

# Can ASEM remain relevant in the 21st Century World?

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## Abstract

The 12<sup>th</sup> ASEM (Asia-Europe Meeting) Foreign Ministers meeting will take place in Luxembourg on 5-6 November 2015. This will be an important occasion as the 53 partners in the ASEM process prepare for the 20<sup>th</sup> anniversary of ASEM that will be celebrated at the Summit Meeting in Mongolia next year. In the run-up to the 20<sup>th</sup> anniversary summit in 2016, ASEM partners will not only take stock of the achievements during the past two decades but also ponder over the future direction of ASEM.

This policy brief tries to address the question on how ASEM can move forward and remain relevant in an increasingly uncertain and volatile world. It begins by sketching some of the broad trends shaping the emerging world order, and the implications for international cooperation. It argues that there is a need for ASEM to move beyond meetings to transform itself into a dynamic marketplace, leveraging on its diverse membership and fluidity to enable the building of different constellations of transnational networks to align ideas, interest and issues.

## INTRODUCTION

The world stepped into the 21st century with high hopes that we are entering into an era defined by interdependence, institutions-building and international cooperation. There were still remnants of the euphoria from the immediate post-Cold War era that the neo-liberal economic order would be with us, and globalization as a driving force would lift millions out of poverty, and global politics would take place within the confines of the international institutions and global forums that have been put in place during the 20th century.

However, then came 9/11, the war against terror, and the near economic meltdown caused by the global financial crisis in 2008-9. Into the second decade of the 21st century, we entered a world system marked by shifting polarity with the rise of China and the rest coupled by the relative decline of the US and the West, rising inequality and dis-

content with the existing socio-economic order and increasing uncertainties about our future as we faced a series of complex challenges brought about by the changing realities of power and influence driven by digital and technological revolutions. What do all these portend, and can a loose informal dialogue forum like the Asia-Europe Meeting (ASEM) remain useful and relevant in a world marked by uncertainties and volatility as emerging powers jostle for a place in the sun.

## SKETCHING THE CONTOURS OF THE EMERGING WORLD (DIS)ORDER

With the end of the Cold war, we have gone from the prognostication of a unipolar world with US as the sole superpower, to hopes of a multipolar world with the rise of China and optimism about regional developments in East and Southeast

Asia, the deeper integration of the EU and its aspirations to be a global actor, to increasingly a much less certain, and far more contested analysis of the kind of world (dis)order that we are heading into. There are those who portend that we are still in a liberal order (Ikenberry, 2014) helmed by the US, while others who believed we are entering the age of entropy (Schweller, 2014). In between, there are the different prognostications of a G-Zero, G-2 or a polycentric world in which no single country will be in a hegemonic position, and instead of looking at a single global order, we should be looking at diverse regional orders (Khanna, 2014).

What all these debates show is that we are clearly in a period of transition, but transition to what is less clear and much contested.

This period of transition has important geopolitical implications at the same time as we witnessed a number of economic and societal changes driven by globalization manifested in the global flows of trade and capital, labour and people, ideas and cultural memes, and at the speed and scale transformed by developments in the information and communications technology. What are some of these broad trends that will impact and shape our world in the years to come?

## **Diffusion and Dilution of power**

Two main forces have been driving the 21st century world - one is the shifting distribution of power globally through diffusion to emerging countries such as China and at local level from state to other non-state actors, and there is also dilution of power in that traditional sources of power such as military might are becoming less potent and less "usable" (Jentleson, 2014). Hence, while the US

remains paramount in terms of its military hardware, and is still capable of acting on a global scale, it no longer wields the same kind of influence on the other actors. According to Bilahari Kausikan (2015), "the paradox of our times is that while only the US retains the capability for global leadership, there is no longer any strategic imperative to compel acceptance of US leadership". There are also increasing questions raised by Americans themselves on the cost of such leadership resulting in a much more ambivalent America (Kagan, 2014).

The diffusion and dilution of power is not only happening at the global level, but conventional states and their governments are also finding their power and authority challenged and eroded due to the technological revolution.

