

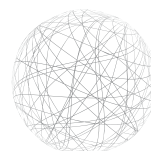
RSIS

SECOND SINGAPORE GLOBAL DIALOGUE

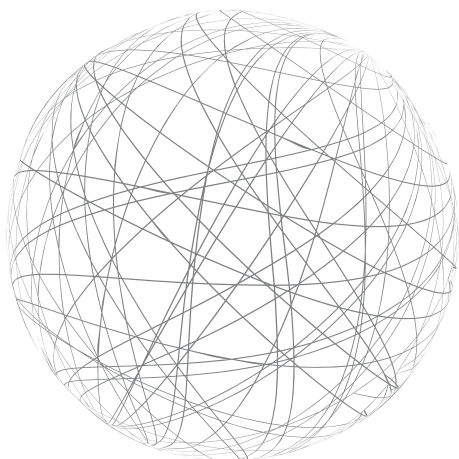
21-22 SEPTEMBER 2011
SINGAPORE



**S. RAJARATNAM SCHOOL
OF INTERNATIONAL STUDIES**
A Graduate School of Nanyang Technological University



**SINGAPORE
GLOBAL
DIALOGUE**



SINGAPORE GLOBAL DIALOGUE

PRESENTED BY
S. RAJARATNAM SCHOOL OF INTERNATIONAL STUDIES

SPONSORED BY
TEMASEK INTERNATIONAL PTE. LTD.
WILMAR INTERNATIONAL PTE. LTD.
HOTEL PROPERTIES LTD.
SHANGRI-LA HOTEL, SINGAPORE
SINGAPORE TOURISM BOARD

21-22 SEPTEMBER 2011
SHANGRI-LA HOTEL
SINGAPORE

CONTENTS

02	Executive Summary
05	Introductory Remarks by Ambassador Barry Desker, Dean, S. Rajaratnam School of International Studies (RSIS)
06	Welcome Dinner Keynote Address by Teo Chee Hean, Deputy Prime Minister; Co-ordinating Minister for National Security; and Minister for Home Affairs
08	Conference Opening Keynote Address by Lord Peter Mandelson, Chairman, Global Counsel LLP; former British Cabinet Minister; former European Commissioner for Trade
10	Panel 1: Shifting Global Balance of Power in the 21 st Century
12	World Leader Keynote Address by His Excellency Dr. A. P. J. Abdul Kalam, Chancellor, Indian Institute of Space and Science Technology; former President of India
14	Panel 2: New Trends in Global Governance
16	Panel 3: The Impact of New Trends and Emerging Technologies
19	Dialogue with Lee Kuan Yew, former Minister Mentor; Senior Advisor to the Government of Singapore Investment Corporation
22	Programme
24	Acknowledgements
24	About RSIS

EXECUTIVE SUMMARY

The second Singapore Global Dialogue took place against a backdrop of deep economic malaise in the developed economies and emerging challenges posed by rising powers in Asia, global governance, and new technologies.

WELCOME DINNER KEYNOTE ADDRESS: DEPUTY PRIME MINISTER TEO CHEE HEAN

Mr Teo focused on how emerging internet technologies, particularly social media, are transforming politics, society and business. He acknowledged the importance and ubiquity of such technologies in everyday lives. But he noted that they have at the same time given rise to unintended insidious developments: cyber-crimes, sexual predators, and dissemination of extremist, violent ideologies. Mr Teo highlighted some of Singapore's strategies in mitigating such perversions of social media, and urged participants at the Singapore Global Dialogue to take on the challenge of addressing such risks.

CONFERENCE OPENING KEYNOTE ADDRESS: LORD PETER MANDELSON

Lord Mandelson addressed the problem of global imbalances between patterns of savings and consumption across the world. Members of the Eurozone club are a microcosm of the global problem: competitive economies subsidising less competitive ones. China's domestic consumption needs to be increased. This may be achieved by strengthening social safety nets, boosting small-scale entrepreneurship and appreciating the Chinese currency. Better global economic governance requires vigilant surveillance by global financial institutions and the political will to blow the whistle on inappropriate imbalances. Moreover, those very financial institutions represented the political imprint of western powers dating back fifty years, instead of the current constellation of emerging economic powerhouses.

PANEL DISCUSSION: THE SHIFTING GLOBAL BALANCE OF POWER IN THE 21ST CENTURY

The key theme that surfaced from this panel was the question of security assurances among the great powers in Asia. Sino-US collisions are not inevitable while cooperation between them was possible. Asia's emergence was recognised as a much broader phenomenon than China's rise. Russia and India had also been admitted into regional multilateral structures through ASEAN Plus Eight. But the US-China relationship would continue to command attention as the main strategic factor in the unfolding regional power shift and the main determinant of Asia's strategic future.



Participants browsing through RSIS publications.

Also highlighted was the need for burden-sharing among great powers. The US needed to be supported in its policing tasks so that it could sustain a status conducive for stabilising world order. Great powers needed to transcend arms control towards building transparency and respecting sovereignty. Russia could help by integrating more closely with Europe.

The era of European domination was over, and that reality should be reflected in leadership positions at the UN and IMF. China's exploitation of a leadership vacuum in Asia, while the United States was distracted by wars in the Middle East, was not resisted. A healthy trend has emerged in the Asia Pacific, that is, the prevalence of a common sense approach to stabilising regional order spearheaded quietly by ASEAN.

China was growing in importance economically, but it was still largely a developing country operating within institutions led by the United States and western



RSIS Chairman, Mr Eddie Teo (centre) and Dean Barry Desker (left) receiving the Guest-of-Honour, Deputy Prime Minister Teo Chee Hean.



