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## Mechanism-Building between Asia and Europe<sup>1</sup>

The European Union and its member states have been major trading partners<sup>2</sup> and providers of ODA<sup>3</sup> for Asian countries. The EU has concluded “strategic partnerships” with Japan, China, and India and has conducted “strategic” as well as “sectoral” dialogues with these partners. It is seeking for observer status in the East Asian Summit (EAS) and claims to have brought the so-called Asean Plus Three (APT) countries together through the Asia-Europe Summit Meetings (Asem) process.<sup>4</sup> The EU has engaged in dialogue with the Association of Southeast Asian Nations (Asean) and participated in the latter’s “Post-Ministerial Conferences” (PMCs.) It has also been represented on the Asean Regional Forum (ARF.)

This paper argues that mechanism-building between Asia and Europe remains inconclusive because of protagonists’ institutional and conceptional deficits and asymmetries. Under such conditions, the outcome of interregionalism in terms of global governance or multipolarity depends mainly on international developments that remain difficult to predict, let alone influence by Europeans and Asians. Proceeding from an inventory of Asia-Europe mechanisms, the paper attempts to explain the functioning of such mechanisms amidst a backdrop of different concepts of region-building and different institutional setups as expressions of diverging approaches to intramural and extramural governance.

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1 Paper presented at the 23rd Taiwan-European Conference, Taipei (National Chengchih University, Institute of International Relations, 19-20 December 2006.)

2 In 2005, Europe’s share in Far Eastern exports was 15% (US: 18%.) „Health of US Economy Rests with Capital Good,“ *Straight Talk*, vol. 17, no. 2, as quoted by *The Conference Board*, 30 May 2006 ([http://www.conference-board.org/utilities/pressDetail.cfm?press\\_ID=2847](http://www.conference-board.org/utilities/pressDetail.cfm?press_ID=2847).)

3 In 2003-2004, the EU and its members were leading providers of ODA to Far Eastern countries. *OECD-DAC Development Cooperation Report 2005* (Paris: Organisation for Economic Cooperation and Development, 2005;

<http://lysander.sourceoecd.org/vh=7813339/cl=36/nw=1/rpsv/dac/>.) At the “Asia-wide” level, the EU has initiated programmes on investment, urban development, post-tsunami reconstruction, information technologies, and higher education. *Regional Cooperation* (Brussels: Commission of the European Communities, 21 October 2004 ([http://ec.europa.eu/comm/europeaid/projects/asia/regional\\_en.htm](http://ec.europa.eu/comm/europeaid/projects/asia/regional_en.htm).)

4 Sebastian Bersick, *Making Euro-Asian Soft Power in the 21st Century: Concepts, Constraints, and Consequences* (Singapore: Asia-Europe Foundation, July 2006; [http://www.civdialogue.asef.org/documents/FinalPaper\\_001.pdf](http://www.civdialogue.asef.org/documents/FinalPaper_001.pdf).)

## **The Record**

Interregional mechanisms between Europe and Asia have been bilateral (as in the case of Asem and the EU-Asean Dialogue) or multilateral (as in the ARF and the Asean-PMCs.) Among the latter, only the EU-Asean Dialogue has been based on an official treaty (the 1980 EC-Asean Cooperation Agreement; cf. below,) and only one (Asem) has involved private business and societal actors. Furthermore, mechanisms have been specialised (as the ARF) or general (as Asem,) with the others dealing mostly, though not exclusively, with economic issues.

### **Southeast Asia-Centred Interregionalism**

Europe-Asia interregionalism and mechanism-building started with Asean with which the EEC established informal relations in 1972. Three years later, an Asean-EEC Joint Study Group was formed to look into the prospects for cooperation. In 1977, Asean established formal ties with the EEC Council of Ministers and the Committee of Permanent Representatives through which the Association tried to make representations against growing European protectionism. The following year, the first Asean-EEC Ministerial Meeting (AEMM) was convened as the result of a German-Thai initiative. In 1980, the EC-Asean Cooperation Agreement was signed. It provided for most-favoured nation treatment while spelling out objectives for economic and technical cooperation and establishing a Joint Cooperation Committee (JCC) to monitor implementation.

In 1991, the Cooperation Agreement could not be revised because of bilateral disputes over East Timor and Asean's refusal to accept a human rights clause.<sup>5</sup> In 1994, both sides agreed not to let this problem obstruct further cooperation and trusted an Eminent Persons Group (EPG) with drafting a comprehensive approach to their political and security, economic and cultural relations towards the year 2000 and beyond. The EU also became a party to the (trans-Pacific) ARF launched by Asean in 1993 (cf. below.) The following year, an EU-Asean Senior Officials Meeting (SOM) was created to convene in between AEMMs. At this point, the EU for the first time spelled out its plans for the entire Far East while describing Asean as the "cornerstone" of a wider approach.<sup>6</sup>

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5 *European Parliament Fact Sheets: Asean and the Korean Peninsula* ([http://www.europarl.europa.eu/facts/6\\_4\\_12\\_en.htm](http://www.europarl.europa.eu/facts/6_4_12_en.htm), accessed 14 November 2006.) Since then, the EC/EU's legal basis for cooperation with Southeast Asian countries has been a 1992 Asia and Latin America Regulation.

6 *Towards A New Asia Strategy* (Brussels: Commission of the European Communities, 13 July 1994; [http://ec.europa.eu/comm/external\\_relations/asem/asem\\_process/com94.htm#](http://ec.europa.eu/comm/external_relations/asem/asem_process/com94.htm#).)

