

PRESS RELEASE

Public Panel - "Asia, Europe, and Global Financial Integration" Ljubljana, Slovenia

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Experts call for Asia and Europe to lead Bretton-Woods reform

While EU Finance ministers convened in Poland to address the Eurozone crisis, a select group of 20 Asian and European economists met in Ljubljana to look at the global economy beyond today's immediate issues.

This group explored, among other issues, whether the solution to the prolonged economic crisis could be achieved through the leadership of Asia and Europe rather than awaiting a US-led response. **The experts recommended that the path through this crisis lay with Asian and European leaders taking a proactive stance in revitalising and reforming the Bretton Woods institutions to meet the needs of a multi-polar, post-crisis world.**

This workshop "**Impact of the Crisis on Regional Economic and Financial Integration in Asia and Europe**" was organised by the Asia-Europe Foundation, the Asian Development Bank Institute, the Faculty of Social Sciences – University of Ljubljana, Prospex and the Europe-Asia Policy Forum.

Opened by Slovenian Minister for Foreign Affairs Samuel Žbogar on 14 September 2011, the Asian and European economists supported the call for stronger global governance. According to Minister Žbogar, the Asia-Europe meeting (ASEM) provided Europeans and Asians with the opportunity for debate, contributing to greater cooperation between the two continents. He noted that political dialogue played an important role as it could respond to the key issues addressing the future of cooperation and integration.

The experts urged Asian and European leaders to start formally the process of reforming international economic governance in a process akin to the one culminating in the original Bretton Woods Conference in 1944. While Asia and Europe could share the responsibility of convening and bringing the process to completion, all other nation-states, including the US, should be invited to participate. Joint Asia-Europe study groups could be mandated to draft agreements on specific topics as the basis for negotiations.

"As discussed in recent UN studies, there is an urgent need to close gaps in global economic governance which cause economic instability and are obstacles to investment," observed Dr Manuel Montes, Chief of Development Strategy and Policy Analysis at the UN Department of Economic and Social Affairs. He added: "Excessive dependence on one national currency for global reserves and the absence of a sovereign debt restructuring mechanism will need to be resolved urgently."

The workshop also raised other key issues for Asia-Europe cooperation and joint study, including the potential development of Eurobonds in the EU as well as the internationalization of the Chinese yuan. New insights on a monetary union, which come directly from the EU experience, are instructive, given that Asia is building its own monetary cooperation organisations.

Experts participating in this workshop included the former Finance Minister of Thailand, Dr Chalongsob Sussangkarn, Dr Noritaka Akamatsu (Asian Development Bank); Prof Yu Yongding (Chinese Academy of Social Sciences); Prof Žiga Turk (Reflection Group on the Future of the EU 2030 & University of Ljubljana); and Prof Iain Begg (London School of Economics).

The key recommendations for Asia-Europe dialogue from the Ljubljana discussions will be conveyed to the 48 members of the Asia-Europe Meeting. The Slovenian government has been urged by the workshop organisers to consider hosting the 10th ASEM Finance Ministers' Meeting, which is expected to convene next year.

NOTE TO EDITORS:

Meeting materials are available at <http://tiny.cc/fwo7y> Event photographs: ASEF Flickr <http://tiny.cc/9eubi>

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About the Organisers:

The Asia-Europe Foundation (ASEF) promotes greater mutual understanding between Asia and Europe through intellectual, cultural and people-to-people exchanges. Through ASEF, civil society concerns are included as a vital component of deliberations of the Asia-Europe Meeting (ASEM*). ASEF was established in February 1997 by the participating governments of ASEM and has since implemented over 500 projects, engaging over 15,000 direct participants as well as reaching out to a much wider audience in Asia and Europe. www.asef.org

* ASEM now brings together 46 member states (Australia, Austria, Belgium, Brunei Darussalam, Bulgaria, Cambodia, China, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Indonesia, India, Ireland, Italy, Japan, Korea, Laos, Latvia, Lithuania, Luxembourg, Malaysia, Malta, Mongolia, Myanmar, the Netherlands, New Zealand, Pakistan, the Philippines, Poland, Portugal, Romania, Russia, Singapore, Slovakia, Slovenia, Spain, Sweden, Thailand, United Kingdom, Vietnam) plus the European Commission and the ASEAN Secretariat. www.aseminfoboard.org



The Asian Development Bank Institute (ADBI), located in Tokyo, is a subsidiary of the Asian Development Bank (ADB). It was established in December 1997 to respond to two needs of developing member countries: identification of effective development strategies and improvement of the capacity for sound development management of agencies and organizations. As a provider of knowledge for development and a training center, ADBI serves a region stretching from the Central Asian republics to the Pacific islands. <http://www.adbi.org>

University of Ljubljana



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