Mr S. R. Nathan (left) and the Hon John Howard welcoming Deputy Prime Minister, Mr Teo Chee Hean.

powers. It will be a long while before China can contemplate challenging Washington's pre-eminence. Hence the US' perceived attempts at encirclement are counterproductive to the region.

the vanguard upholding the best values and ideals of human civilisation. To apply technological solutions for a democratic world order, enlightened leadership in the service of universal humanity needs to be practised.

LUNCHEON KEYNOTE ADDRESS: HIS EXCELLENCY DR A.P.J. ABDUL KALAM

Dr A.P.J. Kalam's luncheon speech chose to focus instead on how technological solutions to planetary problems such as energy shortages, literacy and jobs could bring humanity together at a confluence of civilisations. Global interconnection has generated its fair share of global challenges, from climate change to the financial crisis, pandemics, and terrorism. A global approach to tackling these challenges is envisaged in 'World Vision 2030' – a global world system for prosperity and peace – with Asian nations in

PANEL DISCUSSION: NEW DIRECTIONS IN GLOBAL GOVERNANCE

The panellists sketched a world that has grown increasingly complex due to innovations in technology, new communication infrastructures, the emergence of new social movements and with that the rise of new challenges for nation-states. These challenges ranged from 'problems without passports' such as environmental degradation, migration, growing income disparities and terrorism. The panellists espoused the view that global governance, while complex, would not be "mission impossible"; it should be a consultative, pragmatically oriented venture avoiding the pitfalls of world management by a few great powers dictating to the developing world what they should do to uplift their populations from poverty. Between the extremes of striving for efficiency through rule of the few and the need to ensure representativeness of global governance, it is better to be representative. In that way, the better solutions can be arrived at with a larger majority feeling satisfied.



Participants meeting with Mr Nathan (centre).



Participants at Lord Peter Mandelson's conference opening keynote address.

PANEL DISCUSSION: THE IMPACT OF NEW TRENDS AND EMERGING TECHNOLOGIES

The closing panel discussion on 'The Impact of New Trends and Emerging Technologies' amplified Deputy Prime Minister Teo's dinner speech by elaborating on the networked and viral nature of the so-called 'social media' of Facebook and Twitter. One panellist warned against excessive optimism about technology. For example, interconnectivity has created "flash trading" in stock market terms. Events such as the Arab Spring and the aggravation of the 'scare factor' in pandemics in East Asia happened in large part because social media were employed to subvert governmental information monopolies. All the panellists concurred that the boundary-defying quality of Internet technologies undermined traditional notions of sovereignty.

EVENING DIALOGUE WITH MR LEE KUAN YEW

The moderator initiated the dialogue by mooted the concern over the geopolitical and geo-economic shifts in Asia given the economic difficulties in Europe and North America. Mr Lee opined that Chinese power will emerge irresistibly over time but the West will retain significant technological advantages. The other Asian powers (the two Koreas, Japan, India, ASEAN) cannot realistically balance China; it is only with the weight of the US that some form of balance can be maintained. While there could be some strategic stability between the nuclear armed great powers, nuclear proliferation among middle and small powers would be destabilising. In that regard, Australia could not contribute to Asian security alone; it has to be done in tandem with others. On Singapore-Malaysia relations, with the development of Iskandar Malaysia's development region, Singapore looks set to reprise a role akin to that of 'Hong Kong to China's Shenzhen'.



Dr Shashi Tharoor responding to a question from the floor.



Distinguished guests at the conference.

INTRODUCTORY REMARKS

Ambassador Barry Desker, Dean, S. Rajaratnam School of International Studies (RSIS)

On behalf of the S. Rajaratnam School of International Studies and our principal partner, Temasek International Private Limited, I am honoured to welcome you to the second Singapore Global Dialogue.



Dean Barry Desker welcoming speakers and participants to the Singapore Global Dialogue.

The Singapore Global Dialogue is a unique event, established as a response to the dynamic and rapidly evolving world order we are facing today. As international institutions struggle to address a range of traditional and non-traditional security concerns, and prolonged economic uncertainties, new initiatives and solutions are required to tackle these ongoing challenges.

As the global power balance shifts towards the Asia Pacific, Asian voices must respond and take a stronger leadership role in influencing collective responses to global strategic issues.

In this context, the Singapore Global Dialogue seeks to provide a distinctively Asian platform for responding to contemporary global challenges. By gathering a distinguished line up of speakers from the Asia Pacific region and across the globe, we expect the Singapore Global Dialogue series to play an important role in the search for innovative ways of managing the world's evolving strategic concerns. Tomorrow's panels will focus on the Shifting Global Balance of Power, New Directions in Global Governance, and the Impact of New Trends and Emerging Technologies.



Participants networking at the Welcome Dinner.

WELCOME DINNER KEYNOTE ADDRESS

Teo Chee Hean, *Deputy Prime Minister; Co-ordinating Minister for National Security; and Minister for Home Affairs*



DPM Teo addressing participants at the Welcome Dinner.

DPM Teo Chee Hean highlighted the rise of the internet and its related technologies as a key facet of today's global environment. While the internet has created benefits, it was also open to abuse, exploitation and criminality. An important balance needs to be achieved among society, government and business.

The internet, he noted, has increased avenues for public expression and opportunities for mass mobilisation. However cyberspace has also been exploited for harmful ends, such as the spreading of extreme views. Terrorists were fond of using the internet as a means to disseminate tradecraft and ideology. He therefore emphasised the need for norms to guide conduct.

While most governments rely on the internet to carry out public functions and to connect with citizens, in Singapore almost all government transactions can be done electronically. Most critical information infrastructure sectors are dependent on the cyber sphere for effective functioning. This dependency has created a significant vulnerability as such attacks if successful could paralyse the nation.

