challenges of COVID-19. It is about how governments adapt to technology and use these platforms to make an impact. We use technology to ensure that we manage to upgrade our infrastructure to be able to manage a large number of people.
- There are very positive ways how technology can be leveraged, however. The negative impact would be that it could create a huge economic divide like how Africa was left out because they could not depend on technology. Similarly, in India, there are instances of those coming from economically poor backgrounds. We have seen many girls who could not continue their education. Many poor families are not able to educate all of their children. So, these are real time challenges that we would need to address.
- We are moving towards more empathetic governance. In regards to global trade, interdependence is going to increase and those governments that are empathetic, open to ideas and inclusionary will find more space and more acceptance.

#### Johanna Kao:

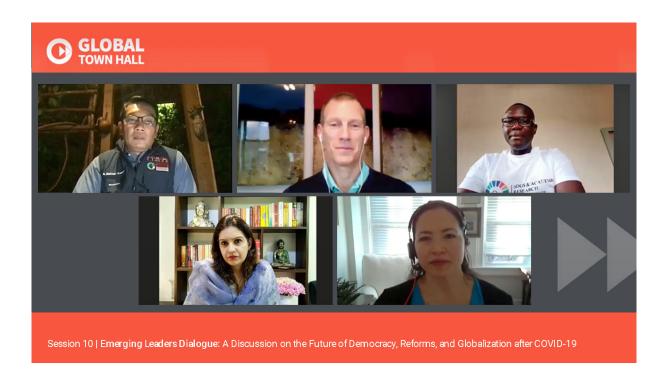
 Is this private-public cooperation perhaps a way to achieve the balancing that you were talking about earlier?

#### Jamie Metzl:

 Certainly, if one thing should be absolutely clear it is that solving these big global problems, like the pandemic, require all hands on deck. In the United States, we used to have an idea of public-private partnerships, and then we fell in love with our own ideology that everything is just a small group of business people working out of their garages. I think it shows that this kind of ideology just does not work. We need to quote Deng Xiaoping: "It is not a black cat or a white cat, we need to find the cat that catches mice."

 We need to draw on the greatest expertise of our universities, the innovation of our businesses, the leadership of our government, and the participation of people. As I mentioned earlier about tackling the water and hygiene challenge, it is not just a top-down challenge, it is also a bottom-up challenge. We need to bring all of the perspectives together to solve our problems together and we need to build structures and institutions that make that possible.

End of Session; Moderator closes the session.





# **KEYNOTE ADDRESS**

**H.E. Naledi Pandor** South African Minister of International Relations and Cooperation

Distinguished Participants, Ladies and Gentlemen,

On behalf of the South African government, I would like to thank you for the opportunity to participate in this virtual event, and I acknowledge this excellent initiative that brings together so many great minds as we seek to advance a better world post-COVID-19.

This pandemic has severely tested many developing countries' social, economic, and political resilience. The threat to lives, livelihoods, and social stability posed by the COVID-19 pandemic has significant consequences for global peace and security, as well as multilateralism. Situations of instability and conflict have the potential to worsen and there is a possibility of new forms of social unrest emerging, given the effects of the actions that we have had to take in our society. While it is still unclear what the ultimate effect of the coronavirus will be, the current assessments are indeed sobering. Fighting this global pandemic

requires the world to work far more closely together in collaboration with our premier multilateral institution, the United Nations, to use this institution as a unifying force to fight this war against the unknown, and to improve the health of millions of people globally—and I might add, to improve their well being.

While under lockdown, the social and economic implications of the pandemic and efforts to contain it became increasingly clear. Evidence in our own country of growing levels of hunger and income insecurity raise concerns about spiraling poverty, social unrest, and economic collapse, as a result of long-term shutdowns that our government had no choice but to implement. The pandemic has set back the implementation of our agenda of development and cooperation. However, it has also provided us with the opportunity, as we discussed today, to reset the global agenda and intensify efforts at pursuing equality, non-racialism, non-sexism, and a world in which all enjoy justice and human dignity.

The social and economic effects of COVID-19 have been particularly pronounced in countries that have weak public health systems, high levels of debt, weak productive capacity, and associated low income levels. So, a strong commitment is

needed to assist the most vulnerable, to meet the Sustainable Development Goals and our world's agenda by 2030. Much of our attention has been focused immediately on responding to the virus. We now need to focus on opening trade and reviving economic activity while observing due care in curbing infections. Resetting our approaches means an open exploration of how productive capacities and manufacturing opportunities can be broadened to countries from which we generally extract commodities. They need the development of new economic sectors and support to develop these.

We must do all that we can to support the poorest countries, particularly the least developed countries to weather the economic shock that they are certainly facing.

The COVID-19 crisis strengthens the call for a new multilateralism in which global rules are calibrated toward the overarching goals of social and economic stability, shared prosperity, and environmental sustainability. We must confront all of these decisively and do so together. We can develop strategic priorities which can help build structural resilience and capacity in manufacturing food, in improving health services, in greater access to energy, and effective and efficient financial services. The more than 400 national, regional, and multilateral development banks around the world have to be persuaded that they can play a vital role, not only in minimizing economic decline and supporting recovery, but also in financing structural transformation, helping to lay the foundations for a financial model that is conducive to a more equitable and greener economy.

Nationally and globally, action to address both the COVID-19 health crisis and its social and economic implications must be guided by the principles of the 2030 Agenda for Sustainable Development and we must respect the pledge as we reset to leave no one behind and safeguard justice, and human rights of all. Approaches that establish economic recovery and the protection of health which are in opposition to each other and which do not equitably provide a solution will merely create additional challenges to formulating effective responses and will distort necessary policy discussions. We must avoid the temptation to be domestic in our perspective and have a far greater global outlook as we implement new approaches.

Our response as a global community must include special measures to address the particularly heavy burden of the crisis on women and girls. Women are subject and have been subject to domestic violence that has been reported to have increased during the periods of lockdown. Women remain over-represented in informal, very vulnerable, and low-paying economic activity. The crisis has risked halting and even reversing progress on gender equality. Resetting our approaches requires a response that includes women, that ensures women are part of decision-making, which ensures their part of the new plans we develop, that ensures that they are benefited. Social protection assistance has been the most widely used tool to assist the vulnerable in this period. As adapted social protection and jobs programs are implemented in response to the pandemic, it is vital to post COVID-19 that we ensure that our gender-responsive agenda actually does support women and girls. We believe that young people can play a key role in shaping national and international landscapes in the response to COVID-19. Harnessing the demographic dividend is imperative in this resetting period, particularly

as we allocate resources toward new programs. We in South Africa have decided to craft a youthfocused agenda as part of our national response.

We must also ensure, as I have said, that we invest in girls, this will require strong financial and social commitments from all of us. We know that as societies pause as crisis hits, it is young women who will be removed from school. It is young women who will be the first to be placed in low paying jobs. We must ensure this does not happen.

Once we talk of young people, let us not forget the role of our senior citizens in our population. The contribution of older persons particularly in my country, South Africa and many African countries, has been one that focuses on development, an especially important role that they play in nation building, in promoting social cohesion, in strengthening our families, and in providing care for orphans and for vulnerable children. We thus cannot overstate nor neglect our senior citizens particularly as we begin this process of reconstruction of our societies.

