



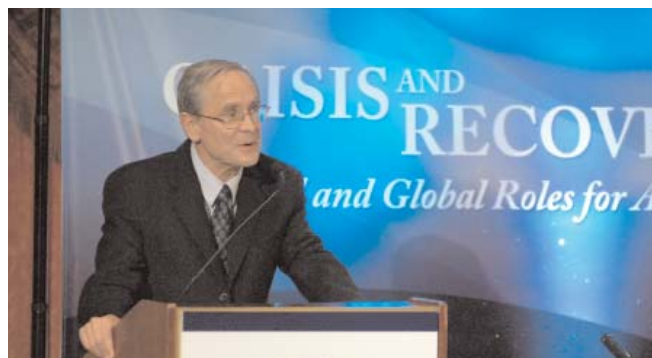
Pacific Economic Cooperation Council

Eighteenth General Meeting • May 12-13, 2009

Opening Remarks: Plenary Session, May 12, 2009

CHARLES MORRISON, International Co-Chair, PECC: I want to welcome you to the 18th General Meeting of the Pacific Economic Cooperation Council (PECC). This is only the second of these meetings to be held in the United States and the first in Washington, D.C.

What is the Pacific Economic Cooperation Council—PECC? We're a network of individuals from the government sector, participating in their private capacities, from business and from the academic sector, who are organized into 26 member committees trying to promote a better Asia Pacific region through economic cooperation. We embrace a very huge region. It includes parts of four continents, about 40 percent of the world's population and about 60 percent of the world's production of goods and services.



Dr. Charles E. Morrison, International Co-Chair of PECC &
President, East-West Center

PECC is 29 years old. It was created in 1980 as a kind of second track for Asia Pacific cooperation at a time when there was no first track. In fact, the main goal in the early years was to establish the first track process of governmental cooperation.

When APEC was created in 1989, PECC became an official observer organization within the APEC process.

This is a very unusual status because the other two observer organizations are actually inter-governmental organizations, ASEAN and the Pacific Islands Forum. We are more than a second track to APEC, however. We promote activities that affect Asia-Pacific economic cooperation, whether they're taken up in the APEC process or not.

What do we do? Every year we do an annual *State of the Region Report*. It consists of different parts, but one important part is a survey of regional opinion, which is

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intended to gauge and monitor regional opinion towards economic cooperation and satisfaction with the regional organizations. We've decided to do this twice a year during the current economic crisis. So tomorrow we'll be releasing our survey that was done only about two or three weeks ago.

We have small international task forces that focus on critical issues. The last couple of years we had task forces on regional architecture, labor migration and demography, and educational services. We are starting task forces on sustainable economic recovery, trade, and green growth.

These are small groups. They're broadly representative of different perspectives from the region. They report to the PECC. The recommendations they present are aimed at injecting ideas into the debate, but PECC as a whole doesn't necessarily agree with every idea of every task force.

PECC also has international projects sponsored by member committees. Most recently, these have included projects on water, food, and financial centers. In addition, PECC has national-level activities, the main purpose of

continued on page two

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continued from page one

which is to increase public awareness at the national level of the benefits of Asia Pacific cooperation and to support intergovernmental regional processes such as the APEC. We feel it is very important to reach out to the younger generation and we're very happy that we have some young PECC participants from Asian economies here with us for the conference.

Yesterday, the PECC Standing Committee met for the entire day and made a significant transformation to our structure. For the first 29 years, the organization had one chairman. The Standing Committee decided yesterday to create two co-chairs to lead the organization. Not only will this reduce the burden on the chairman, but it also will be important symbolically for the region to have two co-chairs.

I'm very pleased to announce that joining me as a co-chair of PECC will be my long-time friend, Jusuf Wanandi. He is an Indonesian public intellectual, publisher of *The Jakarta Post*, and one of the founders of the Centre for Strategic International Studies in Jakarta. Mr. Wanandi has been involved in a very prominent way in virtually all of Indonesia's foreign affairs.

And since we are in Washington, we are hosted by the U.S. member committee of the PECC, which is called the U.S. Asia Pacific Council [USAPC]. It was reorganized six years ago and is now a program of the East-West Center. The USAPC chair is Amb. J. Stapleton Roy, a very distinguished diplomat, former ambassador to Singapore, Indonesia, and China, who now is with the Woodrow Wilson International Center for Scholars here in Washington.

