

The Role of ASEAN in EU-East Asian Relations

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Das ASEAN Regional Forum (ARF) und das Asia-Europe Meeting (ASEM) werden als die wichtigsten Initiativen der ASEAN im Beziehungsgefüge EU - Asien betrachtet. Insbesondere die ASEM profitiert von den lang etablierten Beziehungen, welche die ASEAN zur EU aufgebaut hat, wobei die Verbindung nicht nur durch Höhen, sondern auch Tiefen gefestigt wurde, wie der folgende Artikel zeigt. Neben einer Darstellung der organisatorischen Entwicklung der Beziehungen zwischen beiden Regionalismen und einer Analyse von ARF und ASEM beschäftigt sich der Aufsatz auch mit den Auswirkungen der ASEAN-Erweiterung auf das inter-regionale Verhältnis. Einen weiteren Schwerpunkt bildet schließlich die Auseinandersetzung mit den Konsequenzen der Asienkrise.

From ASEAN-EEC to ASEAN-EU

ASEAN was founded in 1967 by Indonesia, Malaysia, the Philippines, Singapore and Thailand, amidst uncertain times in Southeast Asia. At the time of its formation, ASEAN was scoffed at by many political observers, both in the region and beyond. In a region marred by war and intra-regional conflicts, it was difficult to conceive that the leaders of these independent, sovereign states with different historical experiences would have the political will to overcome their suspicions and latent hostilities.

ASEAN's growth as a regional organization proceeded at a slow pace in the initial years. There were very little real integrative efforts as sovereignty was jealously guarded. In any case, ASEAN was never intended as an instrument of integration with supranational authority. ASEAN's *raison d'être* was, and is, to turn a region in turmoil and instability into a region of peace and tranquillity. It was to be an instrument for managing and containing intra-regional conflicts, and in so doing maintain and strengthen national sovereignty.

ASEAN from its onset has been an outward-oriented organization. Most of ASEAN's success really came by way of its common stance vis-à-vis third parties. This was reflected, for instance, in the role it played in the Cambodian issue in the 1980s. It has also sought to establish friendly ties with key players in the region and the world in order to secure its own interest. One channel which ASEAN has used to articulate its interest was through the dialogue sessions established throughout the years with the major powers and other key countries in the region. Its dialogue partners include the EU, the US, Canada, Australia, New Zealand, Japan, China, South Korea and most recently, Russia and India. In many ways, it is through such interaction with the others that help ASEAN define its identity.

The EEC was ASEAN's first dialogue partner. Informal dialogue between ASEAN and the EEC first took place in 1972 between ASEAN Ministers and the Vice-President and Commissioner of the European Commission. Initially, the dialogue was aimed exclusively to achieve greater market access for ASEAN's exports and a price stabilisation scheme for ASEAN's primary commodities.

After a few annual informal meetings, it was decided in 1975 that an ASEAN-EC Joint Study Group be set up not only to look into trade matters but also to evaluate other possible areas of cooperation, such as joint ventures in the exploration of ASEAN resources, the possibility of encouraging some degree of EC participation in ASEAN manufacturing activities and of mobilising capital for financing ASEAN projects.¹

ASEAN-EC relations were given a boost and greater political significance by the inaugural ASEAN-EC Ministerial Meeting (AEMM) in 1978. Under the direction of the AEMM, the ASEAN-EC Cooperation Agreement was formulated and signed during the 2nd ASEAN-EC Ministerial Meeting held in Kuala Lumpur in March 1980.

The signing of the ASEAN-EC Cooperation Agreement in 1980 was to mark the beginning of a new stage of cooperation. The main emphasis of the Agreement was on economic cooperation and development. The Agreement, a milestone in ASEAN-EC relations, extended the Most Favoured Nation (MFN) treatment to the contracting parties. More importantly, it opened up an exclusive channel for the exchange of information and requests, thus paving the way for EC assistance in several development projects. A Joint Cooperation Committee (JCC) was established to replace the Joint Study Group, and its aim was to promote and keep under review the various ASEAN-EC cooperation activities.