DPM Teo acknowledged that the internet has helped businesses to serve their customers faster, cheaper and better. However the widespread use of electronic



Participants at DPM Teo's Welcome Dinner Address.

commerce and network communication has also exposed businesses to various vulnerabilities. Citing cyber crime as a growing phenomenon, he pointed out that businesses worldwide have suffered over USD 1 trillion in losses. Cyber criminals have also moved beyond hacking to launching large scale intellectual property thefts. Future cyber crime attacks are also likely to become more complex and difficult to detect and prevent as attackers become increasingly sophisticated in infiltrating computer networks. He warned of the possibility of a nexus being formed between cyber criminals and terrorists whose actions could put not just businesses, but national stability, in jeopardy.

Singapore's Response to Cyber Threats

DPM Teo emphasised the need for increased collaboration, both among governments and between the public and private sectors. Singapore is involved in cross-border cooperation and will also be the part

of INTERPOL cyber security operations. The Singapore government has taken the lead in launching several cyber security initiatives and collaborations with businesses. The Infocomm Development Authority (IDA) and the Singapore Infocomm Technology Security Authority (SITSA) will work with businesses to obtain insights into cyber threats and take the necessary steps to mitigate against these threats.

He announced that Singapore will be setting up a National Cyber Security Centre in the coming months to boost its capacity to counter cyber security threats. To be led by SITSA, the centre will also be the key contact point in Singapore's collaboration with international partners in combating cyber threats. He concluded that while there was no practical means of achieving a 100% security solution to protecting cyberspace, stakeholders ought to address the cyber threat in a coordinated and concerted manner so as to achieve the right balance between openness and regulation.



Distinguished guests at the VIP table.

CONFERENCE OPENING KEYNOTE ADDRESS

Lord Peter Mandelson, *Chairman, Global Counsel LLP; former British Cabinet Minister; former European Commissioner for Trade*



Lord Peter Mandelson delivering his keynote address.

"Global Imbalances: The Economics and Politics of Finding Long-Term Economic Stability and Balance"

Lord Mandelson addressed the imbalances of the current global economy. He argued they would be better tackled as a matter of economic policy rather than viewed through national stereotypes or as economic conspiracy. This is because patterns of spending and savings are often the result of specific policy choices and incentives affecting the relationship between production and consumption in individual countries. Hence if these imbalances flow from public policy choices, they are, in principle, possible to fix. One way to address this issue is to alter savings rates in different countries. To this end, there needs to be policies that would shift the balance between production and consumption in both the deficit and surplus economies.

He proposed three policy prescriptions. First, countries such as the US and UK should avoid borrowing sprees to fund consumption or unproductive investment in their bid for monetary stimulus in rebuilding growth. Second, more needs to be done to increase China's domestic consumption. This may be achieved by strengthening social safety nets, boosting small-scale entrepreneurship and appreciating the Chinese currency.

Third, Europe's internal imbalance needs to be mitigated in order for the Eurozone to survive. This requires aggressive reforms in the deficit economies to improve their productivity and competitiveness, and for policies in the surplus economies that will enable disposable incomes to grow faster than GDP.

In the short term, there should be further liquidity for Greece and an orderly write down of Greek debt, support for banks facing losses as a result, and ECB support for other Eurozone members under pressure. In the longer term, there is a need for new Eurobonds to cover borrowing by Eurozone states and a new system of surveillance of Eurozone members' fiscal plans with the ability to intervene invasively where necessary.

In addition, re-balancing the global economy and setting it on a sustainable path of continued growth requires either a different set of global institutions or the revamping of existing institutions. Given that these institutions were built to reflect Western priorities and prerogatives, they need to be re-cast to reflect the shifting balance of global power in the 21st century.

Despite strong scepticisms and criticisms given the current sovereign debt crisis, Mandelson believes the Euro zone is unlikely to unravel. This is because its disintegration will deepen the current crisis and result in greater instability for not just the Euro zone member states but also the global economy as a whole. Consequently, there is a general consensus among all political parties across the member states to ensure the survival of the Euro zone.

Following from this, in order to tackle the European sovereign debt crisis, Mandelson called for the implementation of rules to address the lack of discipline in enforcing fiscal discipline outlined in the original design of the economic monetary union. This will entail the daunting but necessary task of implementing



Lord Mandelson responding to questions from Dialogue participants with Dean Desker as moderator.

a system of collective liability among the Euro zone members with a structure and framework of policy that is clear, disciplined, enforceable and invasive. This will require a lot of political will which may be difficult to achieve given that Euro zone leaders have to manage the fears and prejudices of their respective voting public as politicians. Nevertheless, there is an urgent need to demonstrate to markets and investors that they have a clear idea of the outcome they are striving for and have the determination to achieve it.

Mandelson also warned against an over-pessimistic assessment of market forces as menacing and opportunistic in the current crisis. On the contrary, he opined that the markets have actually flushed out weaknesses and vulnerabilities of the Euro zone which member states have over the years been sweeping under the carpet. Moreover, he was sceptical that states are able to do a better job running their banks and economies. Accordingly, the solution lies in striking the right balance between over- and under-regulation.



Mr Jusuf Wanandi (left) and Professor Wang Gungwu.



Participants at the panel session.

PANEL 1: SHIFTING GLOBAL BALANCE OF POWER IN THE 21ST CENTURY

Moderator:

Jusuf Wanandi, *Chairman, Indonesian National Committee for Pacific Economic Cooperation Council; Senior Fellow, Centre for Strategic and International Studies, Jakarta*

Speakers:

Sergei Karaganov, *Dean, School of World Economics and International Affairs, National Research University Higher School of Economics, Moscow*

Kishore Mahbubani, *Dean, Lee Kuan Yew School of Public Policy*

Clark Randt, Jr, *President, Randt & Co. LLC; Former US Ambassador to the People's Republic of China*

Yao Yunzhu, *Major General and Director, Centre for China-America Relations, Academy of Military Sciences, People's Liberation Army, People's Republic of China*



Amb Clark Randt Jr., President, Randt & Co. LLC; former US ambassador to the People's Republic of China.

