









# EU CENTRE POLICY BRIEF

# EU's Strategic Autonomy and ASEAN's Centrality – Pathways towards EU-ASEAN partnership with a strategic purpose

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#### Introduction

2017 marks the 50<sup>th</sup> anniversary of the Association of Southeast Asian Nations (ASEAN) and 40 years of the dialogue partnership between ASEAN and the European Union (EU). This longstanding partnership has its trials and tribulations. While economic ties between the two blocs have progressed steadily and diplomatic and political relations have broadened, EU-ASEAN cooperation has not reached its full potential and has plenty of room for growth.

In May 2015, the EU issued a Joint Communication on its relations with ASEAN entitled "The EU and ASEAN: A partnership with a strategic purpose". In this Communication, the EU acknowledged that "it has a strategic interest in strengthening its relationship with ASEAN because ASEAN combines high rates of economic growth as well as economic dynamism, and that it is also at the heart of the efforts to build a more robust regional security order in the wider Asia Pacific." It added that the EU therefore has a huge stake in the success of ASEAN, and that a united and self-confident ASEAN is not only in the direct interest of the citizens of the region, but also of the EU.

While the EU has a paper articulating its interest and objectives towards ASEAN, unfortunately, ASEAN despite the importance of the EU as its one of its most important trading and investment partner, does not yet have a common strategy or coherent policy towards the EU. This of course has very much to do with the fact that ASEAN is a much looser, non-legalistic intergovernmental bloc whose cooperation is consensus driven and consultative and more differentiated rather than homogenized. But it is also due in part to the fact that the EU is not widely perceived as a security actor in a region where security is closely tied to the geopolitics of power balancing. In addition, it is also true that while the EU speaks with one voice when it comes to the areas of trade, it still lacks a strong, coherent foreign and security policy. The EU

therefore is seen predominantly as an economic player in Asia and without a deep reflection on what the EU's security and strategic interests are in Asia, and what are the capabilities that it can bring to the table, the EU's engagement with Asia and ASEAN will remain less than optimal.

However, the phenomenal rise of China, the election of Donald Trump as president of the US, and the British vote to leave the EU and a confluence of factors provide both challenges and opportunities for the EU and ASEAN to re-examine their partnership and bring this to a different level. And can an EU-ASEAN partnership with a strategic purpose be achieved?

#### What Strategic Purpose?

While both the EU and ASEAN are very different in terms of institutional set-up, they have both benefitted from globalization and free trade and see themselves as important anchors in underpinning peace and stability in their respective regions. The European integration project was hailed as the peace project that has transformed the relations between the member states such that war between them is unthinkable, while ASEAN has played an important role in confidence building amongst its member states and at the same time providing member states with a platform to engage the major powers in the region.

ASEAN has through its dialogue partnerships with all major powers and in creating forums such as the ASEAN Regional Forum (ARF), Asia-Europe Meeting (ASEM) and the East Asia Summit (EAS) managed to portray itself as at the centre of regional architectures in the Asia-Pacific. ASEAN's centrality in these regional architectures was reflected in the fact that these forums are "led" by ASEAN and its member states in the way the cooperation is structured - weakly institutionalized based on the ASEAN way. These ASEAN-led multilateral forums co-exist with the various bilateral US-led alliances (US-Japan, US-Korea, US-Australia, etc), and are given an aura of respectability since they are the only "multilateral" games in town able to accommodate all major players despite their differences. ASEAN is seen as an honest broker and interlocutor providing a platform for dialogue and cooperation.

However, as the competition between China and the US intensified and the Southeast Asian region became an area of strategic rivalry, ASEAN now faces the risk of being divided. A divided ASEAN would risk losing its centrality. This is where other major powers such as the EU can become useful players in helping ASEAN stay united to shore up those multilateral forums that constitute part of the regional order. The EU in particular has been a champion of regionalism and multilateralism, and it is therefore in ASEAN's interest to strengthen its engagement with the EU for these reasons.

The strategic value of the EU is often underappreciated because the EU as explained above is often seen only as an economic power. The EU is perceived as not having a coherent or autonomous foreign and security policy, and is often seen as closely aligned to the US because of the historical transatlantic ties. This has led many in ASEAN to question the role that the EU could really play, especially when it comes to managing the complex relations between the US and China.

However, this might be set to change. In the face of an increasingly contested international order and with an unreliable, transactional America under Trump, the EU has realized the need to move towards strategic autonomy. This means building up capabilities to assume responsibilities not only for its own security but to also play an active part in international peace and stability.

