

The EU and ASEAN – In Search of a New Regional Paradigm?

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Left: Jose Manuel Barroso, President of the European Commission; right: H.E Le Luong Minh, Secretary-General of ASEAN. (Photos: European Union; ASEAN, 2013)

ABSTRACT

The European Union (EU) has been hailed as the most successful model of regional integration thus far, while the Association of Southeast Asian Nations (ASEAN), despite its fair share of critics and doomsayers, has been seen as a relatively successful regional organisation in the developing world. However, both seemed to have arrived at a critical juncture in their respective regional projects. Challenged by recent events, internal and external, and faced with increasing uncertainties and complexities, the EU and ASEAN are forced to re-examine the journey they have taken so far and ponder the road ahead.

This paper seeks first to provide an overview of the two parallel processes of regionalism in Europe and Southeast Asia by focusing on the developments of the EU and ASEAN, and dissecting both the external forces and internal dynamics that shape the respective regional processes. It then sketches out some of the global trends likely to impact regional developments in Europe and Asia, and questions if the EU and ASEAN would need a new regional approach or paradigm if they are to maintain their salience and relevance as regional actors.

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INTRODUCTION

The 1990s saw a wave of optimism with regard to international cooperation and international institutions. It also ushered in a new wave of regionalism – with the founding of the Asia-Pacific Economic Cooperation (APEC) forum, the creation of the North American Free Trade Area (NAFTA) and Mercosur (*Mercato Comun del Sur* – Southern Common Market). Regionalism was seen as an inevitable response to globalisation, an increasingly important level between the national and global in the context of a multilevel global governance structure.

The European Union (EU) has long been held up as a model of regional integration, and the study of regionalism and regional integration has been very much influenced by the developments in Europe from the founding of the European Coal and Steel Community (ECSC) to the European Economic Community and the transformation into the European Union.

This euro-centric approach, however, has been challenged with the rise of the idea of open regionalism which emerged in the 1980s and, in particular, with the increase in interest on developments in the Asia-Pacific with the launch of APEC, and the emergence of “regionalist scholarship” revolving around the study of the Association of Southeast Asian Nations (ASEAN) and regionalism in Southeast Asia and the Asia-Pacific.

The regionalist impulses and the regionalisms of the EU and ASEAN must be understood within its historical context resulting in different trajectories. While European integration was driven by the memories of its bloody past and the need to “contain” nationalism to prevent another war, ASEAN was driven by the concern over potential future conflicts in a very volatile region that it was in. In short, one could say the EU was driven more by history and ASEAN more by geography. The predominant impulse in the EU was to prevent another war and to reconstruct and rebuild, while that of ASEAN was to try and maintain a balance of power and a semblance of stability in its region so that attention can be focused on building “national resilience”. The

peace and reconciliation imperative led Europe towards a remarkable step in creating the ECSC with pooled sovereignty in the management of coal and steel, while the need to maintain some order and stability in Southeast Asia produced an ASEAN that focused on confidence building and emphasis on non-interference.

Despite the different origins and *raison d’être* of the two regional entities, in the post-Cold war world with the spread of the neo-liberalist idea of globalisation, there was a palpable sense that regionalisms would converge along the trajectory of further institutionalisation and legalism, and hence ASEAN should become more like the EU. However, recent events in Europe and Asia have created uncertainties with regard to the future developments of the EU and ASEAN.

This paper is an attempt to tease out the future trajectory of regionalism in the EU and ASEAN by looking at how global trends and the dynamic interaction of the forces of politics, economics and technology would impact regional developments within Europe and Asia. The paper begins with a quick overview of the integration processes of the EU and the more informal character of regionalism that has developed within ASEAN. It then sketches out some of the global trends and asks if the EU and ASEAN would need a new narrative or a new approach in response to the changes within their respective regions in order to maintain their salience and relevance to its member states.

REGIONAL INTEGRATION, EU STYLE

The European integration project started in the 1950s and has since gone through five major changes of the treaties to adjust to new circumstances. With each treaty change, integration has deepened. The uniqueness of the European integration project vis-à-vis other regional projects such as ASEAN or ASEAN Plus Three lies in its blend of inter-governmentalism and supranationalism underpin by principles of subsidiarity and proportionality. While many regional projects are purely inter-governmental in its organisation, the EU has a web of institutions, and a framework of rules and procedures that support supranationalism.