Clark Randt, Sergei Karaganov, Kishore Mahbubani and Yao Yunzhu discussed the shifting global balance of power. The speakers agreed that a global shift was continuing to unfold rapidly, as the European and US economies retrenched and the emerging powers continued to grow in strength. This heralded greater multipolarity in Asia and, for some, demanded a more equitable re-division of labour within international institutions that reflected the global diffusion of power. In a longer-term perspective, Asia's rise was not new but represented a recovery of the region's historical share of global economic output.

Asia's emergence was recognised as a much broader phenomenon than China's rise. Russia and India had also been admitted into regional multilateral structures through ASEAN Plus Eight. Some voices had suggested that the East Asia Summit could serve as the basis for a 'concert of power' in Asia. But the US-China relationship would continue to command attention as the main strategic factor in the unfolding regional power shift and the main determinant of Asia's strategic future.



Prof Sergei Karaganov, Dean, School of World Economics and International Affairs, National Researcher University Higher School of Economics, Moscow.

The rapidity of China's economic rise begged the question: for how long can it maintain a low political profile internationally. Tensions over maritime disputes in East Asia and the South China Sea had raised questions over Beijing's behaviour towards Japan and some Southeast Asian countries. Some speakers painted China's stance on territorial disputes in a reactive light, linked to the resurgence of US strategic interest in the region. Tensions had recently abated. For



Prof Kishore Mahbubani, Dean, Lee Kuan Yew School of Public Policy.

its part the US regarded itself as a Pacific power, was “here to stay” and would not be “pulling back”. China maintained firstly that its position towards resolving unsettled territorial issues in the South China Sea was consistent, based on negotiating through peaceful, political means. Secondly, China had separate problems with the United States concerning military surveillance and monitoring in the South China Sea. Thirdly, freedom of navigation was a “false” issue, because this had not been challenged in the South China Sea and was in the interests of all parties concerned.

China’s political and strategic capabilities and horizons had expanded commensurately with its economic interests. There was widespread agreement that this was a natural phenomenon and did not signal hostile intent, although it was rapidly turning the old status quo on its head. The US recognised this, and was open to greater power-sharing and cooperation on such global challenges as pandemics, terrorism, energy security and climate change. States had more to fear from such transnational, non-traditional security challenges than from each other. The China-India relationship was a good example of how tensions could be managed successfully more broadly in the region and not allowed to stand in the way of economic cooperation. There was enough room for China and India to rise simultaneously. Similarly, the attention recently shown by China’s top leaders to repairing the relationship with Japan demonstrated that Beijing was fully aware of the stakes. Tensions in great power relations, among China, the US, India and Japan were natural – they would always be there. But year by year, the region’s capacity to manage them was increasing. Australia’s experience further demonstrated that states in the region did not necessarily face a zero-sum choice between their major external partnerships, or between their “history or geography”. Over the past decade Canberra had managed to deepen ties with the US, as its major security partner, while at the same time significantly boosting its trade with China. Other voices cautioned that regional states would face inevitably harder choices concerning their future alignment.

The panellists debated Asia’s, and especially China’s, ability to project values that would match the region’s economic prowess and Western narratives. China had a long way to go, but had begun the process of projecting its values and culture, with the aim of promoting a ‘Beijing consensus’. China’s philosophy of harmony and collectivism drew from its own historical sources. China would therefore remain different from the West and preserve its traditions. Yet China was now open to outside, diversified ideas. This openness would be important to sustaining both its continuing rise and its attractiveness to the outside world.

Some speakers thought that the real focus of burden-sharing should be global governance. Asia would also need to drive forward the wider region’s multilateral structures. It was widely agreed that China had made huge economic strides while its military modernisation efforts had also borne fruit. However, China would also need to acquire the soft tools that would equip it to take up a greater international leadership role and to reform existing frameworks.

Speakers posited various scenarios for the future. On one hand, tensions between the great powers in Asia were part of the regional fabric; what matters more is how they are dealt with. ASEAN would continue to play a positive role in managing these. The greatest stabilising factor was a shared interest in maintaining a stable regional security environment that fostered economic growth. If the underlying US-China dynamic is cooperative, it follows that Asia’s regional environment will be benign.



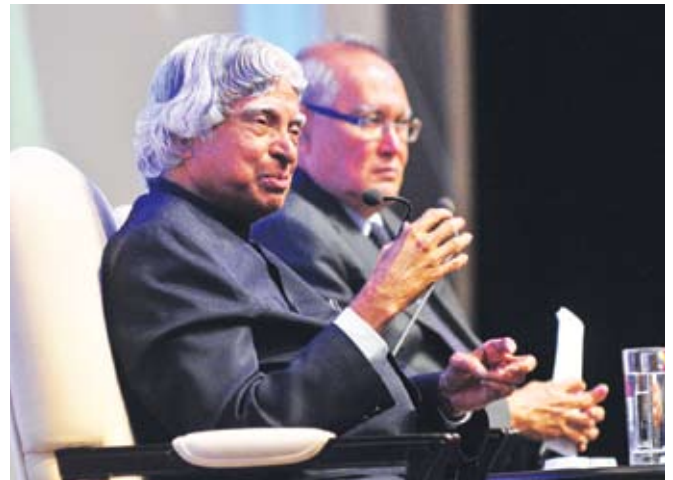
MG Yao Yunzhu, Director, Center for China-America Relations, Academy of Military Sciences, People’s Liberation Army, China.