The year 1996 witnessed the launching by the EU of a so-called New Dynamic<sup>7</sup> comprising deeper political dialogue, cooperation in international fora, and enhanced economic cooperation. Just one year later the European side, in protest against Burma's Asean membership, suspended the AEMM and the JCC to resume both in 1999, when it was agreed that the Rangoon junta would only be sitting at the table as a "passive presence."<sup>8</sup> In 2000, the two sides launched a regular dialogue at the senior-officials level on multilateral trade and market access problems that the following year became an annual meeting of economic ministers and the EU's trade commissioner. Also in 2001, the EU Commission adopted an Asia strategy paper that accorded "key priority" to relations with Asean.<sup>9</sup> In 2003, a Southeast Asia strategy paper identified regional stability and the fight against terrorism as the first among six "strategic priorities" for Europe's relations with Asean and individual Asean members.<sup>10</sup> Economic ministers launched a Trans-Regional EU-Asean Trade Initiative (TREATI) in response to Southeast Asian calls for a bilateral free trade agreement.<sup>11</sup> Subsequently, a Regional EU-Asean Dialogue Instrument (READI) was created to cover non-trade aspects of intraregional cooperation. In 2004, the EU and individual Asean member countries combined their development assistance extended to new members Burma, Cambodia, Laos, and Vietnam.

Over the last twenty years, the focus of EU-Southeast Asian cooperation has changed from an emphasis on development under which Europe provided and Asean countries received assistance, to an emphasis on diplomacy under which both sides discussed regional and international problems, to a new emphasis on non-traditional risks and integration support. At the same time, Asean and the EU developed a dense network of partly overlapping cooperative frameworks at both the "strategic" and "sectoral" levels. While not pretending to present an exhaustive list, the following pages compile some of the more interesting developments and projects.

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7 *Creating A New Dynamic in EU-Asean Relations* (Brussels: Commission of the European Communities, 3 July 1996; [http://aei.pitt.edu/6271/01/003439\\_1.pdf](http://aei.pitt.edu/6271/01/003439_1.pdf).)

8 The 2000 AEMM passed a joint declaration which, among other things, called for a rapid resumption of talks between the junta and the democratic opposition. *Ibid.*

9 *Europe and Asia: A Strategic Framework for Enhanced Partnerships* (Brussels: Commission of the European Communities, 4 September 2001; [http://ec.europa.eu/comm/external\\_relations/asia/doc/com01\\_469\\_en.pdf](http://ec.europa.eu/comm/external_relations/asia/doc/com01_469_en.pdf)).

10 *A New Partnership with Southeast Asia* (Brussels: Commission of the European Communities, 2003; [http://ec.europa.eu/comm/external\\_relations/asia/doc/com03\\_sea.pdf](http://ec.europa.eu/comm/external_relations/asia/doc/com03_sea.pdf).)

11 *A New Partnership with Southeast Asia*. In 2006, an EU-Asean "Vision Group" strongly recommended the creation of a bilateral FTA. *EU Welcomes EU-Asean Vision Group Report on Closer Trade Links* (Brussels: Commission of the European Communities, 16 May 2006; <http://europa.eu/rapid/pressReleasesAction>.)

### *Asean PMCs*

Among Europe-Asia mechanisms, Asean's PMCs represent the oldest, initiated in 1977 as an annual meeting on regional and international issues between Asean foreign ministers and their then dialogue partners EC, US, Japan, Canada, Australia, New Zealand, and – since 1991 - South Korea. More recently, China, India, and Russia were admitted. The PMC comprises two parts: a plenary (recently known as “10+10 Retreat”) and a series of “10+1 meetings” with the EU, US, Canada, Australia, New Zealand, and the Russian Federation, i.e. the dialogue partners that have not regularly convened with Asean in either the APT or EAS frameworks. In Asean PMCs, the EU was originally represented by its troika and has more recently sent the Secretary-General of the Council/High Representative for Common and Foreign and Security Policy (CFSP.)

Compared with Asean's other dialogues, the PMC-format has since the end of the Cold War become more declaratory and less operative. In recent years, the “10+10 Retreat” has focused on Asean's further integration, energy security, disaster management, and international issues such as Korea and the Middle East.<sup>12</sup> In bilateral sessions, the EU and Asean have discussed topics such as terrorism and trade.<sup>13</sup> If the European side is awarded observer status in the EAS, it can be expected that this mechanism loses further in importance.

### *Asean-EU Ministerial Meetings/Joint Cooperation Committee*

Since 1978 and with the exception of 1998, foreign ministers (or senior foreign ministry officials) of the EC/EU and Asean have been meeting every second year in the AEMM for political dialogue. In this framework, the EU was initially represented by the Troika and more recently by the Presidency and Commission. It was agreed at the 2003 AEMM that future cooperation should focus on non-traditional security issues, with a Joint Declaration on Co-operation to Combat Terrorism published on the occasion.<sup>14</sup> At the same time, channels of communication were established between the Asean and EU secretariats, and an environmental and cultural cooperation was launched.

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12 *Joint Press Statement of the Asean Post Ministerial Conference* (Vientiane: Asean Secretariat, 28 July 2005; (<http://www.aseansec.org/17609.htm>); *Chairman's Press Statement for the Asean Post Ministerial Conferences* (Kuala Lumpur: Asean Secretariat, 27 July 2006; <http://www.39amm.org.my/press/press2.htm>.)

