

**Summary Report**  
**The ACD Think Tanks Symposium**  
**“Towards Asian Dynamism: The Potentials of the Asia Cooperation Dialogue”**  
**15 – 17 December 2004, Royal Orchid Sheraton Hotel, Bangkok**  
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The Asia Cooperation Dialogue (ACD) Think Tanks Symposium with the theme “Towards Asian Dynamism: The Potentials of the Asia Cooperation Dialogue” was co-hosted by Ministry of Foreign Affairs of Thailand and Saranrom Institute of Foreign Affairs in Bangkok, Thailand on 15 – 17 December 2004 with participants from 24 ACD countries (please see attachment 1). Dr. Sorajak Kasemsuvan, Vice Minister for Foreign Affairs of Thailand, in his capacity as the Director of Saranrom Institute of Foreign Affairs gave a welcoming remarks to thank the government of ACD countries and their respective academic institutions for their support. The Vice Minister also stated that the objective of the symposium is to establish an ACD academic network for sharing experiences and ideas on the future of Asia and ACD.

H.E. Dr. Surakiart Sathirathai, Minister of Foreign Affairs of Thailand, delivered the keynote speech, emphasizing the importance of Asian community as a necessity to fully utilize the potentials and resources of Asia for the prosperity of the region and the world. If Asian community is perceived as a house then ACD should be seen as its roof with the sub-regional and other groupings in Asia as the building blocks of the house. The Foreign Minister pointed out the main task of the symposium as the identification of challenges facing the future progress of Asia as a community as well as in the exploration of possible future cooperation initiatives by ACD members.

The Meeting was chaired by Dr. Won Ho Kim, Director of Center for Regional Economic Studies, Korea Institute for International Economic Policy, Dr. Makio Miyagawa, Director of Japan Institute of International Affairs, Dr. Chira Hongladarom, Secretary-General of Foundation for International Human Resource Development, Thailand, and Professor K.J. Joseph, Visiting Senior Fellow of Research and Information System for Non-Aligned and Other Developing Countries, India, and divided into four sessions as follows:

Session I: Developing Asian Resources and Technological Research

Dr. Won Ho Kim and Dr. Abdulla Al-Sadiq, Assistant Secretary-General for Economic and Strategic Studies, Bahrain Centre for Studies and Research (BCSR) emphasized on the significance of energy issue in Asia. In the past decade, Asia has seen the rising on oil price and increasing demand among the emerging economic powers in East and South Asia, which has become a major concern for the region. On the other hand, the world increasing dependent on oil and the ability to influence the oil price by the oil producers has made Gulf States in a good position to enhance their wealth and prosperity for decades to come. Both panelists stressed on the need for close cooperation between the oil consuming and the producing countries in Asia as the best outcome on the energy issue.

Professor Dr. Morakot Tanticharoen, Director of National Center for Genetic Engineering and Biotechnology, Thailand, made a presentation on the essentiality of biotechnology in the current world. Biotechnology is leading to advancement in the agriculture sector,

which most population in Asia are still living in. Dr. Abdulhadi Al-Otaibi, Director-General, and Dr. Nader Al-Awadhi, Deputy Director-General of Kuwait Institute for Scientific Research illustrated the advancement of biotechnology in Kuwait because of strong governmental support and Kuwait's readiness to cooperate with any ACD members countries for further R&D on biotechnology.

During the discussion, the participants presented a similar view on the need for further cooperation in Asia, particularly on the energy issue.

### Session II: Enhancing Economic and Financial Cooperation in Asia

This session the panelists presented various ideas on ways to enhance further cooperation in Asia. Dr. Makio Miyagawa recommended on further cooperation and integration of trade, economic and finance in Asia.

Dr. Lee Choong-lyol of Korea University introduced the potentials of interoperability of electronic money and integration of payment system in Asia. He believes that payment industry is very important to maintain stable financial market and probably the first step to Asian monetary union.

Dr. Saisawan Vadhanapanich, Director of Better Business Practices Division, Kenan Institute Asia illustrated the benefits of multi-level capacity development on sustainable development of SMEs in Asia. Kenan's model of development has been proven as effective in Thailand and Kenan would like to cooperate with other Asian parties to expand towards regional wide capacity building.