## **Disruptions by digital revolution**

The digital revolution of the 21st century has further diffused and diluted traditional power structures by allowing information to spread faster and further empowering average citizens and corporations, but also allowing terrorists and shadowy transnational criminal groups greater power to disrupt and destroy. As noted by Schweller (2014), Twitter, Facebook and text messaging have allowed citizens to organize massive demonstrations and topple dictatorial governments, but the jury is still out with regards to whether citizens organized via social media can bring about genuine political and economic changes.

It is not only the shift in power but the change in the nature of power fuelled by communication technologies. As Moises Naim (2013) argued, power is increasingly fleeting, and in fact is erod-

ing in the sense that it is easier to get, but harder to use and far easier to lose. “The profound changes in the way power is gained, used and lost drive many of the trends that are changing the world”(Naim, 2013:40).

## **Nationalism, identity politics and contestation of ideas and norms**

Another paradox of our 21st century world is the mix of integration and fragmentation – countries and communities being pulled together into various webs of interconnectedness while also being pushed apart by various manifestations of identity (Jentleson, 2014).

Together with greater doubts about the western model of development, many non-western countries are going back in search of ideas rooted in their own history, culture and identity and rejecting the universalism proclaimed by the West. Increasingly, many questions related to global responsibility, optimal norms, institutions and policies as framed by the West are being challenged. At the nation-state level, some governments, political parties and politicians are also resorting to nationalism and identity politics as a way to mobilise their populations and hang on to power.

## **IMPLICATIONS FOR GLOBAL GOVERNANCE AND INTERNATIONAL COOPERATION**

In a world marked by increasing uncertainties, diversities and volatility because of the above trends, there is a need to rethink our approach towards international cooperation and global governance. Many political leaders and analysts have lamented on the crisis of current global governance manifested in the lack of effectiveness in

solving global problems, a lack of representation of emerging powers in existing institutions and a lack of democracy in multilateral policy-making. These have led emerging powers such as China to seek other alternatives and pursue their interests outside or counter to existing multilateral institutions, for example in the launch of the New Development Bank and the Asian Infrastructure Investment Bank (AIIB). While the creation of parallel structures such as AIIB can work to create additional capacity toward governance and provision of public goods, it could also result in circumvention or contradiction of existing structures, leading to bloc building that could result in renewed antagonisms and political blockades.

Increasingly, emerging powers are challenging existing global institutions and multilateral forums over issues such as membership and representation, decision-making procedures and their normative order. These contestations have led to what Ruland (2012) has termed diminished multilateralism, which 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 conceptualization of global governance” and instead is based on “low intensity cooperation that resonates more with realist paradigm of power balancing, hedging and relative-gains orientation” (Ruland, 2012:258).

With diminished multilateralism, the phenomenon of “forum shopping” has also become prevalent. Forum shopping is a term denoting a strategy in which actors pick and choose among the mechanisms that best fit their individual political agenda (Forman and Segar, 2006). Countries small, me-

dium and big are all banking more on their own strategic initiatives than on formal alliances or fixed institutional relationships to defend their interests and advance their goals. As interdependence grows and relations become intertwined and spread in more haphazard way, or becoming more spaghetti-like, we will see a more variable geometry and different coalitions and networks emerging. More often than not, one will see “loose alliances” forming over different issues.

Alliances or more correctly, coalitions and networks will be far more issues and interest driven, and not so much ideologically-driven. Pragmatism and flexibility will rule the day, and the challenge is for countries to preserve a maximum range of options. This in turn requires a good grasp and understanding of the changes and challenges and practicing astute diplomacy that not only involves information gathering, communication and representation, but “diplomacy organised to an ever growing degree around governance” and negotiations to achieve certain outcomes. In this image of diplomacy, policy dialogue involving not only state actors but a range of non-state actors who possess the expertise and the network of resources become important (GR:EEN Policy Report). This also requires diplomacy to operate in “networked constellations, not bilateral transactions”

As power becomes more diffuse, actors other than states will play important governance roles. Subnational actors such as cities, non-state actors such as corporations and celebrities will also have significant impact on policies. The increasing number of players needed to solve transnational challenges – and their discordant values and interests – will complicate the decision-making process.