13 *Ibid.*

14 *Joint Declaration on Co-Operation to Combat Terrorism* (Brussels: Asean Secretariat, 28.1.2003; <http://www.aseansec.org/14030.htm>). Since then, the EU has supported international and regional anti-terrorist centres in Thailand, Malaysia, and Indonesia.

As early as 1999, the JCC adopted an Asean-EU Work Programme for Future Actions that accorded priority to strengthening the policy dialogue in sectors where the EC could contribute to and complement Asean's regional integration efforts and other key priorities.<sup>15</sup> In 2004, the EU Council welcomed Asean's plan to achieve an Asean Community by 2020.<sup>16</sup> The previous year, the EU earmarked €4.5 million for an Asean Programme for Regional Integration Support (APRIS) that aims to draw lessons from the EC experience in forging regional economic integration, to contribute to improving Asean mechanisms and communications systems, and to support capacity building activities for the Asean Secretariat and Asean member countries.<sup>17</sup>

At the 2005 AEMM, it was agreed to develop concrete joint programmes in the fight against terrorism. The ministers also discussed international issues such as the Middle East, Korea, the WTO's Doha Agenda, and the UN Millennium Goals.<sup>18</sup>

### **Pacific-Centred Interregionalism**

Europe remains a weak Pacific security player as EU member states, apart from the United Kingdom and France, do not maintain a military presence in the region,<sup>19</sup> and Nato's activities east of the Khyber Pass have been limited to more or less focused dialogues with Japan, Australia, India, and China. At the same time, European arms exports to Far Eastern developing countries represent about one fifth of total sales,<sup>20</sup> and both the EU and its members have entered into a cooperation on

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15 At the same time, an Informal Coordinating Mechanism was established to monitor and coordinate the implementation of all cooperation activities, including the work programme. *Asean-European Union Dialogue* (Jakarta: Asean Secretariat; <http://www.aseansec.org/7209.htm>; accessed 14 November 2006.)

16 *The EU's Relations with Asia* (Brussels: Commission of the European Communities, [http://ec.europa.eu/comm/external\\_relations/asia/gac.htm](http://ec.europa.eu/comm/external_relations/asia/gac.htm); accessed 14 November 2006.)

17 *Asean Programme for Regional Integration Support* ([http://www.delidn.ec.europa.eu/en/newsroom/newsroom\\_5\\_asean\\_apris.pdf](http://www.delidn.ec.europa.eu/en/newsroom/newsroom_5_asean_apris.pdf), accessed 14 November 2006.) The EU's other Asean-centred programmes include a Regional Centre for Biodiversity Conservation, a Regional Economic Cooperation Programme on Standards, Quality and Conformity Assessment, a University Network Programme, and an Intellectual Property Rights Programme. *Regional Cooperation*.

18 *Joint Co-Chairmen's Statement of the 15th Asean-EU Ministerial Meeting* (Jakarta: Asean Secretariat, 10 March 2005; <http://www.aseansec.org/17355.htm>.)

19 France has about 10,000 soldiers stationed in the southern Pacific and southern Indian Ocean. The UK has one Gurkha battalion deployed in Brunei and about 40 soldiers stationed on Diego Garcia in the Indian Ocean. Britain also participates in the Five Powers Defence Agreements (FPDA) with Australia, New Zealand, Singapore, and Malaysia. In recent years, London and Paris have conducted joint manoeuvres with Indian and PRC forces.

20 During 2002-2006, the Far East (except Japan, Australia and New Zealand) accounted for 18.4% of all agreements by major European exporters (i.e. France, the United Kingdom, Germany, and Italy; 1998-2001: 20.1%.) During 1998-2005, 58% of German, 45% of French, and

non-traditional risks with individual region states or groups of states. In 2005, the EU dispatched a military mission to the Indonesian province of Aceh to monitor implementation of the peace agreement between the Jakarta government and the Aceh Independence Movement (Gerakan Aceh Merdeka, GAM). Earlier, it had participated in the Korean Peninsula Energy Development Organisation (KEDO) which was supposed to play a role in the nuclear disarmament of North Korea. In 2002, however, the North Korean nuclear problem and the beginning end of KEDO demonstrated Europe's continued inability to make a difference over issues involving great power balancing. As far as "very hard" security problems on the Korean Peninsula or in the Taiwan Strait are concerned, Europe has remained a freerider on a regional architecture centred on the US.<sup>21</sup>

Both the EU's interest in Pacific security and the interest of regional middle powers in a common approach increased when the US, during the early 1990s, withdrew from its Philippines bases and for some time considered region-wide force reductions. When these were not implemented and the PRC's "rise" remained basically peaceful, the European interest once again waned to be reawakened by 2002 after Washington had initiated a military comeback in Southeast Asia and a de facto encirclement of China in the new anti-terrorist context.

#### *Asean Regional Forum/Council for Security-Cooperation in the Asia-Pacific*

The transpacific ARF was initiated by Asean in 1993 as a consensual dialogue forum including the US as the traditional underwriter of Western Pacific security and the PRC as a possible challenger. It has therefore been unable to discuss security in the Taiwan Strait or to make meaningful contributions to very hard security issues such as the North Korean nuclear problem. The ARF's original concept of proceeding from confidence-building to preventive diplomacy and conflict resolution<sup>22</sup> has not been realised because many regional countries have resisted the intrusive character of the latter, and the US has not been prepared to allow its own role to be questioned. Whereas the Forum in July 2001 proposed to discuss problems of

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35% of UK arms sales agreements were made to this region. Richard F. Grimmett, *Conventional Arms Transfers to Developing Nations, 1998-2005* (Washington DC: Congressional Research Service, 23 October 2006; <http://www.fas.org/sgp/evs/weapons/RL33696.pdf>), pp. 31/63

21 In 2003-5, the EU debate on lifting an arms embargo on China inspired a tentative European interest in the East Asian balance of powers. In 2005, the Luxemburg presidency thus initiated a one time "strategic discussion on China and its neighbours". "Along with Progress on Human Rights, Stability Guarantee in Pacific Region Is Major European Requirement for Lifting of Arms Embargo," in: *Europe*, 15 April 2005, p. 3.

