

ETHICS AND GOVERNANCE
Keynote Address by Mr. Anand Panyarachun
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President Giay, Excellencies, Distinguished guests, Ladies and gentlemen,

Approaching the 21st century, we stand in joyful anticipation of a new millennium of world peace and prosperity – with Asia in the driver’s seat. I join in that celebration of the future, and of the “New Generations” who has been the subject of your deliberations at this Conference.

But I peer into the future with a vivid remembrance of earlier generations who had similar hopes and aspirations – generations whose optimistic expectations of a full and happy life for themselves and their children were in many cases left unfulfilled.

Exactly a century ago was the “Age of Innocence”, also known as the “Gay ‘90s.” Ironically, that term has been revived, a hundred years later, with an entirely new meaning. You will, I hope, permit this old man the luxury of the antique usage.

That era a century ago was marked by prospects as buoyant as those of today. The leading business moguls and political pundits of that era visualized a coming age of prosperity unrivalled in world history. The driving force of technology was considered by them an unmixed blessing. The opportunities offered by an unstintingly bountiful nature went unquestioned. The possibilities of a universal peace through political ententes among the major empires, and even the vague concept of a “League of Nations”, were being discussed the world over -- from the salons of Europe to the forums of Asia. Among the world’s intellectual, industrial and government leaders the innate goodness and manifest destiny of humanity went unquestioned.

But that vision had its dark side – and even darker consequences. The continuing prosperity envisaged a century ago was to be founded on the backs of the colonial peoples, and it was to be energized through the rape of their resources. We know well today, a century later, the fallacies upon which the “Great Expectations” of that “Age of Innocence” were based. Those fallacies, after all, spawned two World Wars, separated by a devastating economic collapse, and followed by a Cold War and a myriad of bloody struggles for independence and ideology.

The peoples of Asia suffered mightily through those years. But looking back, we can state with pride that they weathered the storms of the twentieth century with distinction. We can glory in their achievements. The region’s remarkable economic progress of the past several decades offers striking testimony of Asia’s resilience and potential. But we cannot afford to rest on our laurels.

Today, anticipating a splendid new millennium, do we stand at the edge of another precipice? In seeking to “build the future with action and vision” (**--the theme that President Giay has established for Rotary International--**) we bear a great responsibility to future generations. We must build the future with foresight, based on hindsight.

Will our legacy, like that of the world’s leaders a century ago, be flawed? Will future generations suffer the consequences of the untrammelled aspirations of Asia’s current leaders? Will this era be known to future generations, in contrast to the former “Age of Innocence”, as the “Age of Excess?”

Asia today presents some curious similarities to the West of a century ago: A sense of manifest destiny in a coming “Asian century”; an absolute conviction in the beneficence of unfettered competition; a lurking distrust of the traditional functions of government; a general disdain for the disadvantaged groups in society; widespread contempt for the limits of environmental depletion; a growing preference for “instant gratification”, the “quick buck”, and consumerism.

Much has been made recently of “Asian values” as a defense again these so-called alien intrusions. Are the moral standards of Asia somehow superior? Are the traditional ethics of this hemisphere somehow impervious to the blandishments of the new prosperity?

The self-serving colonial myth of the “lazy native” has been laid to rest. Racist conceits of intellectual superiority have been out to the lie. Equally, the lure of the so-called “exotic Orient” is fast fading as Asia modernizes to challenge the world in technology. In fact, Asia today is a dynamo of restless energy, the envy of the world. That reality may not sit happily in some corners of the tourist industry, which flourishes on the quaint and picturesque, but for the people of this region they are points of fully justifiable pride.

So what of those vaunted “Asian values?” Just as once we questioned the superiority of the West, we can now ask: Where is the natural ethical superiority of the East? Traditionally, Asian values centered on equanimity of spirit, loyalty to kith and kin, respect for wisdom, and trust in enlightened leadership. But are those not universal values?

I fear, scanning the Asian horizon, that a new system of Asian values is emerging. It may be characterized as a transformation from devotion to duty to a search for the instant pay-off. Self-interest is replacing concern for the common good.

That tidal shift in ethical standards is observable in many quarters, in both the business and political arenas, and it is spreading rapidly across society. The news media report daily on the abuses of the public trust that are rife throughout Asia today – South Asia as well as East and Southeast Asia. The flouting of legal and regulatory provisions; the granting of monopoly privileges to friends, family and financial backers; the preferential use of privileged information; vote

buying; resource wastage; human exploitation – the list of abuses being committed for personal gain is depressingly long.

This erosion in Asia's ethical base has as its common denominator the pursuit of private benefit at public expense. Surrounded by signs of burgeoning prosperity, individual desires for a larger share of the cake have become a driving force in Asian society. That is not even a zero-sum game; it leaves **all** participants as long-term losers.

Leaders throughout the region – in the political arena, the industrial and financial sectors, the information and entertainment industries – serve as role models in the setting of ethical standards. All too frequently these days, the models being presented to the public are grim. Military figures negotiating business deal, narcotics traffickers serving as parliamentarians, respected business personalities consorting with shady characters, professors offering snake-oil remedies to age-old problems, clerics caught under the covers – laughable, were it all not so deplorable.

Equally interesting is the current wave of support for our so-called Asian values. As if a long-hidden treasure-trove had suddenly been discovered, Asian values are the fashion topic of the day. Without specifying what, precisely, is being referred to, political leaders region-wide have grasped this fashionable term as useful rhetorical device. They have used it to champion special interests, to oppose foreign competition, to curry favour with an all-too-often gullible public.

A well-defined set of Asian values is sorely needed. At the top of the list should stand "**Good Governance**." For it is only through effective leadership that the expected prosperity of the new millennium can be realized. I have already referred to leadership in its guise as role model. That function of leadership is additional to, but possibly even more important than, its well-known policy-making and administrative functions. In those multiple senses, good governance is as much a responsibility of the business community as of the political establishment.

Visionary leadership is required to devise a strategy for the sustained progress of Asia into the new millennium. Vigorous leadership is required to translate that strategy into action. Responsible leadership is required to ensure the application of that action for the common good.

Vision, vigour, responsibility – those qualities constitute the essence of good governance. The absence of any of those elements is a prescription for disaster. It was the failure of all three that contributed to the disasters of the past century. The current crisis of Asian values warns us to take immediate action.

Let me restate my position in a nutshell. Asian values today appear to be glorifying personal interest. Yet the essential objective of any ethical society must be the realization of its public aspirations. In that quest, **ethics** cannot be divorced from **good governance**. It is your responsibility as Asia's leaders to

recognize that connection and act on it, for the sake of the “New Generations” of which you have spoken so eloquently at this Conference.

This Conference, in its focus on the New Generations, has highlighted the urgent need for a return to ethical fundamentals in the conduct of public as well as private affairs. That regeneration of values is essential if the New Generations of the 21st century are to build on the achievements of the past. Social and political progress should be given the chance to match the scientific and technological advances, as well as recent economic growth, that have been the outstanding achievements of the past century. Let us make the 21st century not only the Asian century but also the century of Asian values.

In conclusion, permit me to illustrate my argument with a vivid example. This year, 1996, marks the golden jubilee celebration of the reign of His Majesty King Bhumibol Adulyadej of Thailand. Over the fifty-year time span of his reign, His Majesty has exemplified the criteria of leadership that I have sought to enunciate in this address. Service to others, devotion to duty, moral integrity and perseverance – these attributes have made our King the beloved leader of his people. One could find no better example of what Asian values should be all about, and no better role model to guide the lives of Asia’s Future Generations.