

'Globalization can counter challenges'

BFA Chairman Ban says free trade, multilateral cooperation can drive global economic growth

By PAN MENGQI

The merits of globalization are being selectively ignored in many debates, thus creating a dangerous situation for the world, said former United Nations secretary-general and Chairman of Boao Forum for Asia (BFA) Ban Ki-moon.

In a keynote speech at the BFA Seoul Conference held from Nov 19 to 20, Ban said the conference took place at a crucial juncture for Asia and the world.

"We're facing a wide range of long-term challenges for mankind, which have been complicated by a number of uncertainties and risks in the near term," said Ban, who listed climate change, income inequality, the digital divide and ignorance on globalization as the four major challenges the world faces.

Ban pointed out that climate change is a fundamental threat to sustainable development globally and the survival of disadvantaged groups and areas, while all people must "act together and now".

The Paris climate deal was agreed during Ban's time at the UN. He said

the collective actions needed and called for by the Paris Accord are being set back, however, by some countries' short-sighted withdrawal, lack of political will, and failure to honor climate finance commitments.

Ban noted that income inequality is another fundamental challenge to sustainable development. He said that 10 percent of the world's population lives on less than \$1.9 a day, making the task of ending extreme poverty by 2030 daunting, if not impossible.

Inequality is not just about fairness, he added. There will be no sustainable growth where the rich get richer while those in the middle and at the bottom stagnate or get poorer.

In the International Monetary Fund's latest *World Economic Outlook*, the organization pointed to the slow growth of workers' incomes as the biggest secular challenge. If inclusive growth cannot be ensured, it will not be sustainable, Ban said. "This applies to all countries, developed and developing alike."

In addition, the BFA chairman stressed that the digital divide is one of the difficulties that global political and business leaders must



Former United Nations secretary-general and Chairman of the Boao Forum for Asia Ban Ki-moon listed climate change, income inequality, the digital divide and ignorance on globalization as the four major challenges that confront the world. PROVIDED TO CHINA DAILY ASIA WEEKLY

spare no efforts to tackle.

"For many of us, the access to the internet is as (common) as access to water and electricity. Digital devices such as smartphones and pads are daily necessities."

Businesses are gearing up for the fourth industrial revolution, he said, adding that artificial intelligence, big data, cloud computing and internet of things are getting massive media coverage.

"But on the other side of the picture, more than half of the world's population has no access to the internet, and Asia, along with Africa, has the lowest rate of connectivity," he said.

Moreover, Ban said that rhetoric, sentiment and policies against globalization place the world in a dangerous situation.

He said that while some blame globalization for widening the gap

between rich and poor, he has seen the economic wonder of globalization lift hundreds of millions of people out of poverty and contribute enormously to bridging income inequality.

"But such merits are selectively ignored in many debates," Ban said.

A unilateral trend risks shrinking global trade and freedom of movement, the 74-year-old warned, adding that challenges arise "when big countries are taking 'their nation first' policies, short-term goals instead of building bridges among the people".

South Korea's Yonhap News Agency said Ban's comments are widely seen as a veiled criticism of United States President Donald Trump's "America First" policy.

During the 73rd session of the UN General Assembly in September, Trump said he rejected global-

ism and embraced the "doctrine of patriotism".

Ban believes the trend away from multilateralism, which is at odds with the basic values of the UN, can be countered in part by doing more to foster a sense of globalization and cooperation.

"There are many global challenges. Those challenges can be answered and can be solved through global solutions. There's not a single country or individual, however powerful, however resourceful one may be, can do it alone. We have to do it together. We are all in this together," he said.

As suggestions to tackle the challenges, Ban said Asia should adhere to the values of globalization, free trade and multilateralism through regional cooperation to maintain economic development and serve as a growth engine for the global economy.

WHAT THEY SAY



Wang Yong,
Chinese state councilor

China and South Korea should strengthen cooperation to safeguard a rule-based multilateral trading system and build an open world economy. China and South Korea, as friendly neighbors and strategic cooperative partners, have witnessed remarkable

progress in exchanges and cooperation in various fields. Under the new circumstances, the two sides should implement the series of important consensus reached between leaders of the two countries, strengthen political communication, consolidate the foundation of mutual trust and promote healthy and stable development of bilateral relations.

The two countries should implement cooperation projects under the Belt and Road Initiative, accelerate the second-phase negotiations of the bilateral free trade agreement, expand the fields of pragmatic cooperation and achieve mutual benefits and win-win results.



Kim Dong-yeon,
deputy prime minister and minister of strategy and finance of South Korea

Asia's diversity may have been a stumbling block to its development

and led to confrontations in the past, but now this characteristic may turn into a potential chance as we have complementarity in economy, history and culture when we look at each other through the lens of openness and innovation. Therefore, I believe the future of Asia will be bright, especially through the platform of Boao Forum for Asia. Asian countries can further foster innovation, openness and enhance mutual understanding and trust.



Li Baodong,
secretary-general of Boao Forum for Asia

Asia is one of the most dynamic and promising regions in the world. Asian countries have embraced

... modern industry while adhering to the traditions of their own history and unique culture. They are experiencing a transformation of industrial upgrade from low-end manufacturing to high-end innovation-oriented production. Promoting regional cooperation and integration within Asia will bring prosperity to the whole world. I believe an open, inclusive and innovative Asia will have a promising future.



Kwon Oh-hyun,
chairman of Samsung Advanced Institute of Technology

Innovation is not just a theoretical economic term that refers

to a growth engine, but also is a prerequisite for Asia to build a bigger miracle. Asia should review its past economic models and establish new growth strategies based on innovation and considering the deteriorating external environment and environmental destruction. Leaders should seek an innovative growth model that fits into the dynamics of the "fourth industrial revolution" that we are experiencing.