22 *The Asean Regional Forum: A Concept Paper* (Jakarta: Asean Secretariat, 1995; <http://www.aseansec.org/ARF/TOR/ARF%20Concept%20Paper.pdf>.)

“economic security,”<sup>23</sup> its achievements have mainly consisted in voluntary CBMs. In the aftermath of the 11 September 2001 terrorist attacks in New York and Washington, the focus changed, and the ARF launched an (again voluntary) antiterrorist cooperation.

ARF meetings and activities have proceeded at three levels: ministerial, senior officials, and inter-sessional, with chairmanship rotating among Asean members. Activities at the inter-sessional level are co-chaired by Asean and non-Asean states. The Council for Security-Cooperation in the Asia-Pacific (CSCAP) is the ARF’s official second track involving officials in their “personal capacities,” strategic institutes, and non-governmental organisations.

In spite of initial haggling over British and French claims for separate seats, the EU since the inaugural session in 1994 has been represented in the ARF by the Troika and more recently by the High Representative as well, an addition that should at least partly address the continuity problem on the European side. Given Europe’s underdeveloped security profile in the region, different strategic cultures, and the underinstitutionalised character of intra-regional security cooperation, the EU’s ARF role has been marked by general rather than specific interventions<sup>24</sup> and by relative passivity. Europe has been unhappy with the Forum’s weak institutionalisation and its apparent inability to proceed from confidence-building to the kind of preventive diplomacy practiced by the Organisation for Security and Cooperation in Europe (OSCE.)<sup>25</sup> It was not before 1999 that ARF members agreed on establishing informal links with the latter.<sup>26</sup>

More specifically, the EU has occasionally benefited from the Forum’s inclusive character, i.e. the support extended by the US and other industrialised countries for addressing problems such as Burma and Aceh that the Asian side would normally define as “domestic.” In 2003, for example, ministers ‘urged Myanmar to resume its efforts of national reconciliation and dialogue among all parties concerned leading to a peaceful transition to democracy.’<sup>27</sup> On the same occasion, however, Asian

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23 *Chairman’s Statement, the 8th Asean Regional Forum* (Hanoi: 25 July 2001; <http://www.mofa.go.jp/region/asia-paci/asean/conference/arf/state0107.html>.)

24 It was thus that in 2004, the EU side submitted a non-paper to an inter sessional meeting in Phnom Penh that tried to draw the Forum’s attention to the international fight against the proliferation of small arms. *Co-Chair’s Summary Report, Inter-Sessional Group on Confidence-Building Measures* (Phnom Penh, 26.-28.10.2004; <http://www.aseansec.org/arf/12arf/ISG-CBM/Cambodia/Report.pdf>.)

25 *Asean Regional Forum* (Brussels, Commission of the European Communities, April 2005; [http://ec.europa.eu/comm/external\\_relations/asean/intro/arf.htm](http://ec.europa.eu/comm/external_relations/asean/intro/arf.htm).)

26 *Asean Regional Forum* (Phnom Penh: Ministry of Foreign Affairs and International Cooperation; [http://www.mfaic.gov.kh/amm\\_bg\\_forum.php](http://www.mfaic.gov.kh/amm_bg_forum.php), accessed 16 November 2006.)

27 *Chairman’s Statement, the 10th Meeting of the Asean Regional Forum* (Phnom Penh: 18 June 2003; <http://www.aseansec.org/14845.htm>.)

members emphasised Indonesia's right to defend itself against separatist movements.<sup>28</sup>

On anti-terrorism, the EU has concurred with most Asian countries 'that this was not a military matter but one involving exchange of information and law enforcement.'<sup>29</sup> Writing ahead of the 2005 Vientiane meeting, the High Representative mentioned links between active terrorist cells in Asia and Europe and called for an approach not exclusively focused on 'direct measures,' but also on 'broader moves to undermine terrorism at its roots, including through education and other means to enhance our understanding of each other's faiths and societies.'<sup>30</sup> At the same time, given the declaratory character of most ARF decisions, bilateral initiatives have been more important to the EU and its member states, although even these have been less focused than comparable US projects.

### **East-Asia Centred Interregionalism**

Both East Asia's integration projects and the European interest in interregionalism with East Asia have traditionally focused on trade. Since 2003, intra-East Asian trade has doubled while the region's trade with the EU (and the US) has grown by just about 50 per cent. In this context, China's economic growth has provided the engine for both intra-Asian and Eurasian trade.<sup>31</sup> Since 11 September 2001, the commercial imperative has overlapped with a joint recognition of the terrorist risk while deemphasising the latter's military aspect.

