



**P R I M E  
M I N I S T E R**

**KEYNOTE SPEECH BY HIS EXCELLENCY THE PRIME MINISTER OF  
THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE KAY RALA XANANA  
GUSMÃO AT THE 2014 BOAO FORUM FOR ASIA ANNUAL  
CONFERENCE ON “ASIA’S NEW FUTURE: IDENTIFYING GROWTH  
DRIVERS”**

**Hainan Province, China**

**8 April 2014**

H.E. Mr Li Keqiang, Premier of China

The Hon. Tony Abbott MP, Prime Minister of Australia

His Excellency, Jung Hong-won, Prime Minister of the Republic of Korea

H.E. Thongsing Thammavong, Prime Minister of Laos People's Democratic Republic

His Excellency, Hage Geingob, Prime Minister of Namibia

H.E. Muhammad Nawaz Sharif, Prime Minister of Pakistan

H.E. Arkady Dvorkovich, Deputy Prime Minister of Russia

H.E. Deputy Prime Minister Vu Duc Dam, Deputy Prime Minister of the Socialist Republic of Vietnam

H.E. Yasuo Kukuda, Chairman, Boao Forum for Asia

H.E. Zhou Wendzhong, Secretary General, Boao Forum for Asia

Excellencies

Ladies and gentlemen

It is a great pleasure and an honour to speak to you at this most important Asian Conference.

With the theme of this year's conference "Asia's New Future, Identifying Growth Drivers", we will be exploring the dynamics of the great geo-political transition of our time. Now, more than ever, it is critical that we engage in dialogue, including at conferences such as this, to ensure that the transition to Asia's new future is peaceful and beneficial for all.

We are part of a great shift in global economic and strategic weight to Asia. In this new Asia, we will see the world's financial capitals in our region, not only Hong Kong and Singapore, but also Shanghai and Mumbai, Jakarta and Tokyo, Seoul and Shenzhen. As Asia powers global production, as well as consumption, we will become the centre of international focus as strategic geo-politics is played out in our region.

The Global Financial Crisis, which exposed the moral bankruptcy and endemic failure of the international financial system, has hastened this shift to Asia and continues to cause havoc on both sides of the Atlantic.

The drivers of growth in the new Asia, however, continue unabated. Emerging economies continue to grow and drive global growth. In coming decades, and in South East Asia alone, we will see Indonesia become one of the world's largest economies. Asia's rise will produce a massive regional middle class of hundreds of millions of people driving huge increases in consumption and production.

And of course, unrelenting technological progress is not only transforming productivity and how we do business but is changing the global social fabric and connecting us all in ways unthinkable in the past.

Central to the transition to the new Asia is the rise of China. We look to the achievements of China with awe and admiration. With outstanding leadership, and guided by the traditions of an ancient culture, China is harnessing the energy of its people and by the end of this decade will become the largest economy in the world. The dragon is roaring and no one will be unaffected by the rise of a modern and advanced superpower as it shakes the world bringing peaceful development and widespread prosperity.

The rise of China, along with Asia, is bringing benefits to our small nation of Timor-Leste which has been enjoying peace, good governance and some of the highest rates of economic growth in the world.

Ladies and gentlemen,

The rise of Asia is lifting hundreds of millions of people out of poverty, at a level never seen before in human history, and is driving global growth and innovation. But as we transition to the new Asia we must be aware of the challenges.

Some of our economic growth has not been balanced and extreme poverty remains. Inequality is rising which presents risks to our social fabric and progress. While the Asia Pacific region is home to many of the world's great economic powers, it is also home to nearly two-thirds of the world's poor. The lack of infrastructure, such as road networks, energy and telecommunications, is the most challenging issue in the Asia Pacific, especially in land locked countries.

Problems are also most acute in fragile and conflict affected nations, not only in other parts of the world but also in our region. Not one fragile nation has achieved a single Millennium Development Goal, and the global development agenda needs to turn its focus to these countries.

At the same time the rise of the Asian middle class will see increased consumption impacting the sustainability of resources while the existential challenge of climate change must be addressed.

And of course, we cannot deny growing regional strategic tensions at the same time as the region's growing prosperity allows nations to modernise and expand their defence forces.

And so, we must look to a new paradigm of global engagement which is driven by the common good and international law and not the self-interest of the rich and the powerful.

Now, as much as ever, we need dialogues such as this conference so that we can build and strengthen positive relationships of respect and friendship; and together navigate a path towards a new Asia of cooperation, stability and prosperity for all.

Thank you very much.

8 April 2014

Kay Rala Xanana Gusmão