



## ASPEN INSTITUTE INDIA

### **Asia to play a major role in global revival: Montek Singh Ahluwalia**

#### **Restructuring of global financial system in the offing, he says**

The next 20 years will be very different from the last 20 with regard to the global geo-economic scenario and the world's financial system. Planning Commission Deputy Chairman, Dr Montek Singh Ahluwalia said this at the launch of the book 'India's Strategic Interests in Southeast Asia and Singapore' by Ambassador See Chak Mun in New Delhi , today.

The event was jointly organized by the Confederation of Indian Industry (CII), Aspen Institute India and Institute of South Asian Studies (iSAS).

Pointing out that the book has come at a very significant time when the world is going through a financial crisis and Asia is likely to play a major part in the global revival, Dr Ahluwalia said, "Global crisis is likely to strengthen ties between Asian nations."

He said that there is "going to be a restructuring of global financial system which was till the crisis operating from New York and Washington." The global crisis, he added, has proved that the highly sophisticated global financial system too could fail. "There is going to be much greater decentralization of financial and economic resources in the world and more financial systems will come up in future," Dr Ahluwalia said. "There will be intensification of intra-regional flows and as Asian nations - China, India and East Asia as a bloc - will play a major role in the revival of global financial system, integration between these nations will increase," he observed.

Earlier, Ambassador See Chak Mun, Senior Fellow at iSAS, introduced his book to the gathering by saying that "four-and-a-half-years in India as High Commissioner fuelled my interest in India and inspired me to write the book." He spoke in detail about the evolving interaction between India and Southeast Asia over the last six decades and said that following former Prime Minister Narasimha Rao's Look East policy, India's interests in the region have increased. "This is a good development," he said.

The thought was echoed by Prof. Tommy Koh, Ambassador-at-large, Ministry of Foreign Affairs, Singapore. He agreed with Ambassador Chak Mun and said that "re-emergence of India is a good thing and welcomed by us as India has a non-threatening presence." He quoted his Prime Minister saying, "India should consider Singapore as its last outpost."

Mr N K Singh, Member of Parliament, Rajya Sabha, said that "Asian nations should play an important and catalytic role in global revival." He pointed out that Asian nations like China, Japan and India have huge foreign exchange reserves and thus "they should lead the charge in changing from export-led strategy to consumption-led strategy." This, according to him, would be a major step towards bringing about a revival in global financial system.

The session was moderated by Mr Tarun Das, Chief Mentor, CII, who welcomed the distinguished guests and introduced them to the audience.