#### *Asia-Europe Meetings*

Asem was launched in 1996 among the then EU-15, an Asean without Burma and Cambodia, as well as China, Japan, and South Korea. Burma,<sup>32</sup> Cambodia, and Laos as well as ten new EU members were admitted in 2004; India, Mongolia, Pakistan, Bulgaria, Romania, and the Asean Secretariat are expected to join in 2008. Asem comprises two-yearly summits, as well as ministerial, senior officials', and expert

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28 Axel Berkofsky, „Can the EU Play a Meaningful Role in Asian Security through the Asean Regional Forum?“, in: *Eurasia Policy Brief* (<http://www.eias.org/publications/policybriefs/aseansecurity.pdf>; accessed 16 November 2006.)

29 *Asean Regional Forum* (Phnom Penh.)

30 *Article by Javier Solana ahead of the Asean Regional Forum* (Brussels: EU Council, 27 July 2005; <http://www.delidn.ec.europa.eu/en/newsroom/speech-050727.pdf>.)

31 "Health of US Economy Rests with Capital Goods."

32 The European side accepted a Burmese participation on the condition that it be below the level of head of state/government.

meetings.<sup>33</sup> Summits provide political guidance and benchmarks for progress achieved, foreign ministers are responsible for the steering, and senior officials for the overall coordination of the process.

Asem is an “open,” informal, incremental, and consensual dialogue process aiming to contribute to ‘upholding the purposes and principles of the UN Charter, respect for democracy, the rule of law, equality, justice and human rights, concern for the environment and other global issues, eradication of poverty, protection of cultural heritage and the promotion of intellectual endeavours, economic and social development, knowledge and educational resources, science and technology, commerce, investment and enterprise.’<sup>34</sup>

Among Asem’s three “pillars” (political, economic, and socio-cultural,) economic cooperation remains the most important, and Asem had initially proposed an exclusively economic agenda.<sup>35</sup> This has included debates on international, regional, and transregional trade liberalisation, the international financial architecture, as well as cooperation against money-laundering and in the field of customs. Responding to the Asian Crisis, the 1998 London summit launched an Asem Trust Fund to provide technical advice and training to assist with policy reform in affected countries. Economic ministers and more recently senior officials from economic ministries have been meeting back to back with representatives of the private and public sectors in an Asia-Europe Business Forum. In the area of financial cooperation, finance deputies have performed a similar function. In 2004, leaders created a Task Force to work towards a closer economic partnership.<sup>36</sup>

The “political pillar” comprises debates on human rights and democracy as well as international and regional issues and has occasionally produced political declarations, e.g. on the Middle East peace process, the situation on the Korean Peninsula, and deteriorating India-Pakistan relations in 2002. At the international level, this dialogue focused on UN reform, the millennium development goals, human rights institutions, and peace-building; at the regional level, dialogues have been launched

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33 General principles for cooperation are agreed upon at the two-yearly summit of heads of state or government. Asem foreign ministers convene in between summits. Economic and finance ministers, as well as senior officials, meet annually. Ministers of culture and the environment have met less frequently. Asem has a “virtual” (i.e. intranet-based) secretariat and coordinators (including the EU Presidency, EU Commission, and two Asian members) who discuss the future direction of the process.

34 *The Asia-Europe Cooperation Framework* (Seoul: 21. October 2000; [http://ec.europa.eu/comm/external\\_relations/asem/asem\\_proc/aecf\\_2000.htm](http://ec.europa.eu/comm/external_relations/asem/asem_proc/aecf_2000.htm).)

35 Heiner Hänggi, *A Case for Niche-Making: Asem and Its Security Agenda* (Geneva: Geneva Centre for the Democratic Control of Armed Forces; undated manuscript,) p. 3.

36 *The Asia-Europe Meeting* (Brussels: Commission of the European Communities; [http://ec.europa.eu/comm/external\\_relations/asem/intro/index.htm](http://ec.europa.eu/comm/external_relations/asem/intro/index.htm); accessed 17 November 2006.)

on environmental issues and migration. Since 11 September 2001, the fight (not “war”) against international terrorism has become a priority. Asem published a Copenhagen Declaration<sup>37</sup> (and Programme) on Cooperation against International Terrorism in 2002, including joint projects in the fields of customs, air and maritime security, as well as money laundering. In 2003, foreign ministers issued a Declaration on the Prevention of WMD-Proliferation.<sup>38</sup> There has been a series of (inofficial) symposia on human rights and the rule of law supported by the Asia-Europe Foundation (Asef, cf. below.) Political dialogue has also included parliamentary exchanges.<sup>39</sup>

Arguably, Asem’s “social, cultural, and intellectual pillar” thus far has remained the weakest. Participating countries have launched a higher education network including fellowships and plans for an Trans-Eurasian Information Network. In 2002, leaders agreed to launch a dialogue on cultures and civilisations at all levels of cooperation. Founded in Singapore in 1997, Asef (Asem’s only institution) has been charged with promoting cultural, intellectual, and societal exchanges.<sup>40</sup>

## **Deficits, Asymmetries, and the Importance of World Order**

Realists have described the dominant structure of the present international system as unipolar and the hegemon’s strategy in terms of “cooperative unilateralism.” At the same time, (rationalist) institutionalists have identified a “third generation of regional integration” that aims at ‘the optimisation of external political processes and of the global processes of governance.’<sup>41</sup> At the international level, regionalism can alternatively promote balancing behaviour or multilateralism.

For the time being, and irrespective of the Eurasian institutional gap, neither Europe nor Asia would appear to be well prepared to promote either balancing or multilateralism. When EU leaders in June 2006 decided to extend their “reflection period” over the fate of the constitutional treaty by another two years,<sup>42</sup> they also

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37 *The Asem Copenhagen Declaration on Cooperation against International Terrorism* (Copenhagen: 23 September 2002; <http://www.mofa.go.jp/policy/economy/asef/asef4/terro.html>.)