WORLD LEADER KEYNOTE ADDRESS

His Excellency Dr A. P. J. Abdul Kalam, *Chancellor, Indian Institute of Space and Science Technology; former President of India*

"Confluence of Civilisations: Prosperity and Peace of Societies"

Dr Abdul Kalam posited that technology has enabled globalisation, but divergent socio-economic and political interests at the international, national, and local levels have generated division and disparities, leading to global competition and conflict. Global interconnection has generated multi-pronged, cross-border challenges, such as problems arising from global warming and climate change, the interlocking crisis of markets in the global economy, the global spread of communicable disease, and local issues of inequity and cultural alienation that mutate into global terrorism.



Dr Kalam responding to a participant's question.



HE Dr A. P. J. Abdul Kalam delivers the World Leader's Keynote Address.

Arguing that such challenges increasingly demand global solutions and a collective responsibility of the global community, Dr. Kalam said an imaginative, ecumenical approach to tackling these challenges is envisaged in 'World Vision 2030'; it is a distinctive system for prosperity and peace that seeks to address issues of global poverty or inequity in the allocation of essential resources and access to vital energy supplies. In this visionary blueprint, the core competencies of each nation are identified, harnessed, and synergised with a view to promoting: (i) mutual economic advantage and development; (ii) augmented educational opportunities and affordable health care; (iii) improved governance and governmental responsiveness; (iv) reduced crime against women and children, and cross-cultural alienation that could produce terrorist backlash; and (v) creative leadership underpinned by effective multilateral institutions and conflict-resolving mechanisms.

Dr Kalam envisages Asian nations to be in the vanguard of this global vision with their potential in five key areas. Firstly, Asia can play a major role as a global human resource cadre, with China serving as the world's manufacturing hub, India supplying a large proportion of global workers and skilled personnel, and Asian universities and industries providing the necessary infrastructure and knowledge base for skills upgrading. Secondly, Asia can perform a global mission in providing urban amenities in rural areas, facilitating the provision



A participant asking Dr Kalam a question.



Participants listening intently to Dr Kalam.

of physical, electronic, and knowledge connectivity, leading to enhanced economic connectivity between urban clusters. Thirdly, Asia can function as a global economic powerhouse, with China, Japan, South Korea, and India already among the world's leading economies, and Singapore and Hong Kong as hubs for many of the world's financial and manufacturing establishments. Fourthly, Asia can serve as the centre of the world's energy supply, and even spearhead the

scientific and technological lead in the transition from fossil to green fuel, combining ventures in solar, wind, and nuclear power that would culminate in energy independence. Finally, Asia can resume its historical role at the confluence of world civilisations but now playing a further role in bridging cultural differences and upholding the best values, ideals, and traditions of human civilisation for the common good.



Distinguished guests enjoying a break.

PANEL 2: NEW TRENDS IN GLOBAL GOVERNANCE

Moderator:

Ralf Emmers, *Associate Professor; Acting Head, Centre for Non-traditional Security Studies, S. Rajaratnam School of International Studies*

Speakers:

H. S. Dillon, *Presidential Special Envoy for Poverty Alleviation, Republic of Indonesia*

Nabil Fahmy, *Dean, School of Global Affairs and Public Policy, American University in Cairo*

Yoshiji Nogami, *President, The Japan Institute of International Affairs*

Shashi Tharoor, *Member of the Indian Parliament; Former Indian Minister of State for External Affairs*



Assoc Prof Ralf Emmers (centre) moderating the panel session.

The second panel addressed the realities of the world today: increasingly complex with innovations in technology, new communicative infrastructures, the emergence of new social movements and the rise of new challenges for nation-states. They touched on diverse themes, ranging from 'problems without passports' such as environmental degradation, migration, growing income disparities and terrorism and suggested solutions for them.

They pointed out that nation-states today may not be capable of dealing with the myriad challenges that are posed by the new world system. There was an asymmetry of trust between states, which took seemingly contradictory postures vis-a-vis one another, calling for greater co-operation while still driven by narrow parochial interests. States still work and compete against one another, driven by the needs and wants of

their national constituencies. In such a climate where competition erodes trust there could not be any form of global governance that can deal with common issues that are universal.

With problems such as the growing income gap between rich and poor nations, chronic poverty and vast disparities of healthcare and social welfare, there was hardly anything that resembled global governance in a meaningful way.

Compounding the problem has been the advance of democracies in so many countries, where ironically 'laws that do not favour the rich seldom get passed'. States needed to tap into the points of mutual interest and emphasise the common universal concerns that cut across nation-state interests and priorities.



Amb Nabil Fahmy (left) Dean, School of Global Affairs and Public Policy, American University in Cairo.

It was noted that the present global system which dates back to the end of World War Two is now patently outdated. Rather than working within the same old Westphalian model of competition between states, governments had to think in terms of a balance of interests instead.

The nation-states of today are facing changes on an unprecedented scale: a look at the demography of Egypt and the Arab world points to a world that is rapidly changing, with more than fifty percent of the population being young (below the age of 25) and yet with rising levels of unemployment, in some cases in excess of 25 per cent. The postcolonial nation states of the Arab world and the rest of the South would therefore have to be pragmatic in dealing with these issues. There has to be some recognition on the part of states that their interests – in governance, welfare, environmental protection – have to coincide.