Supranational elements of the EU are manifested by the pooling and delegation of sovereignty. What this meant in practice is that member states have pooled and transferred a limited number of competences in

certain policy areas on a permanent basis to the European institutions. In these areas, member states act collectively (and not independently). Once decisions are taken collectively (usually through Qualified Majority Voting), member states are obliged to implement these decisions.

The nature of European integration has also changed over time – from being seen essentially as a peace project bringing about the reconciliation of France and Germany, to an instrument for economic cooperation, and now an entity that is designed not only to manage economic interdependence and the challenges of globalisation, but a regional actor trying to shape the external conditions through a web of regional governance structures. The need for regional agency comes from the challenges of globalisation as most states are too weak to manage these problems on their own.

New areas of policies are taken up at the European level on the assumption that common efforts will be more effective than individual national efforts. The EU has even implemented a large number of common policies under the broad remit of human security, ranging from immigration, counter-terrorism and police cooperation, which was beyond the purview of the EU two decades ago. At the same time however, in its endeavours to revitalise the European economies, member states were not willing to abandon national efforts with regard to policies on research, innovation and technology, seen as crucial drivers to turn the EU into the most competitive economic region.

The attempt to draft a Constitution in 2002-4 in response to the enlargement and the subsequent rejection of this Constitution by key founding members (France and the Netherlands) of the EU brought about heated debates – where the EU should go from here? How far and how deep?

The Reform Treaty (Lisbon Treaty), taking off from where the Constitution failed, contains a number of provisions marking how far integration should go, and conveys the message that there is a need for a pause of some length to ponder the necessity and desirability of further integration. The fact of the matter is that integration in whatever form will work if it proves itself by adding value to what nation states can do alone. This fundamental fact needs to be borne in mind as the EU debates its future. What kind of structural reforms are needed so that the EU can be of added value to its member states in solving the problems the latter face

but cannot solve alone? And how can the EU get its citizens to look upon the EU institutions as theirs in the same way they look upon their national systems – with the requisite legitimacy, transparency and accountability?

The Lisbon Treaty introduced various changes in an attempt to address precisely these issues of legitimacy, transparency and accountability.

On the official website of the European Union, the Lisbon Treaty (Reform Treaty) is being described as providing the Union with “the legal framework and tools necessary to meet future challenges and to respond to citizens’ demands”. The changes contained in the Lisbon Treaty such as enhancing the legislative power of the European Parliament, a greater role for the national parliaments and the citizens’ rights to initiate policy reforms are supposed to make the Union more democratic and transparent. Other changes such as providing the Union a legal personality, creation of two new positions – that of an appointed President of the European Council for a fixed period of time, and the double-hatted High Representative for the Union in Foreign Affairs and Security Policy supported by a new European External Action Service – are supposed to provide the frameworks and tools necessary to make EU a coherent actor on the world stage, and to protect and promote the Union’s values.

While the Treaty does not fundamentally change the EU’s institutional set-up, it contains new elements such as the provision for clearer division of power and competences, new voting methods, and the extension of Qualified Majority Voting (QMV) to more policy areas, all of which are supposed to make the Union more efficient and effective. At the same time, it also contains numerous safeguard mechanisms to limit a further erosion of the member states’ control over what is decided in terms of new European legislation or budgetary commitments. The QMV, while extended to many more areas, is also provided with mutual blocking mechanisms and “emergency brakes”, and national parliaments are given the possibility to object to new legislation in order to prevent a further erosion of national competences to the EU level. The principles of subsidiarity and proportionality were also reaffirmed in the Lisbon Treaty.

The Lisbon Treaty reflects the desire to balance demands for democratic control and legitimacy versus efficiency and effectiveness. The governance of the EU hence reflects both characteristics of hierarchical, top-

down control exercise by supranational institutions, and at the same time, it is increasingly open to “political competition with member states trying to regain initiatives on policies” (Borsel, 2010: 191). The Union has to balance the powers and clarify the competence of its institutions and at the same time accommodate the increasing range of national interests as membership expands.

This competition is one of the dilemmas of European governance, and has begun to take its toll on decision-making during crisis, as reflected in the EU handling of the debt crisis that began with the debacle in Greece at the end of 2009. The euro zone crisis raises awkward questions about the design of the system of governance for the EU as a whole, and specifically for the euro zone. The crisis may be seen to have relegated the European Parliament and the European Commission – the two main supranational institutions of the EU – to a secondary role, while reinforcing the role of the European Council, the main inter-governmental entity. However, while the economic crisis may seem to have given more power to the EU member states, the close involvement of the European Central Bank (ECB), and the decisions taken by it which is supposed to be independent, also demonstrated that supranational institutions cannot be excluded from the decision-making process (Pardo, 2012: 86).