38 *Political Declaration on the Prevention of Proliferation of Weapons of Mass Destruction and Their Means of Delivery* (24 July 2003; <http://www.mofa.go.jp/policy/economy/asef/asef5/dec.html>.)

39 *Ibid.*

40 *Ibid.*

41 Luk Van Langenhove/Ana-Cristina Costea, *Inter-Regionalism and the Future of Multilateralism* (Tokyo: Comparative Regional Integration Studies, United Nations University, 2005), p. 17.

42 „EU Summit: Extension of Reflection Period Makes Headlines,“ in: *EurActiv* ([http://www.euractiv.com/en/constitution/ez-summit-extension-reflection-period-headlines/articles-156184?\\_print](http://www.euractiv.com/en/constitution/ez-summit-extension-reflection-period-headlines/articles-156184?_print)), 19 June 2006

postponed the creation of an EU legal personality, foreign minister, and defence policy. Legal personality has also been a central objective of a proposed Asean Charter as the point of departure for a future Asean Community that had been envisaged by heads of state and government in 2003.<sup>43</sup> Should the Ezeuropean and Southeast Asian projects fail, both players risk to become objects rather than subjects of international politics.

When Asem was founded in 1996, the two sides viewed it as the “missing link” required to correct imbalances in a (mainly economic) North American-East Asian-European triad. At the time, the EU was more interested in eventual Asem contributions to global trade liberalisation than in balancing aspects emphasised by some Asian partners.<sup>44</sup> If these contributions hardly materialised,<sup>45</sup> however, then because trans-Atlantic communalities on trade were normally greater than trans-Pacific or Eurasian overlaps. The same applied to the Burma issue, and Asem has not even come close to its stated objective of cooperation ‘in promoting the effective reform and greater democratisation of the UN system.’<sup>46</sup> The desired “effective multilateralism”<sup>47</sup> (a term taken from the EU’s 2003 Security Strategy,<sup>48</sup>) has thus been less than effective, and it remains to be seen whether the Declaration on Climate Change<sup>49</sup> passed by the 2006 Helsinki summit will reorient the process towards its original goal. In fact, the equal treatment accorded by the first summit to non-intervention on the one hand and the ‘promotion of fundamental rights’ on the other<sup>50</sup> has remained a stumbling block for an efficient political dialogue. Even though Asem since then has committed itself ‘to promote and protect all human

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43 *Declaration of Asean Concord II* (Denpasar: Asean Secretariat, 7 October 2003; <http://www.aseansec.org/15159.htm>;) *Vientiane Action Programme* (Jakarta: Asean Secretariat, 2004; <http://www.aseansec.org/VAP-10th%20ASEAN%20Summit.pdf>.)

44 Christopher M. Dent, “The Asia-Europe Meeting and Inter-Regionalism. Toward a Theory of Multilateral Utility,” in: *Asian Survey*, vol. 44, no. 2 (March/April 2004,) pp. 213-36 (215.)

45 The only example for an Asem contribution to the WTO’s liberalisation agenda thus far has been a joint position adopted on labour legislation in 1996. However, this did not succeed in bridging the respective gap between industrialised and developing countries. Howard Loewen, “Ostasien und Europa – Partner einer internationalen Ordnungspolitik?” (“East Asia and Europe – Partners for World Order Policies?“,) in: *Giga Focus* (<http://www.giga-hamburg.de/giga-focus>,) no. 9 (2006,) pp. 4/5.

46 *Chairman’s Statement, Asia Europe Meeting* (Bangkok: 2 March 1996; <http://www.tni.org/asem-offdocs/chair1.htm>.)

47 *Asem Declaration on Multilateralism* (Kildare: Asem Foreign Ministers’ Meeting, 17 April 2004; <http://www.mofa.go.jp/policy/economy/ase6/dec.pdf>.)

48 *A Secure Europe in a Better World. European Security Strategy* (Brussels: European Council, 12 December 2003; <http://www.iss-eu.org/solana/solanae.pdf>.)

49 *Asem6 Declaration on Climate Change* (Helsinki: 10/11 September 2006; [http://www.ase6.fi/news\\_and\\_documents/en.GB/1157981028054/](http://www.ase6.fi/news_and_documents/en.GB/1157981028054/).) In this context, Howard Loewen mentions ‘common negotiating strategies’ at the 2005 Montreal Climate Conference. Loewen, “Ostasien und Europa,” p. 5.

50 *Chairman’s Statement, Asia Europe Meeting*.

rights' as well as democracy and the rule of law,<sup>51</sup> and even though heads of state and government in 2000 decided not to exclude any issue beforehand,<sup>52</sup> China in 2001 effectively vetoed a debate proposed by the European side on the South China Sea, and in 2002 the Philippines opposed the naming of individual member states in the first ever Asem-debate on terrorism.<sup>53</sup>

Neither has Asem promoted the tripolar balancing that countries like China have associated with the process.<sup>54</sup> References to the 'UN Charter and basic norms of international law,' 'domestic laws' and 'root causes of terrorism' contained in the Copenhagen Declaration on Terrorism<sup>55</sup> notwithstanding, individual Asian and European countries have opted for varying degrees of military and non-military participation in the US-led coalition. At the same time, the European and PRC sides in negotiations over Iran's nuclear problem have basically adopted the Bush administration's strategy of regionalising the problem while making exceptions from Tehran's NPT commitments. According to one author, 'since the inception of the Asem process in the mid-1990s, its triadic rationale has been further undermined by the re-securitisation of international relations and the emergence of a US quasi-hegemony which both resulted from 9/11 and its aftermath.'<sup>56</sup>

Asem in its early phase thus focused on technical cooperation for the promotion of trade and investment.<sup>57</sup> In 1998, the Asian Crisis tentatively added a financial dimension, but Asem's response was about as timid as the one given by Apec, its trans-Pacific model and rival.<sup>58</sup> When an Asem Eminent Persons Group in 1999

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51 Hänggi, *A Case for Niche-Making*, p. 5.

