



**Conference of the Network of Social Democracy in Asia
19 – 22 October 2010, Gran Melia Hotel, Jakarta, Indonesia**

**“Growth, Social Balance and Sustainability: Perspectives for Social Democratic
Economic Policies in Asia”**

BACKGROUND

In Europe and in many parts of the world, there is the stereotypical perception that social democratic parties cannot deal with the economy. In popular belief Social Democrats focus on social justice and fair distribution while economic competence is mainly attributed to liberal or conservative parties. Many see growth as a precondition for distribution. Therefore, the electorate, especially in difficult economic times, may tend to vote for those whom they think can guarantee them economic development and jobs.

In Asia, although social democratic values were often the main foundations of the Asian countries' independence, the need to foster high economic growth has led many governments to embrace different values. For example, Indonesia, the host of this year's conference, was founded based on the understanding that 'free-market capitalism', or currently dubbed as 'neoliberalism', should never be the basis of the country's economic model. On the contrary, the country should develop the economy based on cooperative principles, where common goods and social justice should be top priorities. However, since 1965 until now, Indonesia seems to have swayed from its "founding fathers'" ideals.

This is a common pattern in Asia where most countries measure their success on the achievement of high economic growth alone. However, from the perspective of social democracy, the achievement of welfare goes beyond economic growth. A responsible development model should lead to economic and social justice for all. It has to be shown that "Social Democracy and Business" can go hand in hand.

Central to social democratic models is the concept of "coordinated capitalism" based on the ideas of John Maynard Keynes. Social democracy accepts the need for private ownership and market competition, but at the same time, it demands that the state needs to frame the economy through regulation, redistribution and targeted macroeconomic management. Capitalism has to be harnessed and coordinated. In the present party program of the Social Democratic Party of Germany (SPD) this is formulated as follows: "As much market competition as possible, as much of a regulatory state as necessary. The market alone is socially and ecologically blind." (Hamburger Programm 2007).

It is important not to confuse market economy with Capitalism; this is formulated in the party program of the Swedish Social Democratic Party (SAP) as following: "Capitalism and market economies must be kept apart. The market economy is a system of distribution where goods and services change owners with money as the medium of exchange. Capitalism is a power system with a

return on capital as the overriding norm". (Party Program of the Social Democratic Party, Västerås 6 November 2001).

After the recent global financial and economic crisis, a lot of governments with different political ideologies have invested significantly in stimulus packages aimed at encouraging economic growth. Following the academic and political discussions, a stronger role of the state in regulating the economy is now recognized by governments around the world. Within this current international context social democracy has an opportunity to emerge as an alternative solution. The acceptance for a social democratic economic model is a matter beyond political influence. Rather, the principles have to be understood and accepted for a practical reason, namely the prevention of another crisis in the future.

Social Democracy is not only based on basic values (Freedom, Justice, Solidarity), but also on basic rights as stipulated in the two UN Covenants of 1966. Unlike Liberals, Social Democrats believe not only in the need to guarantee the civil and political rights, but also the basic economic, social and cultural rights of all people (right to work, right to social security, right to organize etc.). It ensures equal social participation of all through economic democracy, especially gender equality, co-determination of workers and employees, social partnership, a caring social state based on the institutionalization of universal rights rather than based on charity.

Social justice is one of the requirements for qualitative growth, and for economic sustainability. Research on various countries shows that there is a positive relationship between the level of social security and economic performance (Dani Rodrik, *Has globalization gone too far?*, 1997). It is widely accepted that people are more innovative and creative if their main risks of life are mitigated by social protection. Social Democrats believe that only via a balance between economic growth, social justice and environmental sustainability, can we guarantee development based on prosperity for all. Social democratic policies give priority to the supremacy of a democratic and just society over the market.

However, these basic assumptions have to be contextualized to address local socio-political climates. In Asia, social democratic parties are increasingly gaining ground. Political parties and pre-party formations that have sprung out of social movements have been formed and they oriented their political objectives and programs along the values of freedom, social justice, and solidarity. Some of them have come together to form the Network of Social Democracy in Asia as a platform to discuss current topics of common concern and to establish a social democratic voice in the region. With the support of The Swedish Social Democratic Party and fraternal institutions such as the Olof Palme International Center (OPIC) and the Friedrich-Ebert-Stiftung (FES), the Network will hold its third regional conference in October 2010 in Jakarta/Indonesia.

OBJECTIVES

Social democratic parties in Asia need clear concepts and policies for shaping a social democratic economy in line with the national framework. This conference aims to provide the platform for exchange of ideas and the formulation of some guiding principles for social democratic economic policies in the Asian context.