Dr. Bhasu Bhanich Supapol, Deputy – Director of Fiscal Policy Research Institute made presentation on the rational and key concept of the Asian Bond Market Development. The Asian Bond is a long-term dated debt obligation in local Asian currency issued by Asian-based issuers and actively traded regionally and internationally. He proposed that the Asian bond should be promoted on a step by step and voluntary basis, it should go ahead only when member country is ready. The long term aim of Asian bond market is to foster a unified foreign exchange regime and closer currency cooperation to facilitate regional trade, investment and financial integration in Asia.

Dr. Kittinoot Chulikavit of Faculty of Agricultural Business, Maejo University illustrated the benefits of internet and e-commerce in the enhancement of SMEs export sales.

### Session III: Strengthening Asian Foundations: Building Networks and Linkages across Asia

This session discussed extensively on the role of human resources development among ACD countries. Dr. Chira Hongladarom emphasized that HRD could enhance the capacity of the ACD countries to better reap the benefits from globalization. He then emphasized that networks of ACD think tanks that encourage participation from stakeholders should be established to share expertise on HRD.

Prof. Li Xiande of Chinese Academy of Agricultural Sciences commented that labour productivity in the agricultural sector of China is low which tends to worsen the income gap between rural and urban areas. Therefore, the labour migration restrictions should be lifted and skill training to rural migrants should be provided to enable them to compete in the urban labour markets.

Dr. Patcharawalai Wongboonsin, Associate Director of Institute of Asian Studies, Chulalongkorn University illustrated that all Asian countries have been experiencing declining population growth which tends to reduce the workforce and hamper economic growth. Therefore, the quality of human resources is crucial and policy conditions for a more productive workforce are essential.

Mr. Fazal-ur-Rahman, Director of Institute of Strategic Studies of Pakistan emphasized on the importance of promoting multi-level network and linkages among ACD member countries in facilitating greater cooperation across Asia.

H.E. U Nyunt Tin Secretary of Myanmar Institute of Strategic and International Studies (Myanmar ISIS) and Mr. U Kyi Maung Oo, Deputy Secretary of Myanmar ISIS jointly agreed on the benefits of tourism from Asian cooperation and emphasized on the need to expand transport linkages in the region to fully reap the benefits from tourism.

The participants also agreed that human resources should not only be focused on development but also efficiency in distribution of human resources for self sufficiency across Asia with the goal beyond economic prosperity. The emotional side of human beings like happiness should also be taken into consideration.

#### Session IV: Conclusion: Concretizing Asian Dynamism and Potentials: Challenges and the Way Forward

Dr. Saman Kelegama, Executive Director of Institute of Policy Studies, Colombo pointed out the movement towards Asian Economic Community by looking at the common global trend. He also argued in favor of the creation of an Asian Economic Community. He also presented some challenges Asia would face in moving towards such community. Free trade arrangements at bilateral and regional levels should be simultaneously carried out and be complementary to multilateral trade liberalization under the process of WTO.

Professor K.J. Joseph argued that while Asia should think of an Asian economic community but given the fact that there are limits to existing arrangements so Asia needs to start somewhere. He proposed that Asia could start with cooperation in sector specific areas, for example, by increasing investment for greater human resources to be developed and distributed, connectivity of roads and network, joint resources exploration, research and development.

The participants discussed extensively on the issue. While most agreed on the benefits that greater economic integration will bring to Asia, reservation are still given to the benefits from bilateral FTAs in enhancing further cooperation of Asia. Thereby, further study on such issue should be encouraged. All agreed that cooperation should proceed simultaneously both in functional areas and free trade arrangements.

During the closing session, Dr. Chira Hongladarom made a concluding remark on behalf of the Ministry of Foreign Affairs and the Saranrom Institute of Foreign Affairs. He proposed that further study should be taken on the feasibility of setting up an “Asian Energy Community” to enhance further cooperation on energy between energy producing and energy consuming countries in Asia. He also proposed that an “ACD Human Resources Development Center” should be established with Thailand in co-ordination with Oman, China, India, Japan, Pakistan, Sri Lanka and Kuwait.

The participants welcomed the two proposals and agreed that ACD Think Tanks Symposium is a useful forum in building an Asia wide academic networks. Such networks are critical assets for Asia’s competitiveness in general and ACD’s various area of cooperation in particular. The participants also recommended that the next symposium should be focused on single issue or theme, so that a more specialized area of cooperation in Asia could be worked upon.

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