However, beyond the institutional wrangling and decision-making process, the seeming inability of the EU to come to grips with its problem to address the financial crisis in a decisive manner has also put a dent on the European integration process, long seen as a relatively successful model of region-building.

REGIONALISM THE ASEAN WAY

ASEAN began as a project to promote confidence building among its founding members, and at the same time for them to band together to present a united front against potential external interference from outside powers. Security concern was the major driver towards loose and informal cooperation among its members.

The progress of ASEAN in its formative years was very slow, occasionally marred by residual disputes fuelled by continued mistrust among the members. However, major political developments in the region and internationally, such as the accelerated withdrawal of British forces east of Suez, Nixon’s Guam doctrine in

1969 in the face of setbacks in Vietnam, with security implications for the region, kept the members together. The Vietnamese invasion of Cambodia (then Kampuchea) in 1978 led to a more concerted effort by the ASEAN members to work together and coordinate their positions in international forums leading to the emergence of ASEAN as a diplomatic community.

External factors played an important part in ASEAN’s development. The Vietnamese withdrawal from Cambodia and the end of the Cold war challenged ASEAN to embark on a more ambitious agenda to promote the ASEAN Way as the *modus operandi* for managing security relations in the broader Asia-Pacific. The ASEAN Way is built on the distinctive approach of quiet diplomacy conducted through informal mechanisms with emphasis on consultation and consensus. The ASEAN Regional Forum (ARF) emerged in 1994 as the very first security forum in the Asia-Pacific that brings together all the major powers to dialogue on political and security issues.

The Asian financial crisis that hit Southeast Asia in 1997 brought serious challenges to ASEAN and its ASEAN Way. The loss of economic competitiveness to other emerging markets, in particular China, and the need to revitalise its economic fortunes and strengthen coordination in response to globalisation led to calls towards deeper economic integration. The rise of China and its increasing presence in the Asia-Pacific led to complex issues and linkages between economic and security regionalism. The formal separation of the two spheres cannot hide the extent to which political bargaining is structured by the relationship between trade and economic agenda on the one hand, and the looming uncertainties in the security sphere. This in turn drove ASEAN to progressively move away from loose inter-governmental cooperation towards far more explicit security activism, in the form of the ASEAN Regional Forum (ARF), ASEAN Defence Ministers Meeting Plus 8 (ADMM Plus) and the East Asia Summit, and intensification of economic cooperation within ASEAN, culminating in the call for the creation of an ASEAN Community by the year 2015.

The need to deepen economic integration to make ASEAN a market of 600 million consumers – that would be attractive for investors – brought with it the narrative of greater institutionalisation and of moving towards a rules-based ASEAN. The ASEAN Charter was signed in 2007 and came into force in 2008. A more integrated and cohesive ASEAN is also seen as necessary if ASEAN is to maintain its centrality as the

driving force in its relations with external partners in the various regional architectures.

The external environment of ASEAN has grown much more complex compared to the Cold War era. Internally, with ASEAN's enlargement to include Vietnam, Cambodia, Laos and Myanmar, the diversities that are already a hallmark of ASEAN have further multiplied.

The most serious challenge to ASEAN's international standing since the Cold War has been its inclusion of Myanmar as a member (Jones, 2012:180). The situation in Myanmar worsened in 2007 with the violent crackdown of the protests by the monks, and the humanitarian disaster unleashed by Cyclone Nargis in 2008. The internal politics of Thailand wreaked further havoc to the unity of ASEAN, as political parties in Thailand tried to shore up their "nationalistic credentials" by picking on the unresolved disputes with Cambodia over the sovereignty of the area surrounding the Preah Vihar temple. The cancellation of one of the ASEAN Summits in Thailand in 2008 due to clashes between opposing political groups, and the border skirmishes between Thailand and Cambodia that erupted in 2010 and went on for almost a year, shattered the carefully restored image of ASEAN in the years leading to the drafting of the ASEAN Charter. ASEAN was again seen to be faltering, unable to deliver on the "political and strategic coherence required for the unity of will and purpose necessary for it to be an effective actor in the regional international order" (Weatherbee, 2012: 3).

This show of disunity and lack of leadership in ASEAN came at a time when the strategic and economic environment of the Asia-Pacific was undergoing major shifts in the aftermath of the global financial crisis of 2008-9. A faltering, distracted ASEAN led to the increasing assertiveness of China in the South China Sea, and rising tensions between China and the claimant states in Southeast Asia.