To sum up, during the current period of transition fraught with uncertainties, it is no longer possible to anticipate and foresee all the dangers and threats ahead. Hence, many actors on international stage are taking measures to hedge against the uncertainties and competing to set the new rules and norms. Alternative regional or global platforms or architectures will proliferate and so will forum shopping, a strategy to cope with this transition. With information technology making for much lower barriers to entry into the international stage, innumerable non-governmental players are also making their presence felt. International politics is becoming far more erratic and unsettled because there is no one capable of restoring coherence to the global system. Hence, some political analysts such as Parag Khanna and Bilahari Kausikan have suggested that “it is perhaps more useful to think of the future in terms of regional structures rather than global structures” as there is “no single global order, but diverse regional orders”. And with these diverse regional orders, it is thus perhaps more important to think of inter-regional relations rather than international relations (Khanna, 2014).

## **ASEM’S RELEVANCE IN THE 21ST CENTURY WORLD**

The Asia-Europe Meeting (ASEM) launched in 1996 started off as a sort of inter-regional / trans-regional forum, with the idea of the need to build a stronger Asia-Europe relationship to complement the strong trans-atlantic ties and the strengthening trans-pacific ties. While the enlargement of ASEM may seem to have diluted its inter-regional character, it may yet find a new impetus if it seriously re-examines how best to lev-

erage on its current amorphous character to become a useful instrument to help member states navigate the increasingly complex and uncertain world.

From an initial partnership of 26 members comprising the then ASEAN + 3 (China, Japan and South Korea) countries on the East Asian side, and the EU15 and the Commission on the European side, it has now grown to encompass 53 members comprising countries from the different sub-regions of Asia (Northeast East, Southeast Asia, South Asia, Australasia and Central Asia) and the EU28 plus non-EU European states – Norway and Switzerland.<sup>1</sup>

ASEM will enter into its 20th anniversary in 2016 and with this upcoming milestone there have been increased discussions and debates on the “usefulness” and “relevance” of ASEM.

In the course of its developments, ASEM has been leveled with all sorts of criticisms, several of them similar to what has been leveled at other regional and international forums that are less institutionalized - that these are talk shops unable to address real challenges and do not bring about tangible benefits. Additionally, ASEM has also been criticized for its lack of presence and visibility in the media and the consciousness of the peoples in the ASEM member states. It has also been seen as not open and inclusive enough and

hence not effective in its engagement of other stakeholders. Despite all these criticisms, ASEM has continued to enlarge, and small, tentative steps are taken to address some of these criticisms.

However, for ASEM to continue to receive support from its members and to survive in the midst of a proliferation of forums and architectures, it must remain interesting and relevant. With the pluralisation of diplomacy where countries small, medium and large scramble to position themselves and defend their own interests and goals in an increasingly uncertain and volatile world, this call for a more serious re-think on its modus operandi and value-proposition as it approaches its 20th anniversary.

Many suggestions on how to make ASEM relevant in this fast-changing, volatile world have surfaced over the years. Its current lack of focus, lack of institutionalization has often been criticized, but ASEM may yet turn this amorphous character and fluidity into an advantage. ASEM with its loose structure and very diverse membership encompassing members from all spectrums of the political and social systems and at different levels of economic development can be seen as a microcosm of the current global system with a multitude of players with different interests and goals jockeying with one another for diplomatic space. Besides the official ASEM meetings and summits, there are also other parallel Asia-Europe Forums that supposedly connect the businesses and civil society. The Asia-Europe Business Forum (AEBF) was also launched in 1996, and the Asia-Europe People's Forum (AEPF) also began its first meeting in Bangkok, back to back to the inaugural ASEM summit in 1996.

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<sup>1</sup> ASEM Members comprise on the European side – 28 EU member states (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK), the EU, Norway and Switzerland; and on the Asian side – 10 ASEAN members (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam), the ASEAN Secretariat, China, Japan, Korea, Mongolia, Bangladesh, India, Pakistan, Kazakhstan, Australia, New Zealand and Russia.