Six months into his presidency, President Trump has shown the world his narrow vision, his readiness to abdicate global leadership and his disregard for allies – all he wants is a "good deal" for America, whatever that means. This has led Angela Merkel, Chancellor of Germany to make a clarion call for the Europeans to take destiny in their own hands.

Even before the triumph of Trump, the EU Global Strategy in 2016 had already called on EU member states to articulate "an appropriate level of ambition and strategic autonomy" that is important for Europe's ability to foster peace and safeguard security within and beyond the borders.

#### Pathways to Strategic Relevance - Embracing a pluralistic, rules-based order

With ASEAN in need of support for its centrality and the EU serious about its strategic autonomy the time is ripe for EU and ASEAN to re-evaluate their partnership not only for mutual benefit, but also to assess how they can work together to support a rules-based order that is increasingly pluralistic, and not hegemonic. As the dominant western-centric order is increasingly challenged by other non-western powers, at a time when the US is also increasingly reluctant to shoulder the global responsibilities of maintaining this order, it is time to conceive a more pluralistic order where there are competing centres of influence and based on functional leadership. However, for pluralism not to degenerate into anarchism, rules and institutions become ever more important.

To become players of strategic relevance requires first and foremost a cohesive and united ASEAN, and a coherent and united EU. The EU efforts in helping ASEAN and its member states build capacity towards its economic integration goals is an important contribution towards ASEAN's cohesion. At the same time, ASEAN's reluctance to admit the EU as a member of the East Asia Summit (EAS) thus far in one way or other relates to the question of EU's strategic autonomy. Can the EU help to strengthen the EAS role as the region's only leaders-led forum that can help manage the region's strategic risks?

The EU and ASEAN needs to raise its longstanding inter-regional dialogue as an important platform for both to reaffirm their regional identities. This inter-regional dialogue has to be enhanced and strengthened. More importantly, for the dialogue to focus on substance rather than form, there is a need to accept that since both regional blocs are fundamentally different in their set up, it means that in these meetings, while ASEAN will be represented by all 10 member states and the ASEAN Secretariat, on the EU side, not all EU member states will be present as on some issues, member states have chosen to delegate their authority and representation to the EU institutions.

The substance that the EU and ASEAN need to work on should converge on two broad areas of common interest:

- Keeping protectionism in check by stepping up efforts in their FTA negotiations; and
- Managing risks emanating from non-traditional security issues such as climate change, large scale migration and jihadist terrorism.

Beyond increasing the regularity and substance in their inter-regional dialogue, the EU and ASEAN should also step up their collaboration in ASEAN-led institutions, and also in the Asia-Europe Meeting (ASEM) that owes its genesis to the roles played by Singapore and ASEAN, and in which the EU has been involved and active in the beginning to breathe life into its 1994 New Asia Strategy.

## The ASEAN Regional Forum – back to the future

The ASEAN Regional Forum (ARF) was initiated by ASEAN in the early 1990s to ensure its own relevance in the post-Cold War era by intensifying dialogue on political and security affairs with its external partners. It was a platform for dialogue and consultation and to enmesh key players in the Asia-Pacific in a security partnership that would enhance the strategic equilibrium in the region by promoting norms of self-restraint and the non-use of force.

There are supposedly three stages in the development of ARF – promotion of confidence building measures, development of preventive diplomacy mechanisms and development of conflict resolution mechanisms.

While being criticized for being a talk shop, the ARF remains one of the few security discussion forums in the Asia Pacific that encompasses all the major powers. From the primary objective of alleviating the strategic uncertainties in the post-Cold War security environment through dialogue, it has expanded its range of activities to facilitate cooperation in non-traditional security issues from Counter-terrorism and Transnational Crimes to Humanitarian Assistance and Disaster Relief.

Looking at the rising strategic distrust and increasing strategic uncertainties in the region, the ARF should go back to its original objective on working to alleviate strategic uncertainties. Drawing from the CSCE (Conference on Security Cooperation in Europe) and OSCE (Organisation for Security Cooperation in Europe) experiences, the EU and ASEAN can launch and support new confidence building measures.

#### Forging Functional Leadership within the ASEM Framework

The Asia-Europe Meeting (ASEM) forum has evolved from an EU-ASEAN+3 meeting in 1996 to one that is much more trans-continental in nature with 53 members comprising Asian members coming from all sub-regions of Asia and Oceania, and European members that are non-EU member states. With its informal and flexible framework, and emphasis on open-end dialogue,

ASEM can become a test-bed for EU and ASEAN to engender different forms of leadership needed to address challenges in a far more complex and contested world.