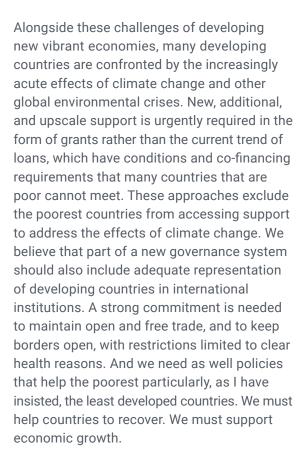
South Africa as the current chair of the African Union has had to play a strong role in supporting the African response to the pandemic. We have had to refocus our priorities toward addressing the immediate health emergency caused by the virus and to addressing the inadequacy of our public health systems in our country as well as on the continent. We have to work with the continent to devise ways to invest in key health initiatives and to invest in means of mitigating the economic and humanitarian crisis on the continent. One of the stark features of what we have learned is that on the continent we must do much more to invest in science, research, and innovation in order to be party

to the development of effective diagnostics, treatments, and other responses to the virus and future pandemics.

Like many other countries around the globe, after months of battling the COVID-19 pandemic, our country, South Africa, has now moved toward transitioning from relief to recovery in eight months and with the support of various social partners. Government has implemented a comprehensive set of measures to limit the social and economic impact of the pandemic. During this period, our government significantly expanded social protection on somewhat of an unprecedented and unexpected scale. In addition to existing social grants to over 17 million of our poor citizens, government topped up the old-age grant, the disability and child support grants. We also, given the limits on employment, had to implement a special COVID-19 social relief of distress grant, which has reached six million people thus far.

I think it is vital to once again call on the international community to work in the spirit of human solidarity and cooperation with one another. Solutions to the pandemic have to be developed through collaboration and genuine global cooperation. In a more reformed economic system, global, regional, and bilateral trade and investment will have to allow for policies which will develop productive capacity and industries in a way that will enable our countries to move toward equitable and sustainable development.

Especially in our least developed and other developing countries, no longer should we be the target and focus of extractive economy solely. We need to be a part of value addition in order for our societies and our economies to thrive.



The measures that we have seen on the way already are most encouraging. These include the United Nations health response led through the World Health Organization, the COVID-19 Global Humanitarian Response Plan, the United Nations Global Framework for the Immediate Socio-Economic Response to COVID-19, and the most important G20 debt moratorium. We need to insist that the debt assistance programs actually are for a longer duration to allow countries the liquidity to invest in recovery and to then begin to repay their loans.

As I conclude, let me emphasize that the road to defeating the effects of this virus is still long and will, I think, continue to be hard. As we look to the post COVID-19 era of reconstruction, we

must continue working as a collective guided by the World Health Organization and we must work in solidarity to build a better future.

As the President of South Africa, President Ramaphosa, has often repeated, "As the international community, let us choose cooperation above unilateralism. Let us choose solidarity above isolation. Let us choose unity of purpose above narrow self-interest. Let us emerge from this great adversity, strengthened, and even more united."

As we reset, we cannot put this better. Thank you very much. ▶



# **KEYNOTE ADDRESS**

**H.E. Josep Borrell Fontelles** 

High Representative of the European Union for Foreign Affairs and Security Policy

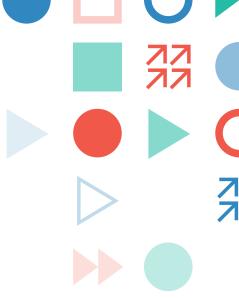
Ladies and Gentlemen, Dear Friends,
Many thanks, first of all, to the organizers of
Global Town Hall for inviting me to provide the
EU's view on the post COVID-19 world. COVID-19
has pushed the world into the worst global crisis
since the 2nd World War, affecting all aspects
of life, with consequences for health, economy
and security, triggering social distress and
political unrest.

The crisis has accelerated pre-existing trends, such as rising inequalities and geopolitical tensions. It has become a commonplace that the pandemic is reshaping the world. But in what form, and how different the world will become, will depend on the choices we will make.

Looking back to the beginning of the pandemic, we saw that tendency to 'turn inward'—a tendency that regularly comes with crisis. But as EU, we realized quickly that COVID-19 could only be defeated with the global approach and the cross border coordination.

Internally, our regional coordination was quite bumpy at the very beginning. Member states were inclined to let everyone fend for themselves. But genuine acts of solidarity should follow with many countries taking patients from all the member states and sending emergency equipment to those in need.

In the summer, the EU leaders agreed on an unprecedented EUR 1,8 trillion package, we call it the EU package. For the first time, this package was agreed to issue a large scale common debt and allow fiscal transfers to cope with the economic impact of the pandemic; and to prepare funding, a green transition and securing Europe's digital future. We want to build a digital and green future. While fighting the virus and its consequences at home, Europe, institutions or member states, also has stepped up efforts to support partner countries in fighting against the pandemic, in what we call Team Europe. EU and these member states together help our partners to respond to the immediate health crisis, to strengthen the health and sanitation systems, and to mitigate social and economic consequences. Our action is based on a key precondition: no one will be saved until everyone is saved, and the pandemic world needs multilateral solution. We have lived by this motto. Even when others are going alone, we will continue to do so.



At the moment, we hear encouraging news on the vaccination front. But to benefit from this promising achievement, we must avoid vaccine nationalism and vaccine diplomacy. Like the mask diplomacy of early 2020, when we start using this expression, that was quite controversial at the moment. But now some countries may link access to much needed medical treatment to political compliance. The EU release system takes opposite approaches. Vaccines must be treated as a global public good and distributed based on medical needs.

Ladies and Gentlemen, in times of COVID-19, Europe is determined to develop a stronger partnership and cooperation with multilateral actors at the global, regional and national level. But EU cannot be multilateral alone. We see like-minded countries in Asia as key partners for Europe to design a rule-based order into an international law order of the future, because we share together a desire to take our future in our own hands, and to be a player, not a playground, in our world of increasing geopolitical competition.

Thank you very much for your attention and I wish you a fruitful debate. ▶

# SESSION 1

# CATCHING UP WITH CLIMATE AGENDA: SMALL WINDOW, HUGE CHALLENGES

Time: 21:40-22:40 | GMT+7

#### PANELISTS

#### 1. Nigel Topping

High-Level Champion for Climate Action at the United Nations Climate Change Conference (COP26)

# 2. The Hon. Dyah Roro Esti Widya Putri

Member of Parliament of Indonesia, Commission VII (Energy, Research and Technology, and Environmental Affairs)

#### 3. Dr. Antonio La Viña

Executive Director of the Manila Observatory

#### 4. Esther An

Chief Sustainability Officer of City Developments Limited (CDL)

#### MODERATOR

#### Dr. Andrew Steer

President and CEO of the World Resources Institute (WRI)

# **MODERATED DISCUSSIONS**

#### Dr. Andrew Steer:

 How optimistic are you that we will be able to solve the problem given how big it is? If you are really optimistic, it's a ten. If you are pessimistic, it's a zero.

#### **Nigel Topping:**

· Eight.

# **Esther An:**

· Nine.

#### Dr. Antonio La Viña:

· Nine point 5.