52 *The Asia-Europe Cooperation Framework*.

53 Among the security issues proposed for discussion but not taken up, Heiner Hänggi mentions: endorsement of the Southeast Asian Nuclear-Weapons Free Zone, proposed by Asean at Asem-1; cooperation on conflict prevention and peacekeeping and the strengthening of efforts to control the arms trade, proposed by the EU Commission ahead of Asem-3; promotion of greater transparency over security and defence, proposed by the Asem Vision Group; cooperation between the ARF and the OSCE, also proposed by the Asem Vision Group; the concept of human security, introduced by Thailand at Asem-3; a reaffirmation of the principles of good governance, proposed by the EU-Commission. Hänggi, *A Case for Niche-Making*, p. 9.

54 Bersick, *Die Asem-Politik der VR China*, p. 23.

55 *The Asem Copenhagen Declaration on Cooperation against International Terrorism*.

56 Hänggi, *A Case for Niche-Making*, p. 2.

57 E.g. *Trade Facilitation Action Plan* (Brussels: Commission of the European Communities; [http://ec.europa.eu/comm/external\\_relations/asem/other\\_activities/tfap.2000.htm](http://ec.europa.eu/comm/external_relations/asem/other_activities/tfap.2000.htm); accessed 20 November 2006.)

58 Loewen, „Ostasien und Europa“, p. 4. In 2002, Asem-heads of state and government inconclusively discussed the creation of an East Asian Eurobond market and a further internationalisation of the European currency. Shada Islam, "Focus on Politics and Trade Gives New Life to Asem," in: *Eurasia Bulletin*, vol. 6, no. 9 (September 2002,) pp. 10-3 (11.)

suggested the creation of a Europe-Asia free trade area, diverging opinions on the Asian side ruled out an early realisation.<sup>59</sup>

With a view to overcome the looming inertia, the 2006 Helsinki summit decided that leadership should be issue-based, i.e. facilitate “coalitions of the willing” on projects and initiatives.<sup>60</sup> The forming of cross-continental coalitions may indeed become Asem’s litmus test with India’s forthcoming accession possibly opening new perspectives. Much as with regionalism at the international level, one may ask whether the possible splitting of Asem into functional groups will further multilateralism or not.

Whereas Asean and the EU have assured each other on the centrality of their bilateral relationship for ‘the strategic partnership between Asia and Europe,’<sup>61</sup> the EU has actually started bilateralising its trade (as well as human rights and to some extent anti-terrorist<sup>62</sup>) relationship with Southeast Asia while privileging its relations with Far Eastern great powers over its interregionalist efforts. In 2004, the European side launched negotiations on bilateral partnership and cooperation agreements with Thailand and Singapore that were expected to ‘help underpin the relations between the EU and Southeast Asia as a whole’ and to ‘facilitate the possible negotiation and implementation of an EU-Asean Free Trade Agreement following the successful conclusion of the current round of multilateral trade negotiations.’<sup>63</sup> Two years and another inconclusive WTO round later, External Affairs Commissioner Benita Ferrero-Waldner announced similar negotiations with Malaysia while ruling out free trade agreements with Asean members that had not begun liberalising their economies,<sup>64</sup> and thus with Asean as a whole. Thus far, South Korea remains the most

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59 Jörn Dosch, „Das Verhältnis der EU und der USA zur Region Südostasien“ („The EU and US Relationship with the Southeast Asian Region,“) in: *Aus Politik und Zeitgeschichte*, B21-22 (17 May 2004,) pp. 7-14 (11.)

60 *Helsinki Declaration on the Future of Asem* (Helsinki: 10/11 September 2006; [http://www.asem6.fi/news\\_and\\_documents/en\\_GB/1157981074064.](http://www.asem6.fi/news_and_documents/en_GB/1157981074064.))

61 *Joint Co-Chairmen’s Statement of the 15th Asean-EU Meeting*.

62 Since 2003, according to the EU’s aid agency, the ‘application of regional or bilateral approaches depends on the nature of the issues that are being addressed. Regional approaches will be chosen when economies of scale are evident for support to private sector, promoting university networks, etc., or when the chances of such are greater within a regional or sub-regional frame for environment, fight against drugs, communicable diseases, fight against terrorism. When both regional and bilateral approaches are applied, the issues of coherence and complementarity must be addressed.’ *Regional Cooperation*.

63 *Launch of Negotiations for Partnership and Cooperation Agreements between the EU-Thailand and between the EU-Singapore* (Brussels: Commission of the European Communities, 8 October 2004; [http://ec.europa.eu/comm/external\\_relations/asem/asem\\_summits/asem5/news/ip04\\_eu-thai\\_eu-sing.htm](http://ec.europa.eu/comm/external_relations/asem/asem_summits/asem5/news/ip04_eu-thai_eu-sing.htm).)