It was also during this laggard period of ASEAN that external partners began to question the effectiveness of "ASEAN-centred" regional architectures, and led to calls for new architectures such as the concert of powers idea of Australian Prime Minister Kevin Rudd, and an exclusive East Asia community – similar to the European Community – by Japanese Prime Minister Hatoyama. The rising tensions between the two key powers, the US and China, and the pivot of the US towards Asia eclipsed ASEAN's "claim to centrality in the Asian regionalism" (Weatherbee, 2012: 5). These

challenges to ASEAN's centrality were partly answered by Indonesia's skillful chairmanship of ASEAN in 2011, injecting a sense of urgency towards community building and promoting an activist agenda for ASEAN. However, whether ASEAN can continue to lay claim to its centrality is uncertain, and ASEAN's unity and hence centrality was tested again in July 2012, when ASEAN failed to issue (for the first time in history) a joint communiqué at the conclusion of its 45th Foreign Ministers Meeting, due to internal differences over how to handle the South China Sea issue.

ASEAN has no doubt helped to create "a minimalist normative bargain among the great powers in the region" through various ASEAN-led regional frameworks (Goh, 2011: 373). ASEAN's comparative advantage is that it is universally acceptable as the driver of regionalism in a situation in which the great powers are suspicious of each other. ASEAN currently occupies a central role in the Asia-Pacific, particularly in East Asia, because of "the unique qualities of the East Asian environment in which ASEAN operates" (Narine, 2009: 370). The major powers in East Asia, Japan and China do not trust each other because of historical reasons and because of on-going tensions over the Senkaku/Diaoyu islands in the East China Sea. The Asia-Pacific also constitutes a "unique security environment" with major powers (the US, China, Japan and, to some extent, Russia and India) competing with one another for influence. These rivalries have created "a political space within which ASEAN may exercise significant regional influence" and enhance its own strategic importance. However, whether ASEAN can "exploit this advantage is partly contingent on the organisation's internal unity" (Narine, 2009: 370).

So far, ASEAN has been able to maintain a central role in the various regional architectures by default because the major powers in the region have abstained from leadership for fear of arousing suspicion from their rivals. However, as the US and China step up their competition in the region more openly, ASEAN has to move from "centrality of goodwill" to "centrality of substance". This means that ASEAN has to increase its political and economic weight by building a successful ASEAN Community, and at the same time enhance its external relations with all major powers to show its ability to continue to drive the various regional architectures. Otherwise, it would find itself being increasingly challenged and undermined.

GLOBAL TRENDS AND REGIONAL RESPONSES?

The challenges that are faced by the EU and ASEAN are different in many ways, but at the same time, many of these challenges are compounded by various global trends and dynamics that all nation-states and regions face. This brings us to consider the importance of the external, the global and the systemic in thinking about regionalism, and reinforces the central point on the links between the external and internal logic and impulses in determining the future of regional entities such as the EU and ASEAN.

Growing Nationalism and Populism

In an article published in “World Future Review”, futurist and former Danish diplomat Jørgen Ørstrøm Møller described “nationalism, populism and inequality” as the “deadly cocktail” that would lead us to a highly turbulent transition to a future post-industrial political system.

Indeed, nationalism and populism seem to be growing in many countries and Europe has not been spared. Despite decades of building the European Union, the crisis had led to increasing economic uncertainties which in turn fuelled growing resentment towards foreigners who are perceived to be responsible for their problems – for instance, that the Chinese are taking away jobs from Europe, and so on. People “seek refuge in nationalism blaming foreigners for the various problems they encounter in daily life” (Møller, 2011: 21) and all over Europe, one has seen the rise in support of populist right-wing parties that promise to tighten immigration, and bring jobs back through economic nationalism.

The principle of solidarity that is fundamental to the creation of a genuine community has also been eroded during the crisis, and, in particular, in the imposition of austerity on EU member states seeking bailout because of the debt crisis. Blame games and name-calling have reinforced national stereotypes. It was therefore not surprising that the latest survey by Pew Research Center support for economic integration in the EU showed downward trends and positive view of the EU are at or near their low point in more EU nations.¹

In his article “Nationalism: The Communitarian Block”, Amitai Etzioni pointed out the difficulties experienced

by the EU in moving up to a higher level of community-building because of growing nationalism. He noted that

on the one hand, the EU needs to be able to overcome the nationalism that blocks progress on the communitarian march towards more encompassing social groupings – to parallel the need for more encompassing and effective transnational governance. On other hand, it seems unable to meet this challenge [...] Without significant transfer of commitment and loyalty from the citizens of the member nations to the evolving supranational community – the EU will be unable to sustain the kind of encompassing state-like shared governance endeavour it attempts to advance [and will likely] retreat to being only a free trade zone enriched by numerous legal and administrative shared arrangements.