The objectives of the conference are:

1. To shape the discourse on the economy from a social democratic perspective.
2. To position profit-oriented business activities within the framework of social and economic justice.
3. To discuss concrete policy recommendations for selected sectors of the economy.
4. To discuss the strategic direction of the Network while planning specific actions that will follow this conference.

PROGRAM

Tuesday, 19 October 2010

Arrival of international participants

19.30

Dinner with international guests

**Venue: Warung Daun, Jl. Wolter Monginsidi 41
Kebayoran Baru, Jakarta Selatan, phone: 72786138
Please meet in the lobby at 19.00**

Wednesday, 20 October 2010, VENUE: LEGIAN ROOM, GROUND FLOOR

09.00 – 09.30

Opening

- Institute for Welfare Democracy / Network of Social Democracy in Asia: Mr. Martin Manurung (Executive Director / Steering Committee Member)
- Friedrich – Ebert – Stiftung: Mr. Erwin Schweisshelm (Resident Director FES Indonesia)
- Olof Palme International Center: Mr. Jens Orback (Secretary General)
- Swedish Social Democratic Party: Ms. Ann Linde (International Secretary , Swedish Social Democratic Party)

09.30 – 09.50

The Context for Social Democratic Economic Policies:

The General Framework for Social Democratic Economics – Theories, Systems, Orientations

- Mr. Sebastian Thomasius (Economist, Friedrich - Ebert – Stiftung, Germany)

09.50 – 10.10

Current Paradigms in Economic Policies in Asia

- Mr. Liew Chin Tong (MP, Democratic Action Party, Malaysia)

10.10 – 10.30

Challenges for Social Democratic Policies in an Emerging Economy – The Case of Indonesia

- Dr. A. Prasetyantoko, (Lecturer , Atma Jaya Catholic University, Indonesia)

10.30 – 11.00

Coffee Break

11.00 – 11.45

Discussion morning session

- Moderator: Mr. Nur Iman Subono (Lecturer University of Indonesia and Editor of Jurnal Sosdem Indonesia)

- 11.45 – 12.30 **Keynote Address: How to Manage a Productive Balance between Economic Growth and Social Security: The Case of Sweden**
- Mr. Sebastian de Toro (Senior Economic Political adviser in the Swedish Social Democratic Parliamentary Group)
 - Moderator: Mr. Munawar Liza Zain (Mayor of Sabang / Aceh, Indonesia)
- 12.30 – 14.00 **Lunch (Separate Women Lunch at Tien Chao Restaurant)**
- 14.00 – 16.00 **Relationship between Social Democratic Parties and Business: Country Experiences**
- Sweden: Mr. Olle Thorell (MP, Swedish Social Democratic Party)
 - Mongolia: Ms. Bolormaa Nordov (Member of the Mongolian People's Revolutionary Party Conference)
 - South Korea: Mr. Gyu Youp Choi (Korea Democratic Labor Party)
 - India: Dr. Dushmantha Kumar Giri (Director, Schumacher Center for Development, India)
 - Nepal: Mr. Ram Chandra Pokherel (Chief Secretary, Nepali Congress)
- Moderator: Mr. Martin Manurung (Executive Director, Institute for Welfare Democracy, Indonesia)
- 16.00 - 16.30 **VENUE FOR PUBLIC PANEL: MUTIARA III ROOM, GROUND FLOOR**
Coffee Break
- 16.30 - 16.35 **Welcome & Introduction**
- Mr. Martin Manurung (Steering Committee Member of the Network of Social Democracy in Asia)
- 16.35 – 17.00 **Keynote Address: H.E. Mr. Fadel Muhammad (Minister of Fisheries and Maritime Affairs, Republic of Indonesia)**
- 17.00 – 18.45 **Public Panel Discussion: Achieving Prosperity and Guaranteeing Justice –the Role of Politics in Shaping Pro – Poor Growth**
- Ms. Rustriningsih (Vice Governor of Central Java, Indonesia)
 - Mr. Jens Orback (The Secretary General of the Olof Palme International Center, Sweden)
 - Mr. Budiman Sudjatmiko (MP, Partai Demokrasi Indonesia Perjuangan)
 - Ms. Risa Hontiveros, (National Spokesperson of Akbayan Party, the Philippines)
 - Moderator: Ms. Shanti Ruwyastuti (Deputy Chief Editor, Metro TV, Indonesia)
- 19.00 – 21.00 **Reception:** hosted by FES, OPC & IWD