The question was whether the newly emerging powers of the world – India, China – were really about to bring



Dr H. S. Dillon, Presidential Special Envoy for Poverty Alleviation, Republic of Indonesia.

about a shift in the paradigm of governance on a global level. However recent multilateral discussions such as that in Seoul have demonstrated that bodies such as the G20 have not been able to become a global co-ordinating body in their own right. Rather recent attempts at multilateralism and discussion on global issues such as resources, the environment etc have revealed deep divisions in the global community instead. The military campaigns in Iraq and Afghanistan and even the War on Terror, have shown the limits of consensus-building and have also contributed to the present global economic crisis.

The world's institutions are experiencing what may be described as institutional fatigue, and there is a growing concern over the prospects of any multilateral system that may deliver any semblance of global governance. A new set of global norms would be required if they are to work towards any form of global order, and this has to come about through growing convergence between states, and the 'knitting together' of common, universal interests.



Dr Shashi Tharoor, Member of the Indian Parliament; former Indian Minister of States for External Affairs.



Amb Yoshiji Nogami, President, the Japan Institute of International Affairs.

PANEL 3: THE IMPACT OF NEW TRENDS AND EMERGING TECHNOLOGIES

Moderator:

Peter Ho, *Senior Advisor, Centre for Strategic Futures; Senior Fellow, Civil Service College*

Speakers:

James M. Dorsey, *Senior Fellow, S. Rajaratnam School of International Studies*

Andrew Sheng, *President, Fung Global Institute*

David Sifry, *Founder and CEO, Offbeat Guides; Founder, Technorati*



Mr Peter Ho (second from left) moderating the panel discussion.

Dr Andrew Sheng addressed the subject primarily from a financial perspective. The real question, in his opinion is whether technological change is always a good thing. He reiterated that for the past fifty years, technological change has been seen as a good thing, but the last five to ten years have demonstrated the unstable side of technology. He warned against an over optimism about technology. For example, interconnectivity has created 'flash trading' in stock market terms. Very complex ideas have been reduced to simple notions and governments need to respond immediately.

Sheng noted that the world has become a system networked society, but the feedback mechanism has been ignored. The present situation is one where

banks live globally but die nationally. As such, in place of vertical national silos, there is a need to create global institutions to deal with global problems, and to understand the network structure and the nodes in the system.

Noting that the frequency of potential global shocks is no longer predictable, Sheng proposed a move away from the Newtonian approach in economic theory. He suggested the following seven guidelines for leaders in dealing with system change: promote systems change; work at multiple levels of scale; make space for self-organisation; seize breakthrough opportunities when they arise; accept that change cannot be directed; assume that change is going to take time; and be



Mr James Dorsey (left) and Panel Moderator Mr Peter Ho.

prepared to be surprised. He concluded that the risk of interactive change cannot be ignored.

Mr James Dorsey addressed the issue of the impact of social networks on society and politics. He argued that technology facilitates change, but the recent events associated with the Arab Spring would still have taken place without Facebook or Youtube. In Syria, social media had played a significant role. In Iran, it was the cassette and in Tunisia, the mobile phone video. In short technology plays an important role in any revolt, but social media presents a more complex game changer. In sum, technology is an enabler, rather than a determinant of change.

Social media is complicated for both activists and governments. However, activists understand the interaction of social media better than both autocratic and non-autocratic governments. As the ability to understand social media is not in the DNA of autocratic governments, it is difficult for autocratic governments to make the necessary mindset shift.

Dorsey noted that the discontent of the Arab Street was ignored by mainstream journalists, but that did not stop the discontent from being expressed in social media. Dorsey concluded that censorship is futile and governments have to think about how they

project themselves in a complex landscape and move in tune with public opinion. Mr David Sifry argued that technology is a political actor and a potential harbinger of things to come. From the printing press to the networked computer, the explosion of networks has led to enormous decentralisation trends. For example, the ability to get on the SMS network in Africa has led to a change both economic and political power. The ability to find individuals of like minds and the ability to find information quickly present both opportunities and risks.

Decentralisation and empowerment allow for neglects to be exposed. A mob mentality can occur with unintended consequences. Social media can become an echo chamber where people become polarised along with those sharing similar views. Cyberhacking and the vitriol caused by rumours are also potential problems.

Sifry's solutions to the potential problems include strengthening the infrastructure and education. Educating the population in media literacy particularly the understanding of bias and making effective educated judgements needs to be in the school curriculum. In conclusion, Sifry added that despite the need for regulation, it is a blunt instrument with unintended consequences and that education and transparency need to be promoted to deal with complex changes.



Dr Andrew Sheng, President, Fung Global Institute.



Social media expert David Sifry discussing policy implications of new media.

Several questions were raised on the impact of the internet and social networks. A participant commented that social networks allow the venting of feelings, but lots of revolutions are not happening. Hence, do social networks actually enable active participation or merely provide a false sense of participation? Another participant posed the question of how do we prevent the internet from being the cult of the amateur? Sheng believed that there is a great divergence between the values of the baby-boomers and the new generation and until we bridge that gap, accidents will happen. On the multifaceted nature of social networks, James Dorsey argued that there is the danger of distortion, but at the same time, as a medium, social networks have to be taken seriously. In this regard, images can win converts to the point that the groundswell forces change.

On the subject of cyber crime a participant noted that the threat posed by cybercrime is higher than that posed by organised crime. Highlighting the potential danger of network shutdown posed by cybercrime, another participant observed that in times of crisis, governments might be forced to shut down network systems. The main question was what should governments do to counter the problem of fast moving transnational cybercrime? Sifry said that governments have an important role in coordinating the regulatory frameworks to define what exactly is cybercrime as well as the legal frameworks. He also agreed that governments are apt to change the rules in times of national emergencies and suggested that informed citizenry can help by having conversations that result in solutions that can deal with the exigencies before they erupt.