Other analysts have also noted that the recent financial crisis have further pushed the EU towards more inter-governmentalism. The power of member states has grown, “bringing back the asymmetries of size and weight as a structuring feature of political bargaining” in the EU (Janning, 2013). There is a palpable sense of creeping “renationalisation” of politics across the EU. European institutions and its politics “are on divergent paths...” and politics is moving “away from Brussels and back to the nation-state” (Kupchan, 2012:154).

ASEAN has also not been spared the tide of rising nationalism. The rising tensions between China and Japan over the Diaoyu/Senkaku islands are fuelled in part by rising nationalism in both countries. Right wing politicians in Japan and young people in China, fed by “nationalistic” education, have made it all the more harder for both governments to make sensible compromises and reach some sort of lasting resolution on these issues that are seen to impinge on sovereignty.

While some would argue that it was precisely the mutual distrust and lack of reconciliation between Japan and China that provide ASEAN the space for manoeuvre and to play the role of driver in regional integration in East Asia, increasing rivalry and hostility does not bode well for regional stability.

Nationalism and populism are impulses likely to work against further integration in both the EU and ASEAN. While the latter has always emphasised “national sovereignty” and never see the regional project as a way to constrain nationalism – and hence one could

¹ See the website of the Pew Research Center’s Global Attitudes Project, available online at: www.pewglobal.org

argue that nothing is new – the context is rather different in the 21st century with increasing interdependence. Nationalism could set back some of the market-driven integration within ASEAN, and impede further economic integration, making it harder for the ASEAN economies to maximise the economic potential to bring about the much needed socio-economic development so crucial for the stability and legitimacy of the ASEAN governments.

The Changing Distribution of Power and Forum Shopping

The rise of emerging or re-emerging powers such as Brazil, Russia, India and China, particularly in economic terms, has led to the changing distribution of global power. Initially, the redistribution of power was welcomed as the shift from a unipolar to a multipolar world. Increasingly, however, this shift in global power distribution has been interpreted as either a move towards a “no one’s world” (Kupchan, 2012) or a “polycentric world” (ESPAS Report, 2012) in which no single country will be in a hegemonic position. Ian Bremmer went further to describe the current world order as a G-Zero world in which no single country or durable alliance of countries can meet the challenges of global leadership (Bremmer, 2012).

While one may not exactly agree that we are in a G-Zero world, the “rise of the rest” have indeed led to increasing challenge to existing institutions. Existing international institutions and multilateral forums are viewed with some suspicion by emerging and re-emerging powers such as China, Russia, and India as “Western attempts of institutional power projections”. Increasingly, thus, some of these emerging powers are beginning to challenge these international institutions over issues such as membership and representation; decision-making procedures; and their normative order. These contestations lead to what Rüländ termed “diminished multilateralism” that differs markedly from the “principled multilateralism” that liberal institutionalists and constructivists saw on the rise in the first half of the 1990s. Diminished multilateralism is devoid of the “cosmopolitan ideational underpinnings, the telos, legalism and contractualism characteristic of liberal conceptualisations of global governance” and instead is based on “low intensity cooperation that resonates more with realist paradigm such as power, balancing, hedging and relative-gains orientation” (Rüländ, 2012: 258-9).

The result of such contestations and challenges and the rise of diminished multilateralism is shallow, loosely institutionalised, contingent, informal, pragmatic and ad hoc multilateral cooperation. Often, the best that could be achieved are non-binding, imprecise agreements based on the lowest common denominator.

Rüländ further argued that the struggle over membership and representation, decision-making procedures and institutional norms would have repercussions on regional multilateralism:

Both, the western beneficiaries of the current order as well as newly emerging powers have increasingly realised that influencing the power distribution in international institutions and negotiations on global policy issues necessitates bargaining power. Region building is one option of strengthening bargaining power. Emerging powers also strive for regional leadership because it bestows prestige on them [...]

(Rüländ, 2012: 258-9)

Regional institutions inevitably also become instrumentalised devices for institutional power-balancing rather than collective problem solving.