#### The Hon. Dyah Roro Esti:

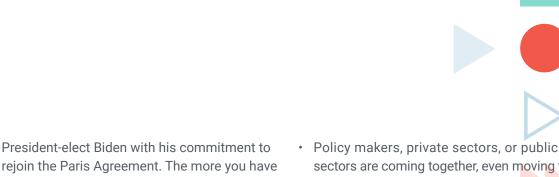
· Eight.

#### Dr. Andrew Steer:

· What makes you optimistic?

#### **Nigel Topping:**

- There is a lot of momentum from the non-state actors' community. Ambition loop: the more you have ambition from non-state actors, the easier for policymakers.
- In the last three months, we have seen a huge increasing momentum from the national governments across the UK and the EU to get to net zero by 2050. Very recently, China signed to net zero before 2060, as well as Japan, South Korea and Canada; and the election of



- rejoin the Paris Agreement. The more you have ambitions from non-state actors, the easier it is for the policy makers.
- [A note of caution] although it [COVID-19] seems to accelerate ideas of bringing recovery in many countries, there is a fiscal pressure on many less developed and developing countries that is really extreme. If that is not addressed, there is a risk of a twin track of green recovery.

#### **Dr. Andrew Steer:**

 On her commitment to science-based targets and to decarbonize throughout her entire business line over the next three decades] Why are you doing that? What makes you optimistic that you can succeed?

#### **Esther An:**

 Last year we have a lot of things running around, but the first quarter of this year we were a bit worried because of the COVID-19. While we are not compromising on containing the virus, we saw a lot of actions stepping up instead of pulling. So, in fact, I saw that convergence of will from the international and national level as well as business level.

Although it [COVID-19] seems to accelerate ideas of bringing recovery in many countries, there is a fiscal pressure on many less developed and developing countries that is really extreme. If that is not addressed, there is a risk of a twin track of green recovery.

- sectors are coming together, even moving the pace faster that even if policy makers are not taking forthcoming actions, there are a lot of private sectors driving it.
- In the property sector, I have seen the whole of the last six to eight months, World Green Building Council, Urban Land Institute, Asia Pacific Real Estate Association—everyone is stepping up in terms of more set up for sustainability, either the product council or committee.
- [On what we have learned from COVID-19] I believe in the 3D, that we are looking at: De-carbonization, Digitalization and Disclosure.

#### Dr. Andrew Steer:

On young people driving the climate change issue] Could you tell us about that, maybe particularly in Indonesia? What is going on here?

#### The Hon. Dyah Roro Esti:

- The Indonesian parliament is pushing through a renewable energy bill. We hope that this will speed up the implementation of renewable energy in the country and for every region in Indonesia.
- One of our goals is to make renewable energy more competitive within the energy market, such as by the implementation of a carbon tax. We hope that through this bill, we can open the doors to investments.
- What we are trying to do is to open doors for different sectors out there. We recognize that without the collaboration of other sectors, we will not make this possible.
- We recognize the importance of speaking to the private sector, the public-private sectors, the youth, academics, and also fellow activists and communities.

 I am optimistic in the context of Indonesia and also globally. Hopefully, with the US being involved again in the Paris Agreement, we will see significant changes happening all over the world.

#### Dr. Andrew Steer:

• [On his experience in climate negotiations] How do you feel now?

#### Dr. Antonio La Viña:

- In my 30 years of experience in climate negotiations, the best cycles often happened when four things converged. One, politics.
   Without the US in Paris Agreement, the stages have not lost as much because within the last five years we have just been doing what we have to do. We also now get China to be a leader, this time not a reluctant one like in the past. There are also EU and Japan, everything is in place from the political point of intensive government.
- Second, the science is very important.
   In my work at the Manila Observatory, we are finishing Assessment Report Number Six and every assessment report of the Intergovernmental Panel on Climate Change (IPCC) yields lots of new ideas and ways to deal with the problems, and better understanding of what the problem is.
- Third is the convergence of business. The pandemic might have a downside because of the fiscal aspect, but I also see the business opportunities that people now see because of COVID-19 and very importantly to relate the impacts of COVID-19 to the impact of climate change. And I see the impacts of COVID on businesses, on very big economic sectors. So I think businesses are ready to make a new adjustment, also, as long as you are able to make the business case and the scientific

- case to get it done.
- Lastly, the number one thing is the youth.
   I follow that it is fascinating, how in the last five years the young people in this world would be the ones leading, that are pushing us to do the right thing.
- I think the convergence of all these things can actually lead us to the golden age of the climate action which will last much longer than the previous year or cycles we have done.

#### Dr. Andrew Steer:

 What does it mean for you, for a major real estate company, to think about going to net zero? How do you do it?

#### **Esther An:**

- The building and construction sectors together account for 39 % of Greenhouse Gas (GHG) emissions. We know that we have a high environmental impact, and that also puts us in a position to drive change.
- As a business, we have an extensive interface with the public sector, investors, financial, and downstream with contractors, architects, and of course consumers.
- I am optimistic because of the technology; it is possible so long as we have the mindset and the will to do so. We take a long-term view to look at how we design, build and manage buildings with the low carbon target.
   We must set goals. We also must plan out strategies and look at adaptation, because no matter how you conserve, if you don't use or reduce the usage it is difficult because we are near the equator.
- Energy efficiency is a key and generating renewable energy is a key.
- So we need to align and engage with our supply chain so that their sustainable material will have an impact on our carbon footprint.



#### Dr. Andrew Steer:

 The United Kingdom's Prime Minister's has said that by 2030, buying petrol or diesel automobiles will not be possible in the UK. How do you get that kind of transition?

# **Nigel Topping:**

- Back in 2014, I started saying I think we can get rid of combust engines by 2030. Everyone told me I was completely insane. This is a case of systems transformation.
- In four years we went from setting a net-zero science based target by 2070 to 2030. In four years, the future comes forward by 40 years. That's the way all the industrial disruptions have always happened. We found it is very difficult to imagine the exponential future rather than the incremental future. We need

- to learn how to see that those changes are coming. That's the job of the next ten years.
- In food, there is a shift away from an intensively produced meat—which uses vast amounts of land to produce vegetable protein, vast amounts of water, energy and inputs, leading to a terrible excess of nutrients flowing into seas and all of the raw negative externalities it has—to, very inefficiently, turn that vegetable protein into meat protein, as opposed to moving to vegetable-based proteins or even lab-produced proteins.
- Another exciting one is hydrogen economy.
   In many of the heavy industry sectors, we will need hydrogen to fuel ships, for example, or heavy trucks. But the hydro has to come from the renewable energy and the cost needs to come down a lot. Now we see a pathway

The good thing about the Paris Agreement is helping out the idea of an agreement that is not dependent on north or south, developed and developing countries, or the old conception of common but differentiated responsibilities. But it allows the countries to design their own programs and to scale what it is supposed to do.

within five to ten years of getting 25 gigawatts of hydrogen electrolysis. That geopolitically totally transforms the energy systems in the world. So we have breakthroughs in the combust engine, hydrogen and vegetable-based meat substitutes.

#### Dr. Andrew Steer:

 Would Indonesia go that route? What would it take for Indonesia to really raise its ambition on climate?