- 09.00 – 11.15 **World Café:**
Table 1: A Green New Deal Industrial Policies for a Sustainable Future
Host: Mr. Philipp Kauppert (Deputy Resident Director, FES Indonesia)
Table2 : The Relationship between Social Security and Economic Growth
Host: Mr. Setyo Budiantoro (Executive Director, Perkumpulan Prakarsa, Indonesia)
Table 3: Social Partnership as Means of Productivity Increase
Host: Ms. Sri Eni Purnamawati (Vice President Asia, International Falcons Movement – Socialist Educational International)
Table 4: How to Manage Mutual Relation between Social Democratic Parties and Business Community
Host: Ms. Ann Linde (International Secretary, Swedish Social Democratic Party)
- 11.15 - 11.30 Coffee Break
- 11.30 – 12.30 **Elections in the Philippines and Sweden**
- Mr. Ronaldo M. Llamas (President, Akbayan Party, the Philippines)
 - Ms. Ann Linde (International Secretary, Swedish Social Democratic Party)
 - Moderator: Mr. Steven Sim (Network Secretary)
- 12.30 – 13.30 **Lunch**
- 13.30 – 14.00 **Result from the World Cafes**
- Table Hosts
- 14.00 – 15.30 **Information Fair on Network Members and Their Activities**
- Akbayan – the Philippines
 - KDLP – South Korea
 - DAP - Malaysia
 - Fretilin – Timor Leste
 - ASD - India
 - IWD - Indonesia
 - MPRP - Mongolia
 - SRP - Cambodia
 - NC – Nepal
 - SAP – Sweden
 - FES
 - Olof Palme International Center
- 15.30 – 16.00 Coffee Break
- 16.00 – 17.00 **Moderated Discussion: Network of Social Democracy in Asia - Status Report, where to go and what Next?**
- Mr. Steven Sim (Network Secretary)
 - Moderator: Mr. Martin Manurung (Executive Director, IWD)
- 17.00 – 17.30 **Closing**
- Mr. Steven Sim (Network Secretary)
 - Mr. Martin Manurung (Executive Director, IWD)
 - Ms. Ann Linde (International Secretary, Swedish Social Democratic Party)

Friday, 22 October 2010

09.00 – 12.30

Excursion and Political Sight Seeing : Socially Responsible Businesses

- Sanggar Anak Akar (CSR Project)
- Lunch




Departure of Participants

INFORMATION ON SPEAKERS & MODERATORS

- **Ms. Ann Linde** is the international secretary of the Swedish Social Democratic Party since 2000. Before that she worked in several ministries including the Ministry of Foreign Affairs and the Ministry of Defense. She also worked at the Swedish Parliament.
- **Ms. Bolormaa Nordov** is Member of the Mongolian People's Revolutionary Party Conference. She was a Minister for Education, Culture and Science of Mongolia and a former Chairperson of the Capital City Citizens' Representative Khural (Ulaanbaatar City Council). Now she is working as a Vice President of Red Cross Society Mongolia.
- **Mr. Budiman Sudjatmiko** is a Member of Parliament from the Indonesian Democratic Party of Struggle (PDI – P). Formerly Mr. Sujatmiko was an activist who protested continuously about the authoritarian practices of the New Order.
- **Dr. Dusmanta Kumar Giri** is the Director of the Schumacher Center for Development in India. He has conducted project evaluations for UNDP, CARE, and Oxfam International.
- **Mr. Erwin Schweisshelm** is the Resident Director of Friedrich – Ebert – Stiftung (FES) Indonesia since 2006. He has been working for FES, mainly in Asia, for over 30 years. Prior to his current position, Mr. Schweisshelm was Global Trade Union Coordinator at the FES Bonn office.
- **Mr. Gyu Youb Choi** is the President of the New Community Institute which is attached to the Korea Democratic Labor Party (KDLP). At the same time he is also Adjunct Professor at Hansin University,
- **Mr. Jens Orback** had served from 2004 to 2006 in the Swedish Government as the Minister of Democracy, Metropolitan Affairs, Integration and Gender Equality. Since 2008 he is the Secretary General of The Olof Palme International Center.
- **Mr. Liew Chin Tong** is a Member of Parliament from the Democratic Action Party (DAP) Malaysia for the Bukit Bandera constituency in Penang. He is the Policy Advisor to the Chief Minister of Penang. Liew is also a member of the DAP Central Executive Committee serving as the party's International Secretary.
- **Mr. Martin Manurung** is the Executive Director of the IWD. He has been involved in regional social democracy activities from his early youth. Mr. Manurung was member of the first consignment of Young Progressives Southeast Asia (YPSEA). In addition, Mr. Manurung is also a Senior Consultant at Sekurindo Global Consulting (SGC), a company providing political and economic risk assessment.
- **Mr. Munawar Liza Zain** is the Mayor of Sabang city of the Aceh province. Prior to his election Mr. Liza worked as Program Officer at the Olof Palme International Center in Aceh.
- **Mr. Nur Iman Subono** is a lecturer at the Department of Political Science University of Indonesia. He is also the editor of Jurnal Sosdem, and a researcher at Demos, an Indonesian research institute.
- **Mr. Olle Thorell** is a member of the national parliament for the Social Democratic Party since 2006. He is member of the standing committee on foreign affairs, and is specialized on Asian issues and world trade. Previously he worked in local politics and as a teacher in adult education.
- **Mr. Philipp Kauppert** is the Deputy Resident Director of the FES. Prior to working in Indonesia Mr. Kauppert focused on social and economic developments in Latin America.
- **Ms. Risa Hontiveros**, served as Representative (parliamentarian) of Akbayan! Citizens' Action Party at the House of Representatives of the the Philippines for two terms (13th-14th Congresses). She is known as a principled leader, a staunch human rights and reproductive health advocate, and a competent progressive lawmaker. Aside from her work in politics, Risa is an award-winning broadcast journalist and a dedicated single-parent to 4 kids. Now, she continues her anti-corruption campaign as the National Spokesperson of Akbayan.