Without a single hegemonic world power, a constellation of rising middle powers such as Indonesia, Turkey, South Africa will become ever more important, and the implications this has for regionalism is significant. According to the European Strategy and Policy Analysis System (ESPAS) 2012 report:

The search for autonomy in a polycentric world and the proliferation of informal inter-state networks and groups may not be conducive to strengthen traditional regionalism. Some states will see regional integration as beneficial and as a platform to pursue their global ambitions, but others may invest energy in new non-institutionalised trans-regional frameworks. This will make soft cooperation predominate and make deep integration (as undertaken in the EU) unlikely elsewhere.

(ESPAS Report, 2012: 126)

The report also said that:

Regionalism will be a power multiplier for some such as Brazil and Indonesia, but not necessarily India or China. The international system that is likely to emerge as a result of all these shifts

will probably mix balance of power politics and multilateralism with states making issue-by-issue shifts and alliances. This will generate a higher level of unpredictability in international relations and make it harder to attain a broad consensus even on matters requiring urgent global action.

(ESPAS Report, 2012: 19)

In short, the changing distribution of global power, leading to what Rüländ called *diminished multilateralism*, would result in a certain loss of cooperative substance in both regional and international institutions. Many multilateral institutions are increasingly less able to initiate and organise collective action geared towards public goods, when energies are spent more on “institutional power games and forum shopping”. Forum shopping denotes a strategy by which actors “pick and choose among the mechanisms that best fit their individual political agenda” (Forman and Segaar 2006:213).

Forum shopping has been endemic in Asia, and ASEAN has been adept in the game by not “ceding” its centrality in many of the emerging regional architectures. But ASEAN has been increasingly challenged by other powers participating in the various ASEAN-led or -created forums such as the ASEAN Regional Forum (ARF) and the East Asia Summit (EAS). More insidious of course is that this trend will also begin to threaten the commitment of ASEAN member states towards ASEAN itself if key ASEAN members such as Indonesia and the Philippines engage actively in forum shopping and forming new alliances and frameworks to further their own agenda.

Such a scenario is likely within ASEAN when some public intellectuals within Indonesia called for a post-ASEAN policy – by which they mean that Indonesia should no longer place ASEAN at the centre of its foreign policy but should instead aim to be a global player and use the different forums in which it is a member of (such as G20 and the Organization of the Islamic Conference, for instance) to defend its national interest and project its influence.

In the EU, forum shopping has an internal and external dimension. The enlargement of the EU has led to a proliferation of sub-regional cooperation schemes such as the Baltic Sea Cooperation Council, and the external dimension of the EU’s forum shopping is a string of so-called strategic partnerships which the Union

concluded with major powers such as US, China, Russia and India (Rüländ, 2012:265-266).

The Diffusion of State Power and Empowerment of Individuals

The rapid developments and spread of communication technologies have led also to the diffusion of state power, and increasingly non-state actors and networked individuals empowered by social media can pose significant challenges to state actors. At a much more global scale, one sees the challenges to entrenched state powers as a result of the growth of the networked power. In his book *The End of Power*, Moises Naim argued that power is increasingly fleeting, and in fact “power is eroding – it is easier to get, but harder to use and far easier to lose”.

This phenomenon is fuelled by three revolutions – the More revolution, the Mobility revolution and the Mentality revolution. The 21st century has more of everything, from people to literacy to products on the markets to political parties. An impatient and better informed middle class are demanding more from their governments, which the latter often cannot deliver fast enough. This coupled with the fact that people today not only are demanding more, but are also moving more than at any other time. That makes them harder to control. An ever-consuming and ever-moving population – with access to more resources and information than ever before – has also undergone a massive cognitive and emotional transformation, with increasing importance attached to individual freedom and choice. Naim argued that together, these three revolutions are eroding the barriers that have shielded the powerful from the challengers leading to the decline of traditional power.

The decline of power, according to Naim, leads to political gridlock and to the inability to act together towards collective action to address many of the challenges we faced. Worse still, if the future of power lies in constant disruption and interference rather than management and consolidation, we would be entering a period of turbulence and instability. Transnational actors, civil society organisations, and networked activists are challenging governments and existing governance structures whether national, regional or global.

In the midst of the pain and reforms forced by the euro-crisis, Lorenzo Fioramonti argued that we will be witnessing a “politicization of regions” where citizens

and civil society are rejecting the technocratic and elite-driven, top-down integration and demanding more voice and power in determining the type of regional project they want to see. In response to the growing cost of integration – from benefits sharing to burden-sharing – citizens want to have more say over future regional trajectories and exercise their democratic power. As a result, regionalism is evolving from a “closed process”, designed and packaged by a small circle of political and economic elites, to an open process in which democratic participation and accountability are playing an ever more important role.