# The Hon. Dyah Roro Esti:

- Having a net zero commitment to be successfully implemented would definitely be the most ideal case. But seeing where we are at the moment, in terms of our energy mix, only 9.15 % comprises renewable energy, where we are trying to push that to reach a 23 % target by 2025 with the renewable energy bill.
- Indonesia is not there yet. And like most countries in the world, I don't think we are a hundred percent ready to implement a net

- zero commitment. However, what I would like to promise is that we will be going through an energy transition. How we can shift from a fossil fuel-based economy to one that is driven by "alternatives," and also the renewable-energy-generated economy.
- So what we hope through the energy bill is that it would help decrease GHG, meaning that we can fulfill our COP 21 commitments. This will also push jobs creation within the sustainability field generally.
- I think the best way of approaching the climate crisis is being able to change the way we do things generally on a national and global level. Such as realizing the decrease of GHG emission through the energy sectors and also the other sectors combined. How do we do business, generally being more environmentally friendly, how can we implement a circular economy in our supply chain management system, how can businesses change the way they do business?
- This is going back to the very essence of "gotong royong": how every sector plays a role, not only the politicians. The good news is how important it is to have political will in enacting certain changes. Because policies act as umbrellas, under which changes take place.

#### Dr. Andrew Steer:

 Tell us about the politics of where we are right now. How do you see the politics as we are heading towards the meeting in Glasgow next year?

#### Dr. Antonio La Viña:

 Historically when we are able to move forward, developed countries go first together and take leadership, including big countries that are historically not necessarily developed, like



China. Developing countries, seeing it happen that China and US committed to the climate, find that they can get in the process the things that they need to contribute their Nationally Determined Commitments.

- The most important thing for the developing countries is the support for adaptation.
   Climate finance is very important, for example in the Philippines.
- It is really important to get the climate finance to accelerate and to level up as well. That is the key to getting developing countries not just to adapt, but also to mitigate. You can never adapt enough if the world's emission is ever growing. At some point whatever adaptation measures to take, it would be overwhelmed by the acceleration of climate change.
- The good thing about the Paris Agreement is that the agreement is not dependent on North or South, developed and developing countries, or the old conception of common but differentiated responsibilities. But it allows the countries to design their own programs and to scale what they are supposed to do. But that has been very difficult because the US is not part of the process.

Although and even with the uncertainty of the US election, Japan, China and EU made an announcement. The US is important because it is historically the biggest emitter and one of the richest countries in the world to have a climate finance, but the US is not essential for us to move forward. Because the Paris Agreement is designed so that we can move forward even if some are left behind. There will be some big developing countries that will be resisting some things that have to be done. But I think we can move forward on this now.



#### Dr. Andrew Steer:

 What are the implications potentially on the return of U.S. leadership on climate?

# **Nigel Topping:**

- One of the really impressive things in the last four years, as the American administration has signaled its withdrawal, has been the very strong signal from non-state actors, from states, cities, businesses, investors, and universities literally saying "we are still in" on America's pledge.
- It is good news for American businesses, particularly the automotive business. It is really great news and really lifts up the ambition we talked about.

#### **Esther An:**

 There is a lot of ground movement, businessdriven movement that is actually going on [in the US]. But I would really welcome governments, that would be a really strong engine to propel the movement even bigger and stronger.

#### Dr. Antonio La Viña:

- The US is an important player, but not the only pillar for getting this done.
- The US is very important for many developing countries because of the USAID. Through the USAID, a lot of climate programs in developing countries are benefited for running various things, such as in the Philippines. USAID is committed to helping adaptation on the energy or even the shifting of energy, but some of that have disappeared in the past four years.
- It is so important for us in developing countries to develop an ecosystem based on adaptation

and mitigation responses. It means protection from climate change aside from having its own value for many things, for agriculture, water, flooding, forest, we need to learn to use the adaptation mechanism and also to contribute mitigation activities.

 The US is very crucial for things like that because of the USAID activities in funding the countries in Africa, Latin America, and Asia and hopefully we can come back to that in full force after this.

#### Dr. Andrew Steer:

 With regard to eliminating investment in coal, is that a subject of discussion in parliament in Indonesia?

#### The Hon. Dyah Roro Esti:

- The importance of how developed countries were already mitigating climate change in the best of ways can help least developed or developing countries across the world that are still struggling in tackling the global problems of climate change and global warming. This collaboration is something that we need to push forward in the future.
- The reason why people love coal so much is because it is cheap and affordable. That is why we are working so hard to push the renewable energy bill, particularly discussing with the government regarding carbon taxing to make sure that renewable energy can be competitive enough to beat coal.
- The goal right now is how can we make renewable energy cheaper, with a carbon pricing scheme or taxes. Automatically this will make the fossil industry generally less competitive within the market, and hopefully, going forward, make people turn to renewable resources.

 It is a mindset shift that we need to push forward, and I hope that with the youth and the parliament as well, we hope that we can have an active discussion going on, and we make concrete and real changes going forward.

#### Dr. Andrew Steer:

I am going to ask each of you to complete
a sentence, and the point of the sentence is
"In the coming twelve months, I will...
[fill in the blanks]"

#### Dr. Antonio La Viña:

 In the coming 12 months, my priority is to push the climate justice agenda at the various levels, national and global level, because that is a radical idea, the time must come for it and it is actually the way to get the people to act for the future.

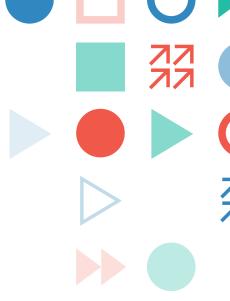
#### **Esther An replies:**

 In the coming 12 months, I think I will continue to keep running, engaging and empowering my network to join the race towards net zero.

#### The Hon. Dyah Roro Esti:

In the coming 12 months, I will continuously use my voice in fighting to create changes that I want to see in the world, in Indonesia, particularly, given that I am parliamentarian, and also make sure we pass the renewable energy bill in Indonesia. Lastly, to change my own habit, making sure that I am creating the correct changes within my own lifestyle, so we can create a better world going forward as well. ▶

End of Session; Moderator closes the session.





# session 12

# WELCOME BACK, AMERICA!

Time: 22:45-00:00 | GMT+7

#### ARMCHAIR DISCUSSION

#### Prof. Joseph S. Nye Jr.

University Distinguished Service Professor Emeritus and former Dean of the Harvard's Kennedy School of Government

#### MODERATOR

#### Dr. John J. Hamre

President and CEO of Center for Strategic and International Studies (CSIS)

#### PANELISTS

#### 1. Dr. Kurt M. Campbell

Chairman and CEO at The Asia Group and Assistant Secretary of State for East Asian and Pacific Affairs (2009–2013)

#### 2. Dr. Daniel Twining

President of International Republican Institute (IRI)

#### 3. Dr. Rebecca Lissner

U.S. Naval War College

#### MODERATOR

#### **Gregory B. Poling**

Senior Fellow for Southeast Asia and Director, Asia Maritime Transparency Initiative, CSIS

# **ARMCHAIR DISCUSSION**

Dr. John J. Hamre and Prof. Joseph Nye

#### Dr. John J. Hamre:

 In these last four years of the US-China relations, we have had some real ups and downs. What do you think would be Presidentelect Joe Biden's approach to China

#### **Prof. Joseph Nye:**

- I think we are seeing the worst US-China relations we have seen in about 50 years, but some of that have been idiosyncrasies of President Donald Trump. There was a fire burning that was based on China's behavior, particularly in the playing field against others, and President Donald Trump was like a man who threw gasoline on the fire. So, his particular personality exaggerated it.
- I think that when President-elect Joe Biden takes office, you are going to remove that personal factor. So, you will have more predictability and civil tone. But some of those underlying problems are still going to be there: Theft in intellectual property, subsidized stateowned enterprises, militarization of artificial islands in the South China Sea.
- I think you are going to have a somewhat better tone and more predictability in the US-China relations, but I do not think we are going back to ten to twenty years ago.