Since its enlargement, and with its very broad agenda, ASEM has been grappling with how to fashion a more efficient way of working together to translate dialogue to real cooperation, and deliver not only political declarations but tangible benefits of cooperation. There are also discussions on how to make ASEM more versatile to respond to different emerging priorities under a common framework. Many proposals have surfaced from "Working Table" format to have smaller group discussions on different challenges to "issue-based leadership" revolving around a few priority areas. It is time to truly put these ideas to the test.

For example, with the US pulling out of the Paris Climate Agreement, China, the EU and India (the No 1, No 3 and No 4 greenhouse emitters) have said that they will step up their efforts in climate change action. Russia, Japan and Indonesia are also amongst the top 10 emitters. Within the ASEM, these six countries could for instance take the lead in following up on the Paris agreement and exercise leadership in the area of climate action.

The trans-continental nature of ASEM and discussions on ASEM connectivity offers some synergies to China's Belt and Road initiative to connect Asia and Europe. Again the flexible and informal nature of ASEM would allow a few key member states – China, ASEAN (with its own ASEAN Master Plan on Connectivity), the EU, and others - a chance to coalesce around the "connectivity" agenda and exercise leadership in the area of infrastructure investments and people-to-people connectivity.

ASEM with its inherent diversities comprising countries of all creeds and at different levels of development, almost a mini-UN, but less formal and more flexible, could become a platform for experimentation with different modes of governance, different configurations of actors and different constellations of interests and functions. These experiments can become building blocks towards a functioning pluralistic world order.

# Obstacles along the Pathway

The pathway towards strategic relevance is not without obstacles. The most obvious of these is the propensity for both the EU and ASEAN to be self-absorbed and pre-occupied with their respective immediate neighbourhood. Domestic challenges in many Southeast Asian countries compound the problems of "introspection. Within the EU, the Brexit negotiations could end up all-consuming if it gets acrimonious and contentious. The Middle East and North Africa will continue to be the EU's immediate priorities with climate change and state failures adding to a host of inter-related issues from ethnic conflicts, radicalisation to refugees and jihadist terrorists.

Yet, despite these obstacles, the EU and ASEAN must not miss this window of opportunity to reevaluate and strengthen their engagement. The common challenges they faced call for more engagement and more mutual learning. At the strategic level, an unpredictable, transactional US, a muscular and assertive China, and a revanchist Russia creates uncertainties and raises the propensity for conflicts. Deteriorating security environment in both Europe and the Asia-Pacific will have repercussions for both because of their increasing economic interdependence. Hence, the need to substantiate practical cooperation at various levels with efforts to strengthen ASEAN-led institutions.

## Conclusion

After 40 years of dialogue partnership, the time is ripe for a review of where this partnership is heading. The fact that the strategic environment they are in is entering a state of flux, and that the EU and ASEAN of today is a far cry from ASEAN and the European Economic Community of the yesteryears makes it all the more urgent for this review. The EU is an important global actor in trade, innovation and development, and has vowed to work with other major powers to take leadership on the climate change agenda. It is also developing capacities in security and defence. While not a military superpower, the EU member states have considerable military resources which when pooled and coordinated is not insignificant. ASEAN, from an organization of weak, newly independent states, have grown in confidence and stature to foster security dialogue in the broader Asia-Pacific region.

Both the EU and ASEAN must continue to build their capacities and capabilities in order to ensure their strategic relevance. In this endeavour there is much that they can do to support each other.

#### About the EU Centre

Established in 2008, the EU Centre in Singapore was a joint project funded by the European Union (EU), the Nanyang Technological University (NTU) and the National University of Singapore (NUS). From 2017, the Singapore Management University (SMU) has also become a partner in contributing to the operations of the EU Centre. The EU is now a joint partnership of these three local universities.

The primary mission of the EU Centre is to promote knowledge and understanding of the EU, its policies and development of its relations with Singapore and Southeast Asia through research, publications and different outreach programmes.

The EU Centre is the Coordinator of a 3-year Jean Monnet Network grant (Sep 2016 – 2019). The Network comprising the EU Centre, University of Indonesia, University of Malaya and Maastricht University, will be jointly organising a series of programmes and activities tied to two research themes on Multiculturalism and Multilateralism.



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