Many ASEAN member states are also undergoing major political transition with more politically active and demanding citizenry. Clearly the character of the state in the ASEAN region has been crucial in determining the narratives of ASEAN’s formation and development. The centrality of sovereignty, of nation-building, of top-down authoritarian or of state-guided economic development impacted the way regional community building was conceived in its earlier days. The relative state weakness and imperatives of development, where the nation-state was seen as the solution, contrasted with post-1945 Europe in which the nation-state and nationalism are seen to be a problem to be overcome.

The possibility of future change in ASEAN could therefore come from the changes in the character of the states in Southeast Asia. As the states transform themselves and move away from an authoritarian nature to a more democratic form, and as states gain legitimacy to become stronger, would regionalism in Southeast Asia take a different trajectory? We have started to witness a shift from state-centric narratives of regionalism to a more people-centred narrative embodying discourses in democracy and human rights. This is due in part to the democratic transition of Indonesia and other member states, the general broad trends in the diffusion of power with more active engagement of civil society actors, and other transnational actors.

Yet whether the active participation of civil society and non-state actors would necessarily lead to a transformation of the agenda of regionalism is not clear. Smith and Korzeniewicz, in their study of how transnational social movements may impact regionalism in Latin America, argued that transnational civil society actors still face severe constraints sharply limiting their capacity to wield influence, much less transform the pace and direction of regionalism.

EU AND ASEAN – TOWARDS A NEW PARADIGM?

Is regionalism in Europe and Southeast Asia under stress? From the above discussions, one can see that domestic politics – arising in particular from demands from the citizenry and other non-state actors for more participation or more say in the regional project – and the rise of populist parties will interact and collide with the globalising forces of trade and transnational threats to drive the changes within EU and ASEAN. Increasingly in an EU that is in the midst of a financial and debt crisis, one hears the call not for less Europe or more Europe, but for a different kind of Europe. Within Southeast Asia, the increasing participation or “consultation” of civil society actors on the building of the socio-cultural pillar of the ASEAN Community also added another dimension to the ASEAN project.

As debates heat up in both Europe and Southeast Asia on where the EU is heading, and how ASEAN is going to maintain its centrality in an increasingly complex and contested landscape in its neighbourhood, perhaps a fundamental question needs to be considered – can there or must there be some big idea or overall guiding narrative? Is there a moral political finality for the EU and ASEAN? Or should region-building in the EU and ASEAN be seen as a never-ending journey, with its twist and turns, road bumps and highways, on to which the destination is unknown?

In its early years, the EU was infused with a certain moral political finality of an ever closer union with the implicit long term vision of a peaceful, united Europe. In contrast, ASEAN was more modestly crafted with no grand vision, except to keep communism and interference at bay and to maintain some form of balance of power in a volatile region. The idea was that member states would come together when necessary, whether against a common threat, or when the balance of power is threatened.

The European approach has led to a certain linear, teleological thinking of deepening integration through functional and political spill-over. With the single market and increasing EU directives and legislations, and the idea of a European citizenship introduced first by the Maastricht Treaty, it is no wonder that there the idea of a post-national Europe began to surface with great enthusiasm in the 1990s. Yet the crisis revealed that the nation-state and national identities have not lost their importance relative to the supranational, and may be back with more salience together with the renationalisation of European politics.

Also, for a younger generation of Europeans raised in an era of peace and prosperity, the narrative of the EU as a peace project may not resonate as much as the economic benefits derived from EU membership. In fact, in a 2007 survey of young Europeans aged 15-30, when asked what the EU means to them personally, the freedom to travel, study and work anywhere in the EU emerges as the most important considerations. A Standard Eurobarometer survey (2009) of all age groups also showed over 40 per cent stating freedom to travel, study and work anywhere as the meaning of the EU to them, and only 25 per cent think that the EU means peace. However, when phrased in another way, peace among the member states is listed by more than 50 per cent as the biggest achievement of the EU. The EU has delivered on peace, and now more people are expecting the EU to deliver on concrete benefits of jobs and opportunities at a time when the EU faces increasing economic pressures and divergences. As the EU struggles with the economic crisis, it has to fall back more and more on its political *raison d'être*, reiterating its achievements on peace and reconciliation to hold the EU together.