#### Dr. John J. Hamre:

What do you think President-elect Joe Biden



can do with such a divided country at this stage?

#### **Prof. Joseph Nye:**

- I think he will be able to do a fair amount of restoring in international cooperation. In my recent book, "Do Morals Matter?: President's Foreign Policy from Franklin. D. Roosevelt to Donald Trump", I argue that President Donald Trump is unique. He is turning his back on what is called the liberal international order.
- President-elect Joe Biden very much grew up in that order. He was the chair of the Senate's foreign relations committee through much of it. I think that there will be many problems Biden will have to face. He cannot reverse the clock entirely, but I think we are going back to that major tradition that we had for 70 years.
- If you look at the public opinion polls, the Chicago Council on the Global Affairs Polls shows that 70 % of Americans wanted international cooperative foreign policy, and that is one of the highest numbers seen since they started the poll in 1974.

#### Dr. John J. Hamre:

 Do you think the Quad becomes a primary feature going forward? And how would it be expanded if other countries wanted to join this?

# Prof. Joseph Nye:

- The idea of its security cooperation of broadening beyond the US-Japan security treaty, including coordination with India, makes sense. But you have to be careful in terms of institutional structures. India does not want an alliance.
- There will be a good deal of cooperation that can be done with India, but it will not be like the US-Japan or the US-Australian alliance.
   Trying to make it a NATO of East Asia will be a mistake, but the ability to coordinate

- with India is there. After all, India has to have a concern about the growth of Chinese power.
- India is in the mood to cooperate, but not in the mood to sign a formal alliance.

#### Dr. John J. Hamre:

 In regards to the US strategies to oppose Chinese unilateral island building in the region and assertion of sovereignty in the South China Sea, what are your thoughts?

#### **Prof. Joseph Nye:**

- On the military side, we have two things going forward; One is that we have the naval capacity to demonstrate freedom of navigation operations that China cannot unilaterally assert these claims to the sea.
- The other thing we have going for us is the fact that the Law of the Sea Tribunal in the Hague came down on the view that China was acting illegally, and what we can do diplomatically is to recruit more countries to the position that China is the odd country around us. They cannot turn the sea into the Chinese lake just by pouring sands on a bunch of rocks, reefs and atolls.
- The fact that we have not just the naval capacity but the diplomatic potential is there.
   We have got to do more with the diplomatic potential.
- The other thing we have to frankly do more is engaging the region in trade. One of the things is arbitrage and I recommend in the new report we are bringing out that the US should rejoin the Trans-Pacific Partnership (TPP)—now Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)—and become more engaged in the region.

# Dr. John J. Hamre:

 In regards to the U.S. position on Hong Kong, Taiwan, and China, what are your thoughts about what can be done here?

# Prof. Joseph Nye:

- China has clearly gone back on the international agreement, in this case with Britain, and we had basically endorsed that agreement in several administrations. We were not formal signatories but the country thought it was a good idea. And that has been quite violated by the Chinese. I think we have been critical. I think the argument that you can have sanctions against particular officials who are engaged in repression makes sense.
- The other thing we can do is follow the British lead which is to admit people from Hong Kong who want to come to our country for refugee status or asylum. I think those are measures that we can take. And this intervention, I disagree very much with what President Donald Trump has done.

## Dr. John J. Hamre:

 Could you share your thoughts about Taiwan, America's role with Taiwan, and how it might figure over the next several years?

#### **Prof. Joseph Nye:**

- The position across several administrations has been: "no unilateral declaration of independence by Taiwan" and "no use of force by mainland China". Within the boundaries of that broad box, let the two sides negotiate the relations across the Taiwan strait. The problem we see is that China's strength has grown and they are putting increased pressure on Taiwan. In the Taiwan Relations Act, we are taking seriously the security of Taiwan.
- I think that there will be effort in the next administration, I do not know what Secretary Mike Pompeo will do, but efforts in the next administration indicate that we take seriously the second half of that equation, which is "no use of force by the mainland". That may require in terms of defense assistance to Taiwan that we take a number of steps

- But we do not want to violate the first half of that proposition, which is that we are not trying to support for Taiwan's independence because that would be a provocation beyond what we want, which is a long-term status quo, in which some day we hope that China will change enough that Taiwan may be able to reach an agreement with it.
- So, holding the status quo, but it will require us to take a somewhat tougher position on the deterrence side of "no use of force by mainland".

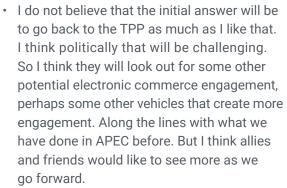
# MODERATED DISCUSSIONS

# **Gregory B. Poling:**

 What is really politically possible for Washington DC? How do you think that the United States is likely to engage in trade and economic policies, and how much is it going to differ from the past four years?

# Dr. Kurt M. Campbell:

 I do not believe that the new administration will lead that way at the outset. I think they are going to attempt to lay out a framework of how they propose to engage. The first will be about domestic investment trying to deal with the supreme challenges of the pandemic and economic set of circumstances in a way that convinces Asia that we are back and that we are going to play an active role in this disruptive world more generally. Second, there will be a full scale of focus on capacity building, people that are thinking and focusing more about Asia and it is going to take a long time at least a generation. There is going to be a lot more focus on allies but those allies would ask us about our trade strategy. What do we propose to do within the constraints of our domestic political situation to confront RCEP, and I would agree with you that we have to have an answer for that.



- I do believe that the Trump administration has put in place a lot of mechanisms in the US-China relationship that would be difficult to untangle and to reverse. So I would not expect a return to a relationship between the US and China that resembles the past.
- I think there still will be sanctions, a number of steps that signal economic and commercial displeasure generally. We will see more military presence and focus. What will be necessary is a comprehensive engagement that is about rejoining organizations, putting meat on the bones of gatherings like the Quad.
- We go back to our primary question "What is going to be our trade and economic strategy as we go forward?" There will be an expectation to lay that out quickly. I think the instinct will be to wait for a while given how fraught trade is among Democrats and Republicans now.

# **Gregory B. Poling:**

 We are now entering a new administration after four years of an "America First" policy that has clearly broken with a long tradition of US support for the rule-based order. How can the Biden administration try to rebuild the support for the rule-based order? How does the international order even look like as we move forward?