64 „Europa tut sich mit Freihandel in Südostasien schwer“ („Europe Has Problems with Free Trade in Southeast Asia,“) *FAZ.NET* (<http://www.faz.net>.) 11 October 2006, p. 15. Ferrero’s

likely regional candidate for a bilateral EU trade agreement.<sup>65</sup> While responding to a general trend towards bilateralisation in East Asian trade, Europe more than any of its regional partners has been seeking to defend the original linkage with the international regime.

Arguably, the bilateral temptation has been even greater in areas where Europe's regional weight is much smaller. In world order and security terms, the EU seems to view Asem, the EU-Asean dialogue, Asean-PMCs and the ARF as convenient forums to deal with East Asian middle powers, relationships that would consume much more energy if dealt with in the framework of "strategic partnerships." Much as with Asean in the Southeast Asian case, the EU has since 2003 made Asem a cornerstone of its efforts to stabilise security in all of East Asia.<sup>66</sup> Whereas this mechanism, in EU rhetorics, has been built around EU-Asean relations<sup>67</sup> and by implication around Asean's visions for East Asian community building, Europe has entered into "strategic partnerships" with Beijing, Tokyo, and Delhi, China has emerged as an informal leader on Asem's Asian side,<sup>68</sup> and it remains to be seen whether an Indian accession in 2008 benefits Asean's role or not.<sup>69</sup> In the EAS, for example, great power rivalry seems to have dampened the original regionalist impulse with the PRC now apparently viewing APT as its favourite venue for an intraregional debate.<sup>70</sup>

Under such conditions, it seems rather unlikely that Europe could 'co-define... norms and rules,' thus facilitating 'the integration of the increasingly assertive Asian power China into a new world order in which regional communities and unions are seeking to become actors in their own right.'<sup>71</sup> At the same time, such an institutionalisation would be the precondition for interregionalism contributing to balancing or multilateralism or both.

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announcement contrasted with a more positive assessment of an EU-Asean free trade arrangement made earlier by Trade Commissioner Peter Mandelson. John Burton, "EU-Asia Trade Pact in Prospect," *Financial Times*, 17 May 2006, p. 1.

65 Philippe Ricard, „L'Union européenne veut placer l'Asie au coeur de sa politique commerciale," ("Europe Wants to Place Asia at the Core of Its Commercial Policies,") *Le Monde*, 11 September 2006," p. 4.

66 *Regional Cooperation*.

67 *Towards A New Asia Strategy*.

68 Sebastian Bersick, *Die Asem-Politik der VR China: Zwischen Hegemonie und Multilateralität (China's Asem Policies: Between Hegemony and Multilaterality)*

<http://www.asienhaus.org/public/archiv/04-1-021.pdf>; accessed 20 November 2006.)

69 In contrast, Bersick emphasises the Asian side's original interest in interregionalism as a facilitator of inter-governmentalism. Bersick, *Making Euro-Asian Soft Power*.

70 Mohan Malik, *China and the East Asian summit: More Discord than Accord* (Honolulu HI: Asia-Pacific Centre for Security Studies, February 2006;

<http://www.apcss.org/Publication/APSSS/ChinaandEastAsiaSummit.pdf>.) p. 2.

71 Bersick, *Making Euro-Asian Soft Power*.

Internal and external conditions presently do not favour the emergence of a Eurasian world order centred on soft power. To be effective, third generation regionalism and interregionalism would have to subscribe to ‘the idea that one cannot isolate trade and economy from the rest of society: integration can also imply non-economic matters such as justice, security, culture.’<sup>72</sup> As has been shown, the Asian side remains reluctant to wholeheartedly embrace such a concept, and although Asian concepts of “comprehensive security” at first sight resemble European human security approaches, the former have not included human rights, and the Asian side in 2000 actually turned down a Thai proposal to discuss human security in the Asem context.<sup>73</sup> At the same time, the “new regionalism” seems to be out of step with major developments at the international level. The latter include America’s military return to the Far East including attempts to revitalise Apec<sup>74</sup> and – possibly - contribute to the strengthening of Asean,<sup>75</sup> as well as a new Western emphasis on state building and governance. Asian responses to these phenomena have diverged with neither China nor India providing sustainable alternatives to the amended “Washington Consensus.”

Even if it were true that we live in a time of “frustrated multilateralism” where US unipolarity competes with an EU-led “regionalist movement,”<sup>76</sup> and even though Europe and Asia, as a matter of principle, would share apprehensions about the Bush administration’s “war on terror,” because of Eurasian deficits and asymmetries, this has not produced operational alternatives. And even more importantly, whereas learning processes cannot be ruled out in the future, it is rather unlikely that they would inspire the emergence of Eurasian values that could compete with the Western variety. However, such a values-foundation is the essential condition for jointly constructing a rules-based world, and a rules-based world is the essential condition for jointly addressing major global problems.

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72 Van Langenhove/Costea, *Inter-Regionalism and the Future of Multilateralism*, p. 13.

73 Hänggi, *A Case for Niche-Making*, p. 9.

74 *President Bush Visits National Singapore University* (Washington DC: White House, 16 November 2006; <http://www.whitehouse.gov/news/releases/2006/11/20061116-1.html>.)

75 *The Asean-US Enhanced Partnership* (Washington DC: State Department, 17 November 2006; <http://www.state.gov/r/pa/prs/2006/76231.htm>.)

76 *Ibid.*, p. 22.