

by
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Something New in Beijing

The last Asia Europe Meeting was marked by surprisingly open dialogue

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Jose Manuel Barroso, EU Commissioner:

“We swim together or we sink together.”

It was a summit of superlatives. Beijing’s seventh Asia Europe Meeting, or ASEM, brought together the leaders of 27 EU members and 16 Asian states, all of them representatives of the European Union and ASEAN. Nations present at the Beijing summit, which took place in late October, represented 60 percent of the global population and an equal share of the world’s trade. “This is the second world event to take place in China after the Olympic Games,” said French president (and the current holder of the EU Presidency) Nicolas Sarkozy when summarizing ASEM’s importance. Among other things, Sarkozy used his participation at the meeting to press Asian nations for support in restructuring a global financial system in serious trouble.

operation between nations and continents exists. In the words of EU Commissioner Jose Manuel Barroso at the meeting, “We swim together or we sink together.” They may well become historic.

While the views expressed by Asian and European leaders in Beijing often differed, problematic issues weren’t swept under the carpet, with very few exceptions. In fact the meeting was characterized by an openness and frankness making the Beijing summit “the most important ASEM so far,” according to Sultan Hassanal Bolkhiah of Brunei, one of ASEM’s four coordinators (and one of the planet’s richest people). Sarkozy stressed that the summit was characterized by something he called a “proper interdialogue,” adding that this was something new.

One of the events held in conjunction with ASEM was the 4th Asia Europe Editors’ Roundtable. The main topics of the roundtable were the impact of globalization and technology on media and the role of the media in promoting environmental awareness. Topics were presented by six panelists representing Germany’s *Tagespiegel*, the Chinese news agency *Xinhua*, *Tien Phong Daily from Vietnam*, the Hungarian environmental magazine *The Green Horizon*, *China Radio International* and last but not least, *SEE Business*. The event, which brought together 29 editors and senior journalists from 23 Asian and European countries, took place in Beijing just before ASEM.

While the nature of the summit may be informal, clearly that doesn’t mean it’s without consequences. The official result of the meeting was three documents: the Chair’s Statement, the Beijing Declaration on Sustainable Development, and a Statement on the International Financial Situation. In the long term, however, the unofficial results could be even more important. With the background of the meeting being an unprecedented global financial crisis, the speakers couldn’t agree more that an equally unprecedented need for co-



THE GLOBAL SITUATION IN SIX CHINESE CHARACTERS

According to Chinese Premier Wen Jiabao at the Beijing meeting of Asian and European leaders, the world's current situation – and the solution to its most pressing financial problems – can be expressed in six Chinese characters. They can be translated as Confidence, Cooperation and Responsibility.

First, confidence. Wen emphasized “We need *firm* confidence. The developed countries should take decisive measures to stabilize their markets and to restore confidence.” While the premier welcomed steps taken by western governments in this regard, he said that they were not enough.

Second, communication. The leaders in Beijing were unanimous: the present difficulties could only be overcome with coordinated efforts on the part of nations around the world. “Leaders should give top priority to that type of cooperation,” Wen stressed. And finally, responsibility. “We need to learn lessons from the present situation,” he said. To attain that it's necessary to “clarify the responsibility of

governments, companies and regulators.” More specifically, financial markets need the proper balance between financial innovation and regulation, between the virtual and the real economy and finally between savings and consumption.

China recorded 9.9 percent growth in the first three quarters of 2008, the first time in six years that its GDP growth was recorded in single digits. Still, the Chinese premier remains cautiously optimistic. “The financial crisis doesn't have a direct impact on China,” Wen said. While the government expects slower growth in the near term due to a lesser external demand, Chinese officials expect to balance the anticipated drop of exports by expanding internal demand, mostly via faster development of rural and of less developed Western regions of the country. “As long as the policies are right, we are confident that we will have stable and fast economic growth,” said Wen.

All these statements could be characterized as formal and diplomatic, yet one can't overlook the extraordinary emphasis put on open communication – a necessity made far stronger by the global financial crisis, yet also the result of China's efforts to create a strong image for itself of an emerging global leader.

The free exchange of ideas and views was to a large extent made easier by the fact that ASEM is an informal forum. The first Asian European Meeting was held in Bangkok in 1996. Since then the role of ASEM has continued to grow. That hardly comes as a surprise: Asia is the most populous continent, and the world's fastest growing economies have been Asian for many years. And Europe is still the largest global market, so it's only natural that links between the two continents strengthen. ASEM's self-described role is also “to pave the way towards future European-Asian strategic partnership.” The forum allows Asians to better monitor the European Union as a potential model for closer cooperation and integration of the Asian states. Apart from the leaders' summit, ASEM triggers numerous initiatives on more operational levels, stretching from environmental and cultural issues to fostering cooperation between small enterprises.

OPPORTUNITY FOR THE SEE REGION.

As such ASEM also provides an excellent opportunity for Southeastern Europe. First, its geographic position makes Southeastern Europe a region that either connects or divides the two continent, depending on the historic moment or/and one's point of view. (The strategic role of Southeastern Europe, though, is undisputed regardless of one's point of view.)



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Secondly, Southeastern Europe has been the fastest growing part of the continent for the last few years. Globally its growth was bested only by the emerging Asian economies. Furthermore, in the present situation growth will slow in both areas, yet the Asian and Southeastern European economies will likely continue to grow in the coming period. That provides a unique opportunity for both regions. The ASEM process definitely could ease the creation and enhancement of links between two emerging parts of the world. In this way Southeastern Europe could finally exploit its strategic position and once and for all establish itself as a bridge between the two continents – not an obstacle in the way. ■