#### Dr. Rebecca Lissner:

 I would say that the American policy has to adjust to the reality that there is no going

- back to the post-Cold War liberal international order that Prof. Nye spoke about in his remarks; but a Biden administration can nevertheless lead efforts to modernize the architecture of international cooperation for the 21st century.
- Taking a step back, what is international order in the first place? It is the norms, laws, and institutions that govern relationships between states. Order in any historical period always reflects the underlying distribution of power. So, the liberal international order of the last three decades relied fundamentally on the US' unrivalled power after the fall of the Soviet Union. But today, we are living through a tectonic West to East global power shift, and China's rise means that the US is no longer the world's uncontested superpower. At the same time, we see that the norms, laws, and institutions are growing increasingly outmoded amidst rapid technological change and globalization. Which means that structures that we built in 1945 are simply not equal to challenges and opportunities of 2045, whether it is pandemic, climate change, digital trade or cyber conflict.
- The task in hand for the Biden administration will be to modernize the international order, understanding that success in writing the rules for 21th century international politics will lie both in more modest expectations about their scope and also more vigorous multilateralism in their development. More practically speaking, restoring America's role in institutions and agreements that the Trump administration has abandoned whether the WHO and the Paris Climate Accord. It means working hard to reform outdated institutions like the UNSC and the WTO. It also means collaborating and working with like-minded allies and partners to write new rules and build new cooperative institutions that are designed to address modern challenges especially in the technological arena. In all of these efforts,

I think we should expect that the United States-China rivalry will be a fact of life, and actually order-building itself is going to be a competitive pursuit. A Biden administration must also remain attuned to the possibility of cooperation between the United States and China as mutual interest dictates whether that is through high profile efforts like working towards the Paris Climate Agreement or even for quieter undertakings like engaging in the types of strategic stability dialogues that may become the prerequisite to future arms control agreements.

# **Gregory B. Poling:**

• A big component of what we have traditionally considered the rule-based order has been democracy and the United States' role in the promotion of democracy and human rights, which has fallen off a bit in recent years. There will be a lot of accusations from around the world if the United States tries to get back on its soapbox that we have to get our own health in order. As a new administration comes in an unusual situation for the United States, how do you think that the role of democracy and human rights promotion gets moved back to the center of United States' foreign policy or has that ship sailed?

# Dr. Daniel Twining:

• First, more people live under democracy in Asia than the rest of the world. So I am always surprised when Americans tell me that democracy is somehow not relevant to Asians, that we all need to do "mock politics" in Asia and be "grand strategists". I see it more like what the Chinese would want rather than what advances American interest. What does advance American interest and gives us a lot of connectivity into Asia is the fact that we share a set of common values and we derive

- our interest including in foreign policy from those values.
- It is also very clear that the Chinese Communist Party is running a global campaign to weaken democratic practice, to corrupt and subvert democratic order. Why do they want to do that? One, because they want to maintain absolute control at home. Two, China also wants to reorient the world around the free and open values and a world that is safer for Chinese autocracy that is more oriented around the middle kingdom mentality. Looking recently through the China-Australia relations, the Chinese presented an extraordinary list of demands that would totally suborn Australia's political independence and foreign policy autonomy as a reward for having normal relations with China. That is sort of the wave of the future for countries that do not count out. So it feels to me that there is a pretty common agenda among democracies working together in Asia.
- I would also say, in terms of America, friends
  of the Biden team have said to me that they
  really see renewing democracy at home in the
  United States as being intimately connected
  with supporting democracy even more strongly
  in the world. That, as a free and open society,
  the United States has an interest in working
  and supporting other free and open societies
  and of course our best partners in Asia are
  the democracies.
- Finally, I would like to say that democracy is not about a man, it is a system. It includes independent parliaments, free media, independent courts, and active and robust civil society. We see those in the United States and across Asia. The strongest point about democracy is not that it is perfect or that we do not make mistakes, it is that democracy is resilient and self-correcting. What are not resilient and self-correcting are brittle

authoritarian regimes that centralize power in the wisdom of one man who wants to rule for life. So I was surprised when people think that China is somehow the power of the future. It looks to me that what Xi Jinping is trying to do is frankly outmoded in the 21st century that will be driven by innovation and societal dynamism.

#### **Gregory B. Poling:**

 I would like to ask about your thoughts on how COVID-19, over the last year and moving forward into this year, affects the United States' foreign policy, the ability of the United States to pursue its interests, how the United States have done so far, and how the United States need to get back to the competition for influence. How does the United States prove that it is still the global leader able to deliver public goods? Since it has been missing out on the greatest public threat.

# Dr. Kurt M. Campbell:

- Lurking beneath the surface around Asia is hope in some capitals and fears in others that what we are experiencing in the United States is the beginning of a hurling decline that is animated by domestic division.
   The difficulty in dealing with the economic challenges associated with that questioning of the role the United States plays globally, the Pax Americana that I believe has been good for us and friends in the Asia Pacific region.
   They have many questions about the capacity of the United States to continue to play its traditional role.
- All I would say is that this phenomena about concerns on decline is not new, we have seen a number of occasions over the last 40 years, in the Korean war, Vietnam war, Asian financial crisis, Cold War, each time there was a fear that the United States would no longer play its

- dominant role, this time it is really quite severe. We have to take lessons from the past in terms of how we have gotten out of some of these concerns.
- I would say that the pandemic itself demonstrates American capacity. I believe when Biden is inaugurated in January, he will focus on handling the pandemic not only domestically but internationally as well. The capabilities that we have now demonstrated on vaccine production will set us apart from many other countries. We can lead the way in vaccinating the world, working with international organizations, allies, friends, and even with China. By demonstrating our capacity to play a role both in innovation of the vaccines and reintegrating with global efforts to deliver the vaccines, we can help reestablish elements of the American leadership more generally. We have to sustain the leadership to play that role going forward.
- This is the first time I have a sense that Asian friends look at the United States with pity. We have completely mangled this and our task would be to see if we can use it as part of relaunching our global purpose as we go forward.

#### **Gregory B. Poling:**

Picking on some of Kurt's points, is this
a make-or-break point for the United
States, where if we continue this "beggarthy-neighbor" approach, when it comes to
COVID-19, it is just going to be difficult to
reclaim the mantle of the global leadership in
any meaningful way?

#### Dr. Rebecca Lissner:

 I do think that the way the United States approaches the global recovery and vaccine distribution over the next few years is going to say a lot about whether the world does The way the U.S.' approaches global recovery and vaccine distribution is going to say a lot about whether the world does perceive America as definitively back in the leadership role. In doing this effectively, the U.S. can really exemplify what it means to treat vaccines and a vaccination campaign as a true global public good. In doing so, we can draw a contrast between the consequences of relying on China as the future global public goods provider and a hypothetical or possible Chinacentric future order.

- perceive America as definitively back in the leadership role.
- The Biden administration has a strong interest in parlaying America's vaccine development successes and the reach of our global diplomacy in vaccine distribution. All is part of an integrated domestic and global effort to contain COVID-19. In doing this effectively, the United States can really exemplify what it means to treat vaccines and a vaccination campaign as a true global public good. In doing so, we can draw contrast with any Chinese attempts to leverage vaccine access and implicitly also draw contrast between the consequences of relying on China as the future global public goods provider and a hypothetical or possible China-centric future order.

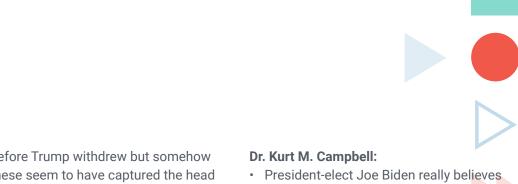
We should also be careful not to frame the COVID-19 response in purely competitive or zero-sum terms because a speedy global recovery manifestly benefits everyone. The global recovery and vaccine diplomacy increase the soft power of both Washington and Beijing at the same time, at a time when both great powers really want badly to burnish their global reputations after different types of poor performance in the earlier stages of the COVID-19 crisis. We need to be clear-eved about the fact that we cannot and should not seek to prevent China from reaping these gains, instead we should use this as an opportunity to show what kind of a 21st century leader the United States is going to be.