ASEM has been praised by some stakeholders as a unique forum for establishing dialogue and contacts. It fosters networking and mutual learning in an environment that is not “pressurizing” and where the “political cost” is low. But precisely also because of these same characteristics, commitment to ASEM may not be as strong and interest in ASEM may decline as other forums emerged, or as external environment further drives attention away from ASEM. How then to make ASEM interesting and relevant that the 53 members would continue to support it?

Scientific and technological revolutions has not only shrunk the 21st century world, but also made the world “more liquid (to borrow Zygmunt Bauman’s term), eroding many of the structures built up during the industrial age – largely centred on the state – and replacing them with new transnational networks and flows which are far more fluid in every sense of the word” (Ries, 2012:30). ASEM need therefore to transform itself from an Asia-Europe Meeting of senior officials, ministers and leaders to become a vibrant Asia-Europe Marketplace of multiple players, different networks, coming together to seek ideas, and engage in “profitable” exchanges. This Marketplace can also offer an avenue for members to learn, adapt and developed decentralized and self-organising networks capable of responding to the rapidly changing environment. The issue-based leadership (proposed in 2006 by the researchers involved in the Review of ASEM in a decade)<sup>2</sup>

would allow different constellations of players and the clustering of issues can allow different networked constellations to operate within ASEM, allowing for the informalities and diversities to become an asset rather than a liability.

To make this transformation into a vibrant marketplace, the different actors currently meeting in parallel forums - the ASEM leaders’ summit, the AEBF, AEPF and the Asia-Europe Parliamentarians Partnership (ASEP) meeting - need to be brought together under the same canopy. Within this market, different constellations coalesced around different interests (issues) but in an open way for players to come in as and when they are ready for the exchange.

For ASEM to make the leap from a process managed by senior officials to one that would embrace the hustle and bustle of a marketplace would require “champions” and policy entrepreneurs across the spectrum of all ASEM and other Asia-Europe forums to invest in the idea of change and transformation. Whether ASEM could become a “mini-Davos”<sup>3</sup> bringing leading actors from all sectors of society together or an ancient bazaar in the trade route linking Asia and Europe, all these need further intellectual exploration and a certain amount of risk-taking. Without a network of intellectual and policy entrepreneurs to champion ASEM, ASEM will not travel far as it continues to function at the lowest common denominator with no vision and mission beyond meetings after meetings.

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<sup>2</sup> In 2006, a group of Asian and European researchers coordinated by Dr Yeo Lay Hwee and Dr Bart Gaens respectively drafted the Report “ASEM in its Tenth Year: Looking Back, Looking Forward” and in this Report, they recommended that since ASEM is a forum of equal partners and decision-making is by consensus, leadership within ASEM must be issue-and interest-based and not power-based. And if ASEM is to move towards more functional cooperation to deliver on more tangible benefits, clusters of

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countries can take the lead in different clusters of issues according to interests and expertise.

<sup>3</sup> See earlier commentary by Yeo Lay Hwee on “Transforming the Asia-Europe Meeting (ASEM) into a Swinging, Eclectic Marketplace (Asem), July 2014.

## CONCLUSION

The Asia-Europe meeting (ASEM) launched in 1996 has helped to build a bridge between the two regions (EU and East Asia) and has since broadened to encompass the two continents through its meetings and dialogue. However, the optimistic environment in which ASEM was borne is a far cry from the current environment fraught with tensions as powers big and small navigate an uncertain landscape towards a new world (dis)order.

In a world where there is no single superpower to bring order to international politics, ASEM with its amorphous character and fluidity can continue to

be relevant not only in building habits of dialogue through its various meetings, but could go further by becoming a marketplace of ideas and a useful platform to experiment with networked governance.

Transforming ASEM from a series of meetings to a vibrant marketplace however is no easy task and requires “champions” to “push the button” and bring the ideas into fruition. As the ASEM Foreign Ministers meet in Luxembourg in November this year (2015) to prepare for ASEM’s 20th anniversary and 11th Summit in Ulan Bator in 2016, it is time to reflect more critically on ASEM’s future direction and relevance in the 21st century world.

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