- **Mr. Ronaldo M. Llamas** is currently President of Akbayan Citizens' Action Party (Philippines). He was first elected President in Akbayan's founding congress in 1998 and has since been thrice re – elected. Recently he has been appointed by Philippine President Benigno S. Aquino III to the board of the Development Bank of the Philippines (DBP) the premier financial institution of the Philippine government with a government mandate.
- **Ms. Rustriningsih** is the Vice Governor of Central Java. Previously she was Regent of Kebumen, Central Java.
- **Mr. Sebastian de Toro** is a Senior Economic Advisor in the Swedish Social Democratic Parliamentary Group. He has also worked at the Ministry of Finance and at McKinsey & Co. He is author of the book *Making Europe Nobel Laureates in Education* with former Minister of Finance Pär Nuder.
- **Mr. Sebastian Thomasius** is an economist and works as seminar instructor for the Friedrich - Ebert - Stiftung and its Academy for Social Democracy with a focus on economics. His research interests are economic policies and public finances. Previously he worked for a leading consulting company.
- **Mr. Setyo Budiantoro** is the Executive Director of Perkumpulan Prakarsa, an Indonesian NGO focusing on governance issues and social security. Before joining Prakarsa, Mr. Budiantoro worked at Bina Swadaya, an NGO owning several profit companies to support its activities.
- **Ms. Sri Eni Purnamawati** is the Vice President for Asia of International Falcons Movement International – Socialist Educational International. Previously she worked at ILO and Terre de Homes Germany.
- **Ms. Shanti Ruwyastuti** is Deputy Chief Editor of Metro TV. She was the lead planner, producer and director of Metro TV's award winning documentaries on the Aceh Tsunami (2004). Earlier in her career, Shanti worked for CNN.
- **Mr. Steven Sim** is a member of the DAP and is the Executive Secretary of the Network of Social Democracy in Asia.

INFORMATION ABOUT THE ORGANIZERS

	<p>The Network of Social Democracy in Asia (www.socdem.asia) is a loose group of political parties, pre-party formations, trade unions, progressive politicians, scholars and activists in the region who share social democratic values and perspectives. The Network provides a channel and platform for inter- and transnational sharing of discourses, experiences and best practices among progressives and social democrats in Asia.</p>
	<p>The Institute for Welfare Democracy is a non – profit and a non – governmental organization that aims at transforming social – democratic ideas, particularly related to the economy, welfare and social justice, to become the state’s policies. Apart from undertaking policy research, the institute mainly focuses on consolidating progressive forces inside and outside the state’s system to work together and subsequently put in place their ideas toward a more democratic, prosperous and just Indonesia.</p>
	<p>The Friedrich-Ebert-Stiftung (FES) was founded in 1925 as a political legacy of Germany’s first democratically elected president, Friedrich Ebert. Since the beginning of the foundation’s work in South, Southeast and East Asia the focus has been the promotion of democracy and the strengthening of the social dimension of economic development. In the past few years, the international dialogue within Asia as well as between Asia and Europe, and the issue of crisis prevention have gained important stakes in the work of the foundation. In its work the foundation co-operates with a number of governmental institutions, trade unions, political parties, social movements, NGOs, media and scientific institutions, as well as international organizations.</p>
	<p>Through party-oriented democracy support, the Social Democratic Party of Sweden and the Palme Center support sister parties throughout the world. This is done in nations that already have struggling democracies as well as in dictatorships such as Belarus and Zimbabwe. The efforts focus on training for party leaders and party members, organizational development, and the sharing of knowledge and experience. Our strength is the understanding of the role that popular movements’ play in democratization. Such strength has supported the organizing of people wanting to achieve changes through which all can benefit. Such experience provides unique opportunities to support others.</p>

VENUE

GRAN MELIA HOTEL
Address: Jalan H.R. Rasuna Said Kav X – O Kuningan
Jakarta
Indonesia



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