#### **Gregory B. Poling:**

What kind of game China might play if
the United States does not engage more
proactively in the development and distribution
of vaccines globally? If Indonesian President
Joko Widodo is looking out at the continued
runaway of community spread and China
comes as the only option, do you worry that
this is going to have an obvious implication for
the ability of Indonesia and many other partner
governments to maintain their strategic
autonomy and do what is best for their people?

# **Dr. Daniel Twining:**

- First, the Chinese have weaponized the pandemic throughout and we should not forget that the reason we are in a global pandemic is because of the nature of the Chinese system that instead of letting doctors and reporters who want to tell the world about what is happening in Wuhan, the Chinese system imprisoned, silenced, and threatened them.
- Second, the Chinese have been very successful in telling a story to the world that it is not necessarily true. Last year the US gave 10 times more financial support to the WHO than



China before Trump withdrew but somehow the Chinese seem to have captured the head of the WHO and it looks like the WHO is protecting China from the ramification of its own actions. This is a reminder of the need for US engagement with international institutions that when we step back it is not necessarily friends who step forward and the outcomes are not better.

- Third, the final chapter has not yet been written in this era. Outside of East Asia, big democracies who cannot run police-state repression operations cannot shut the virus down in the way that the Chinese could.
- If we think about who comes out of this ahead over time: First I think, the American company vaccine development is a game-changer.
   Second, American economic performance has been superior to many countries'. Third, the stars of this era are going to be countries like Taiwan, New Zealand, and South Korea that combined accountable and transparent democratic institutions and civic trust between people and government leaders.
- I would be surprised if history judges that somehow China came out ahead of everybody after the pandemic, when in fact it was these plucky Asian democracies that have shown the way forward.

# PUBLIC QUESTIONS AND ANSWERS

#### **Gregory B. Poling:**

• Following up on the question about economic engagement. How do you think the US should and hopefully the Biden administration eventually will engage with developing countries in the global south? Will it be strictly through the frame of countering China which I think many feel that it has been of late? or will there be more of a positive-sum effort to engage? Is that still politically possible in the US context?

- President-elect Joe Biden really believes that there are possibilities and prospects for bipartisanship.
- My worry would be in an environment in which a lot of variables about what the party believes in, they will fasten around the concept of antidemocratic or anti-administration. One hope is going to be a belief that the next challenges for the U.S are coming from China. I think there is a possibility of making an argument for domestic investments and international pursuit that are necessary to address this intense competition. It is hard to do this in a way that does not make us a demagogue and summon us to our bad self, and instead invest in technology and capability alike. I do think that there is a real prospect of that. I don't like the comparison of the U.S-China relations with the US-Soviet Union relations. They are very different.
- I think it is not necessarily impossible to have an Asia-wide economic commercial and trade approach. I think it is possible; it is going to require bridging both parties. I think the way to convene that consensus is around the intense nature of the competition that we are facing in Asia from China. My sense is that even though many Americans are just coming to terms that Asia is the dominant region of the 21st century, our ticket to the big game has always been our military capability, but that is not going to be enough. We have to do more. A lot of people in the US stated that we just have to explain trade better. That is just not right. We really need a whole new approach. For businesses, livelihood, increasing exports are going to be critical.

### **Gregory B. Poling:**

 What does the timeline look like for us to re-emerge as an economic engager with the world?

#### **Dr. Daniel Twining:**

- The dividing lines in the U.S. around trade and foreign policy at large are not necessarily leftright anymore.
- If we are really serious about a strategic competition, if we understand that we are in a great power competition that requires substantial investments at home, we have to improve education, rural broadband, 5G connectivity, and infrastructure. That does not sound like the Democratic Party agenda. It sounds to me like the American agenda.
- We have to make Americans understand that our way of life is tied to the nature of the world we live in. The Chinese-dominated world would not be healthy for us as well as for many of our friends and allies in Asia

# Dr. Kurt Campbell:

 I remember during the campaign there was all this that President Trump was saying "You

The dividing lines in the U.S around trade and foreign policy at large are not necessarily left-right anymore. If we are really serious about a strategic competition and understand that we are in a great power competition that requires substantial investments at home, we have to improve education, rural broadband, 5G connectivity, and infrastructure. That does not sound like the democratic party agenda. It sounds to me like the American agenda.

Democrats have to say three words, 'law and order,' you cannot say it". The three words are "great power politics" and that is what we are in the midst of right now, whether we like it or not. From that positioning and realization, it leads to myriad opportunities and huge challenges both domestically and internationally.

#### Dr. Rebecca Lissner:

- I actually think that the binary that Dan just proposed between nation-building at home and exercising American power and influence in the international system, is a false choice because making these investments at home for all the reasons we have just been discussing is the dominant strategy either way because the fact is the United States cannot engage in and prevail in a long-term competition with China.
- If we do not invest in the foundations of American competitiveness at home, the American people cannot remain secure and prosperous and live the kind of day-to-day lives that they want to live unless we make those investments. This is the right answer either way and it ought to be a matter of bipartisan consensus. Whether in practice, we can overcome the endemic partisan polarization in order to make the necessary investments is an open question.
- I think one of the best ways to begin to overcome that polarization is to try to make massive upfront investments as soon as a window of opportunity opens and that is why I would really look to the early days of Biden's administration, particularly if the senate ends up going in a democratic direction. But even if not, as an important moment where these types of investments can actually be made can be locked in in a way that will be transformative, regardless of who might win the next presidential election or even what might happen in the midterms.



 (He asked about the role of the U.S. alliances and the future of the U.S. alliance system): Must it adapt? (And, in particular, he asked about the rise of the Quad.) Is this a more viable alternative model for US engagement in the region versus the old "hub and spokes"?

#### Dr. Rebecca Lissner:

- Alliances are absolutely crucial as are partnerships because if you look ahead another decade, two decades, the fact is that the geopolitical math is not in the United States' favor if we act alone. So the task is going to be marshaling coalitions of states behind our security priorities, and also our tech priorities, our economic priorities, our political priorities in Asia and globally.
- At the moment, all of those elements are contested by China. To modernize American alliances in Asia is going to be an important element of that task. That means making them more capable of responding to subconventional challenges. It also means turning elements of that "hub and spoke" system into more of a tire, that connects the different hubs and spokes to each other so that for example Japan and South Korea might be able to better cooperate with each other.
- I think the Quad is another excellent example
  of what this might look like: in effect, building
  upon existing alliance structures, but building
  innovative formats in which our allies can
  cooperate with each other. And of course India,
  though not a U.S. treaty ally, is going to be
  critical to any such future efforts.
- The second point that I would make is that it
  is not just about our traditional treaty allies
  the United States should be looking to build
  coalitions amongst a diverse array of partners.
  I absolutely agree that fellow democracies
  ought to be the focal point of American
  strategy in order to build an effort to keep

- the Indo-Pacific free and open in the years to come.
- But we would be making a mistake if we limited our partnerships exclusively to other democracies because of preferences with regards to the future of security and the future of economics in Asia. Therefore, we need to not be picky at the moment as we are pushing our agenda forward.