The dilemma for ASEAN is also one between economics and security, though it is played out quite differently. For the first 30 years ASEAN was about playing the balancing and hedging game and employing all antics to keep the region "stable". A combination of external fears and challenges combined with internal quest for building trust and modernity kept ASEAN together. However, with the enlargement of ASEAN and in an increasingly complex situation fuelled by the end of the Cold War, the rise of China and the increasing competition between the US and China in the Asia-Pacific, the external fears may have diverged and the challenges more complex to offer continued coherence and unity. What is the new imperative for ASEAN to stick together to make the journey to the unknown?

Since 2003, ASEAN has made a pitch for a much more economic-oriented narrative. As the ASEAN economies reaped benefits from some of the structural reforms undertaken during the Asian financial crisis, and as the centre of economic activities shifted to the east riding on the rise of China and opening up of India, global economic competition propelled ASEAN towards greater economic integration within ASEAN. ASEAN's full economic potential can only be unleashed with greater economic integration within ASEAN and further integration with the global economy. Also, with deeper integration and greater cohesion can ASEAN continue to be a driver of the various regional architectures in

the Asia-Pacific. This comes at an important juncture when increasing competition for influence by the major powers in the increasingly important region inevitably lead to attempts to influence the agenda in the various regional architectures. The "default driver" seat that ASEAN hitherto enjoyed is no longer secured as other middle powers (Australia, South Korea) and major powers (US, China, Japan and Russia) took on a more active role. While these powers are not openly challenging the current role played by ASEAN in providing a platform for dialogue, increasingly there are efforts behind the scenes to influence different ASEAN member states in the agenda setting.

Both the EU and ASEAN are therefore under both internal and external pressures to rethink its current trajectory of regionalism.

The global, the systemic and external factors have always been central to the development of ASEAN. ASEAN is now at a critical juncture where it has to manage a worsening power-political scene in its external environment (with the tensions in the South China Sea/East China Sea, and increasing testiness in US-Sino relations) while at the same time trying to build internal coherence made more complex because of the greater political pluralism and social awareness that informed the people in ASEAN. Would the different forces drive ASEAN towards increasing its organisational capacity with more formal institutions and norms in order to manage the tensions and hang on to its centrality?

ASEAN needs to move towards deeper integration if it wants to hang on to its centrality in the region, whereas opinion is still equally divided if the EU needs more centralisation or more flexibility. For those in the EU who thought that the post-national model of pooling and sharing sovereignty would mean less power politics and more policy choices, more institutional and legal wrangling but less power play, the recent financial and debt crises have brought forth the renationalisation of European politics. The trend towards the gradual strengthening of the supranational layers of the EU is coming to a standstill, as Europeans ponder over ever closer union, or a looser union. Nationalism, and with it the sovereign power, of the nation-state is back; perhaps not with a vengeance, but enough to make national politicians think twice about pushing for further integration and "ceding more sovereignty" to European institutions.

As the different constellations of forces – from the redistribution to the diffusion of power – lead us to a more turbulent and volatile world, the time has come for the EU and ASEAN to rethink their respective regional models, and adapt them to the new circumstances they are in. Could we perhaps expect ASEAN to become more institutionalised while the EU moves toward more flexibility and decentralisation?

The ASEAN Way and its norm of non-interference have served ASEAN well when ASEAN was weak, and the room for manoeuvre was constrained particularly during the Cold War era. ASEAN needs to remain adaptive in a region where the security issues are increasingly complex, but at the same time, the “centrality” of ASEAN can no longer be assured by passive adaptation or mere reactive measures. ASEAN has to become more resourceful and more proactive in managing an increasingly important but incredibly diverse region of so many major players with very different interests. And ASEAN can only be “proactive” if it has a strong functioning core that can think strategically and act tactically. ASEAN is not about to wither away, but more of the same will only mean leaving the fates of its 600 million people at the mercy of others.

As for the EU, from the original six to an entity of 28 today, it has delivered on peace and reconciliation. Hence increasingly expectations have been on the EU to deliver on economic prosperity and higher and higher standards of living. It has also been rather successful in this until the advent of the global financial crisis and the debt crisis. The crisis revealed some shortcomings in the economic model supported by the EU, but more fundamentally, it revealed the tensions between existing political structures with the current socioeconomic model.

The choice for the EU is not either more integration or less integration, but deeper integration where it matters, and decentralisation or localisation where necessary. Recalling and operationalising the idea of proportionality and subsidiarity may be timely at this juncture.

The EU and ASEAN, as the two most established regional organisations in their own unique way, may have taken divergent paths towards regional cooperation and integration. But both have reached a critical juncture and perhaps it is time to look even more closely towards each other to reflect and support each other in their respective journeys into an uncertain future.

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