So I turn now to Jusuf and Stape for further comments.

JUSUF WANANDI, International Co-Chair, PECC; President, *The Jakarta Post*: Thank you for your kind words, Charles. This crisis is a challenge and an opportunity, as I was told by the Chinese, to strengthen and deep-



Mr. Jusuf Wanandi,
International Co-Chair, PECC &
President, *The Jakarta Post*

en our transpacific cooperation and partnership. Of course, it is a global crisis and the G20 is a very important instrument of the 21st century to oversee and overcome the crisis for global interests.

But the G20 needs support and participation from regional institutions. PECC should be an important instrument to contribute to this process.

That is why this meeting is so important. This meeting should show how important transpacific cooperation is in finding solutions to overcome the crisis.

It also should show the importance of transpacific

cooperation in the medium and long term to overcome issues such as economic restructuring, developing social safety net policies and institutions, especially in health-care and education, and making it possible for a certain level of national resilience to be established in the future.

It is important that there is a U.S. administration that is freshly elected and possessed an open mind with respect to cooperation and partnership across the Pacific. That will make this cooperation more fruitful and important, and I do think that PECC and APEC will be given an important role in the future to make this partnership a possibility. Thank you.

J. STAPLETON ROY, Chairman, U.S. Asia Pacific Council; Director, Kissinger Institute on China and the United States, Woodrow Wilson International Center

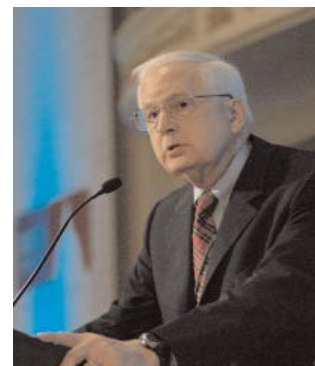
for Scholars: I think this 18th General Meeting of the Pacific Economic Cooperation Council could not have been better timed. There are three reasons why I think this particular meeting is especially significant.

The first is that the global economic and financial crisis has focused attention on economic and financial issues to a degree that exceeds that of the Asian financial crisis of 12 years ago.

This crisis is global in scope and it has generated enormous attention to the reasons for the crisis and prospects for recovery. And this meeting will have a chance to address those issues in an expert way and in a very timely fashion.

The second reason is that the eyes of the world have been on the rise of China and India for some time, but the crisis has accelerated this process, particularly in the case of China. This is because of the sharp drop in Chinese output last year, the dramatic recovery measures that China has taken, and the prospect that China will be an aberration of global economies by perhaps sustaining a very significant rate of growth this year at a time when most economies are declining. And the significance of this deserves attention.

But there's a third reason. There's a new U.S. Administration in the United States and it is certainly unusual and may be the first time in recent decades that a Secretary of State visited both Northeast Asia and Southeast Asia on her first official mission as Secretary Clinton did earlier this year. I also think it is unprecedented for a Secretary of State to have given a major poli-



Amb. J. Stapleton Roy, Chairman,
U.S. Asia Pacific Council &
Director, Kissinger Institute on
China and the United States,
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continued on page three

continued from page two

cy speech on the Asia Pacific region so early in the new administration at a time when none of the officials who will be handling Asian responsibilities had yet been confirmed.

So it was not simply the fact of the visit. Rather, it was the fact that there was a policy framework for the visit spelled out in detail early in the new administration. I think this is a harbinger of the fact that the new administration is likely to be giving special attention to Asia Pacific issues, including the economic and financial ones.

I think today's conference will offer some very helpful insights into what is going on in the region and to the economic and financial considerations that are receiving so much attention these days. So welcome to all of you and thank you.

CHARLES MORRISON: Before we go to the first panel, I'd like to introduce two people who will be important in the program. The first is Mark Borthwick, who is the Director of the U.S. Asia Pacific Council. The second is Satu Limaye, who is the Director of the East-West Center in Washington.

I also want to wish a warm welcome and thanks for joining us to the senior officials from APEC who are here, including Amb. Patricia Haslach from the United States, and Amb. Kenji Hiramatsu and Mr. Makoto Shiota from Japan. Mr. Ravi Menon, Second Permanent Trade Secretary of Singapore, will be joining us later in the day. Thank you all and we'll start the first panel. ♦