#### **Gregory B. Poling:**

 How do we keep democracy at the heart of foreign policy? What are your thoughts on this?

#### Dr. Kurt M. Campbell:

- The truth is that there is room for both kinds of gatherings and engagements. There are going to be times that you might want to gather among like-minded states but for many purposes.
- I would actually say for most purposes there are going to be other calculations that come to play and I think the key to an effective integrating strategy on the part of the United States is to be a little bit more flexible around these goals and ambitions.
- The challenge that we face in ASEAN is the traditional approach has always been to use ASEAN as the jumping-off point for multilateralism and institutionalization of Asia. It is never formed initially in northeast Asia; it is formed in Southeast Asia. The challenge going forward will be that not only does ASEAN have challenges with respect to different systems of government, different levels of development, but in many respects, ASEAN solidarity was allowed to occur by China, I think, given what they perceive as a fundamental challenge to their strategic interest in the South China Sea and elsewhere.

#### Dr. Daniel Twining:

• We want to have the best possible relations with all Asian countries at every level of political

and economic development. At the same time, there is a natural ceiling on the nature of the intensity and depth of relations with the countries that are not as open. For example, Cambodia. Cambodia deals more with China than with ASEAN. There is a connection there to ASEAN integrity and regional security. It's really the mission of the US to work with every country to maintain and protect their sovereignty.

 The last point I would make is that we should not forget that the US formed some of its crucial Asian alliances at a time when they were not democracies, like Japan in 1952 and South Korea, Taiwan, Indonesia under Suharto, Philippines before 1986. But the U.S engagement helped support opening for the countries to be driven by their peoples' aspirations.

## **Gregory B. Poling:**

 President Donald Trump's refusal to concede, is a signal that Trump is here to stay, that we will have Trump or a Trump surrogate run again in 2024? What do you think about this? Has the U.S. actually gotten through a crisis or are we still in the middle of that crisis and how can we assure partners that whatever re-engagement we now see under Biden is here to stay?

#### **Dr. Daniel Twining:**

- Our friends in Asia need to understand very clearly that the winner of an American election is not determined by one of the candidates in an American election; the winner of an American election is determined by the certifications of all 50 American States about the polling results in those elections. Our elections are the opposite of a country like India which has a central election commission with extraordinary bureaucratic powers. Our elections are run by our counties essentially.
- I do not think American leadership in the world is particularly a function of who is

- sitting behind the oval office. I think American leadership in the world is a function of the energy of our citizens and our dynamic society which is a nation of immigrants and an innovation nation.
- I don't think we should make this all about personalities. When I think about the kind of America's enduring role in Asia, it doesn't feel to me like it's particularly about personalities. It's about a set of very longrange strategic interests.

#### Dr. Kurt M. Campbell:

- I wish that what Daniel described is accurate and true. What is going on now is a constitutional exercise of reaffirming the vote that will proceed accordingly. We will move through this difficult period. We are about to have a substantial collision with the majority of the Republican Party and Trumpism. He is coming to terms with the fact that he has lost.
- I do have to say personally that I am concerned. I'm quite worried and I think we are talking a lot about the next administration as if we've gotten through this period and I'm just feeling much more worried. All of this ambitious talk that we are having about our plans and reconceptualizing our approach to China and multilateralism and democracy, I think, so much of it hinges on how we get through the next couple of weeks.
- Since January there was always an assumption that Donald Trump would not concede but the idea that the Republican Party would back that refusal to concede has certainly taken not just Americans but a lot of our friends in the world by surprise and worried them about what the long-term prospect of American democracy looks like.

#### Dr. Rebecca Lissner:

 I do not want to understate how much damage President Trump is doing through the

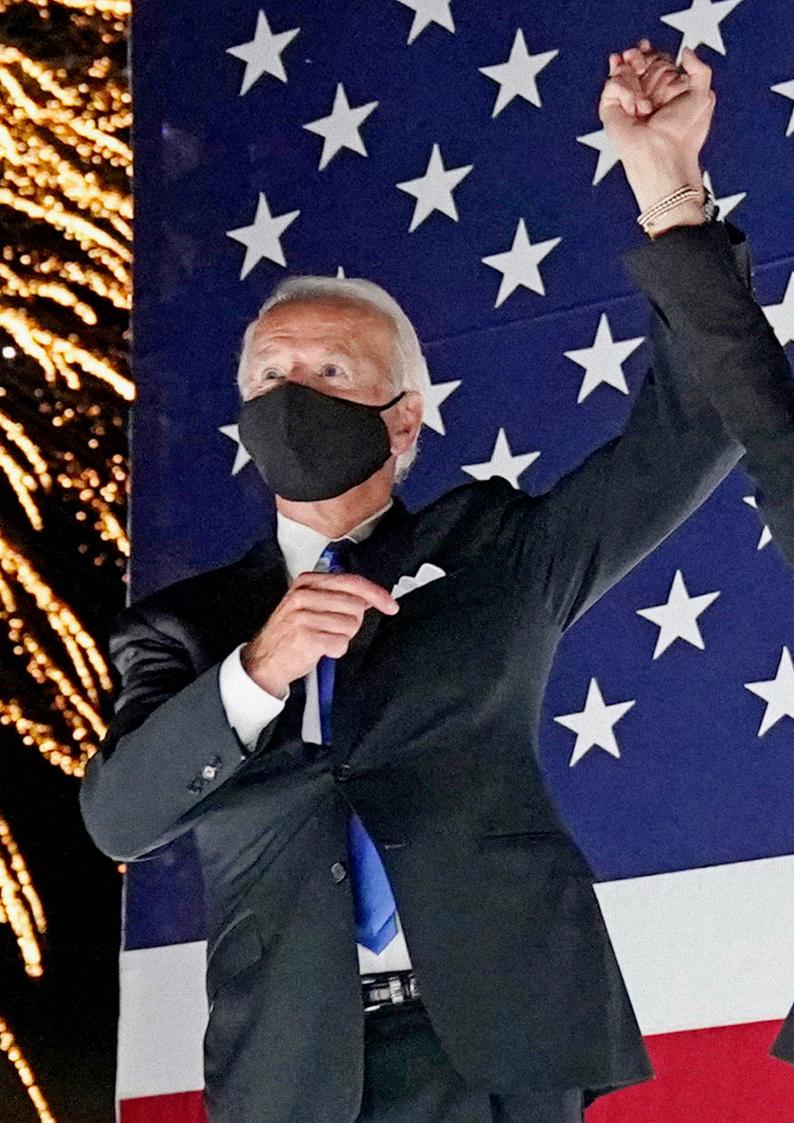
- current dispute over the election or any of the actions he has taken both domestically and internationally over the past four years.
- As we talk about these questions about the future of Asia, the future of American foreign policy, we need to recognize that President Donald Trump himself is more of an avatar than an architect of many of the massive domestic and international changes that are

reshaping American foreign policy. So even when president-elect Biden takes the oath of office on January 20th he still is going to have to contend with rampant domestic political dysfunction, adverse global power shifts and rapid technological change.

End of Session; Moderator closes the session.









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