Maria Ressa, Writer-in-Residence at RSIS' ICPVTR, posing a question to panel members.



Prof Sergei Karaganov engaging the panel speakers.

DIALOGUE WITH LEE KUAN YEW

Lee Kuan Yew, *former Minister Mentor; Senior Advisor to the Government of Singapore Investment Corporation*

Moderator:

DeAnne Julius, *Chairman, Chatham House*



Dr DeAnne Julius, Chairman, Chatham House, moderating the dialogue session with Mr Lee Kuan Yew, former Minister Mentor, at the Closing Dinner.

During the dinner dialogue session, former Minister Mentor Lee fielded a variety of questions that spanned the topics of national interest, and global and regional architecture and their possible futures.

Matters of national interest

When asked what message he had for a changing Singapore, especially in the aftermath of the landmark 2011 general election, Mr Lee admitted that complete government dominance was not sustainable and that he understood the younger generation's desire for political competition. However, he expressed scepticism on the birth of a two-party system, saying this was contingent on both the performance of the opposition and government's responses.

In the context of Singapore's relations with neighbouring countries, China, India and the US, Mr Lee stated that

it was important for Singapore to ride on China's and India's growth while maintaining interest in other countries. He stressed that the more trading partners and investments Singapore had, the better it served national interests while cultivating Singapore's foreign relations. He was positive about Malaysia-Singapore relations, commending Malaysian initiatives to further enhance bilateral relations. He cited the development of Johor's Iskandar region as complementary to Singapore's trade and commercial interests. He did not, however, foresee the two countries forming a political or economic union in the future.

On Singapore's main priorities in order to maintain development over the next decade, Mr Lee called for the continuation of good governance, anti-corruption measures, the guiding principles of meritocracy and pragmatism, and the equitable spread of the benefits of development.



A performance by musicians from the School of the Arts.

Global and regional architecture and their futures

On the geopolitical challenges posed by economic power shifts from West to East, particularly in light of the recent global financial crises and the West's long period of low growth rates or stagnation juxtaposed against continued growth in most of Asia, Mr Lee remarked that demographic changes and population growth across Asia were the primary drivers of such change. He cautioned, however, against excessively rapid economic growth which could result in China's

increased assertiveness, arguing that this would go against their efforts to win the support of other countries within the region and beyond. In response to a question about China's role in the Pacific and how this would affect other regional players such as Japan, South Korea and the US, especially in the context of US fiscal problems and political dissatisfaction with wars in Iraq and Afghanistan, Mr Lee said that even if they came together, other regional players including Japan, South Korea and ASEAN member states would not be able to balance China without the active presence of the US. However, he noted that China had a host of internal challenges to deal with as well, citing the widening income gap between coastal and inland provinces, and rural and urban areas, and migration issues as some of them. Pertaining to the Taiwan issue, Mr Lee strongly remarked that China had always aimed for reunification as a fixed and immovable objective in the long term.

When asked for his perspectives on India, Mr Lee commended the nation's high domestically-driven economic growth rate over the past decade, noting that this growth would help ensure India's peaceful rise as a regional power. He also noted that it was uncertain whether this would pose a challenge to China or Southeast Asia. He added that Chinese commentaries



Dean Desker thanking Mr Lee Kuan Yew for gracing the Singapore Global Dialogue Closing Dinner.



Distinguished guests at the Closing Dinner.

in recent times have not considered India a rival as India's growth rate remains two-thirds that of China's average. Mr Lee also cited continued border disputes between China and India as well as complications over the status of Tibet as issues likely to remain on the two nations' agenda. On the potential of an Asian economic bloc, Mr Lee remained sceptical as he did not foresee a collective grouping of Asian countries having similar objectives. He cited conflicting national interests among Asian powerhouses, particularly China and India, as the main reason for this.

Asked about the future of the emerging Asia Pacific framework, particularly given the expansion of ASEAN to include dialogue partners such as Russia, and the enduring role of APEC, Mr Lee remarked that he did not see a sustainable cohesion among the members of ASEAN Plus Eight, as Russia's geopolitical interests and its objectives in the Pacific were different from those of the US, South Korea, Japan and ASEAN. On the role of Australia within this regional framework, Mr Lee said that while Australia remained an important partner for regional cooperation and dialogue, its previously strong role in Southeast Asia between the 1940s and 1960s had reduced the withdrawal of the United Kingdom's presence in the region and that Australia as a single actor was unable to mitigate regional conflict.

Regarding Africa's role in the world over the next decade, Mr Lee remarked that there were stark disparities in development across the African continent, rendering African countries' capacity to influence global developments markedly different. He noted that

Africa's strength lay in the export of raw materials, and that international interest in the continent beyond that has waned since the end of apartheid.

Finally, on the future of nuclear weapons, Mr Lee offered a two-sided perspective. He said that in the hands of major powers, nuclear weapons were a positive factor as they could help to temper the risk of conflict between nations and aid in configuring political spheres of influence. However, he added, nuclear proliferation among small or middle powers would be a high-risk exercise. He remarked that in the current global context, a bipolar world would be more secure in terms of preventing conflict and the proliferation of weapons of mass destruction (WMDs). However, if a third pole with WMD proliferation ambitions was to emerge and create a multi-polar environment, this would be cause for concern.



(From left): Dean Desker, Amb Fahmy and Mdm Ho Ching at the Closing Dinner.

SINGAPORE GLOBAL DIALOGUE PROGRAMME

Shangri La Hotel, Singapore

Wednesday, 21 September 2011

18:45 – 19:45 **Registration and Welcome Reception**

19:45 – 21:30 **Welcome Dinner and Keynote Address**

Teo Chee Hean, *Deputy Prime Minister and Co-ordinating Minister for National Security and Minister for Home Affairs, Singapore*

Thursday, 22 September 2011

08:00 – 08:45 **Registration and Coffee**

08:50 – 09:15 **Opening Remarks**

Barry Desker, *Dean, S. Rajaratnam School of International Studies*

09:15 – 10:00 **Opening Keynote Address**

10:00 – 10:30 **Tea Break**

10:30– 12:15 **The Shifting Global Balance of Power in the 21st Century**

This session will examine the emergence of new centres of political and economic power. With changing expectations over representation in the international system, what new patterns of international leadership are likely to develop? With growing demands for power-sharing – but not necessarily burden-sharing – what forms of conflict are likely to evolve? How will the international system be able to withstand tensions between emerging economies and established powers?

Sergei Karaganov, *Dean, School of World Economics and International Affairs, National Research University Higher School of Economics*

Kishore Mahbubani, *Dean, Lee Kuan Yew School of Public Policy*

Clark Randt, Jr, *President, Randt & Co. LLC; Former US Ambassador to the People's Republic of China*

Yao Yunzhu, *Major General and Director, Centre for China-America Relations, Academy of Military Sciences, People's Liberation Army*

Moderated by Jusuf Wanandi, *Chairman, Indonesian National Committee for Pacific Economic Cooperation Council; Senior Fellow, Centre for Strategic and International Studies, Jakarta*

12:15 - 14:15 **Luncheon and World Leader Keynote Address**

A. P. J. Abdul Kalam, *Former President of India; Chancellor, Indian Institute of Space Science and Technology*

14:15 – 16:00

New Directions in Global Governance

The accelerating pace of globalisation is pressing the world toward ever more complex forms of interdependence. Patterns of resource exploitation and consumption, environmental instability and political violence are all becoming increasingly interconnected. Simultaneously, the capacity of individual states to meet the resultant challenges to human well-being is being steadily eroded. This panel seeks to identify innovative ways of developing governance mechanisms to ensure order and justice in this shifting landscape.

H. S. Dillon, *Presidential Special Envoy for Poverty Alleviation, Republic of Indonesia*

Nabil Fahmy, *Dean, School of Global Affairs and Public Policy, American University in Cairo*

Yoshiji Nogami, *President, The Japan Institute of International Affairs*

Shashi Tharoor, *Member of the Indian Parliament; Former Indian Minister of State for External Affairs*

Moderated by Ralf Emmers, *Associate Professor; Acting Head, Centre for Non-traditional Security, S. Rajaratnam School of International Studies*

16:00 – 16:30

Tea Break

16:30 – 18:15

The Impact of New Trends and Emerging Technologies

Rapid technological change raises profound questions about the directions in which key aspects of politics, military security and economic interaction are moving. What is the relationship between technology and human endeavour? How is the development of the new social media reshaping political life around the world? What are the ramifications of cyber security and how will they affect the strategic environment? How do we manage the instabilities produced by the new technologies in global finance?

James M. Dorsey, *Senior Fellow, S. Rajaratnam School of International Studies*

Andrew Sheng, *President, Fung Global Institute*

David Sifry, *Founder and CEO, Offbeat Guides; Founder, Technorati*

Moderated by Peter Ho, *Senior Advisor, Centre for Strategic Futures; Senior Fellow, Civil Service College*

18:15 – 18:30

Closing Remarks

Barry Desker, *Dean, S. Rajaratnam School of International Studies*

18:30 – 19:30

Cocktail Reception

19:30 – 21:30

Closing Dinner

Dialogue with Lee Kuan Yew, *Former Minister Mentor, Republic of Singapore; Senior Advisor to the Government of Singapore Investment Corporation*

Moderated by DeAnne Julius, *Chairman, Chatham House*

ACKNOWLEDGEMENTS

The S. Rajaratnam School of International Studies gratefully acknowledges the generous support of Temasek International Pte. Ltd, Wilmar International Pte. Ltd, Hotel Properties Ltd, Shangri-La Hotel, Singapore and the Singapore Tourism Board.

RSIS also thanks all the speakers and participants of the second Singapore Global Dialogue, Hill & Knowlton for managing media relations for the event, and Tricom Events Pte. Ltd. for the excellent logistical support provided through the course of the event.

ABOUT RSIS

The S. Rajaratnam School of International Studies (RSIS) was officially inaugurated on 1 January 2007. Before that, it was known as the Institute of Defence and Strategic Studies (IDSS), which was established ten years earlier on 30 July 1996.

Like its predecessor, RSIS was established as an autonomous entity within the Nanyang Technological University (NTU). The School exists to develop a community of scholars and policy analysts at the forefront of Asia Pacific security studies and international affairs. Its three core functions are research, graduate teaching and networking activities in the Asia Pacific region. It

produces cutting-edge security related research in Asia Pacific Security, Conflict and Non-Traditional Security, International Political Economy, and Country and Area Studies.

The School's activities are aimed at assisting policymakers to develop Comprehensive approaches to strategic thinking on issues related to security and stability in the Asia Pacific and their implications for Singapore.

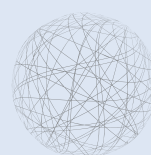
For more information about RSIS, please visit <http://www.rsis.edu.sg/>.





**S. RAJARATNAM SCHOOL
OF INTERNATIONAL STUDIES**

A Graduate School of Nanyang Technological University



**SINGAPORE
GLOBAL
DIALOGUE**

S. Rajaratnam School Of International Studies, Nanyang Technological University
Block S4, Level B4, Nanyang Avenue, Singapore 639798

TEL 65-6790-6982 FAX 65-6793-2991 EMAIL wwwrsis@ntu.edu.sg WEBSITE www.rsis.edu.sg