However, despite all these positive developments in general, ASEAN until the 1980s remained at the bottom of EC's hierarchy of relations, below even that of the African, Caribbean & Pacific (ACP) and Latin American countries. The low priority accorded was reflected in the fact that the ACP countries received more favourable trade benefits covered by the Lomé Convention and the irregular attendance of the AEMM by the EC ministers. ASEAN-EC relationship was seen very much as a donor-recipient relationship. It was an unequal relationship in which the ASEAN countries were inevitably in a weaker bargaining position.²

In contrast to this unequal economic relationship, political cooperation between ASEAN and the European Community in the 80s was markedly more successful. Specifically, Vietnam's invasion of Cambodia (then Kampuchea) in December 1978, and Soviet's invasion of Afghanistan in 1979 were impetus for the two regions to work closely to coordinate their positions and support each other's positions on the Cambodian and the Afghanistan issues in international organizations for such as the United Nations. Indeed, during the 1980 AEMM, an unprecedented joint statement was issued deploring the armed interventions of Cambodia and Afghanistan. An analysis of the votes for the UN General Assembly Resolution from 1979 to 1984

1 Luhulima 1992.

2 Rüländ 1996, p. 16-17.

showed that ASEAN and EC did indeed vote as a bloc in support of calls for Soviet withdrawal from Afghanistan and Vietnamese withdrawal from Cambodia.³ These two issues also remained dominant subjects of political discussion at every successive AEMMs until their resolution in 1991.

The political relations, however, took a turn for the worse in the early 90s due to of the East Timor incident in 1991, differences over how to treat Burma in the midst of the Burmese ruling junta's violent suppressions of pro-democracy movements. It was also the triumphant mood in the West following the collapse of the Berlin Wall, the break-up of the Soviet Union and the wave of democratisation movements in the former Communist countries in Central and Eastern Europe, that led the Western countries to start pushing other developing countries toward greater democratisation. Free from the Cold War necessities of courting authoritarian but pro-Western countries, the Europeans introduced a policy of conditionalities, linking trade and aid to issues of human rights, democratisation and environmental protection. The politicisation of aid and economic cooperation policy heightened tension with the ASEAN nations. This new moralism of the West was criticised as "neo-colonialism" by leaders such as Dr Mahathir of Malaysia.

The past decade of continued economic growth in the ASEAN countries and the general dynamism and growing economic prowess of the East Asian region in which ASEAN is located, plus ASEAN's success as a diplomatic community, has made the latter more confident and assertive. A new sense of pride drawn from the decade of economic achievements has translated to the ability to stand up and challenge the decisions or actions taking by the Western countries. The 9th and 10th AEMMs held in 1991 and 1992 respectively were thus marked by heated exchanges over East Timor and the new conditionalities of EC aid and cooperation policy.

The confidence and dynamism of ASEAN was also reflected in the other more proactive and positive measures it took in response to the new challenges in its environment. For instance, in the face of the uncertain politico-strategic situation with the rise of China, the wavering commitments of the US to the security of the region, ASEAN first sought to bring all its dialogue relationships under the ambit of what was to be called the Post-Ministerial Conference which is held immediately after the annual ASEAN Foreign Ministers Meetings. It then went a step further to develop an ambitious multilateral framework for security and political dialogue - the ASEAN Regional Forum (ARF). The creation of ARF was especially significant as it reflected the willingness of ASEAN to assume new functions and responsibilities in order to shape its strategic environment.

On the economic front, faced with intensified economic competition, ASEAN in the 1992 Summit in Singapore announced the establishment of an ASEAN Free Trade Area (AFTA) by the year 2005. This deadline was subsequently brought forward to the year 2000 for certain products and by 2003, 95% of manufactured goods and services will be included in AFTA. Work also commenced on drawing up an ASEAN Investment Area (AIA) to attract more direct investments into the region.

3 Robles 1998, p. 16.

On a bilateral basis, when ASEAN examined the past twenty years record of its relations with the EU, ASEAN could not help but note that while promotion of economic cooperation has translated into an absolute increase in the values of trade and investments, it has not altered the relative importance of each region to the other. The challenge then is to imagine new channels and identify new areas for cooperation. In the midst of EU reassessment of its strategy towards Asia, ASEAN was quick to cash in on this and promote itself as a gateway to the wider Asia-Pacific region, and an interlocutor for wider dialogue between Asians and Europeans. ASEAN also recognised that future efforts to create a new dynamic would have to involve European production in Southeast Asia. Hence, their relentlessness in driving the message that peace and stability in the region and the launch of AFTA and AIA would provide a secure and profitable environment for Europe's direct investments.

Against the background of the economic success and growing self-confidence of the ASEAN states, EU was sold to the idea of ASEAN being the linchpin of its wider Asia-Europe relations. ASEAN's attraction as a rapidly growing market of 500 million people (in anticipation of an ASEAN-10) was also in the minds of key European decision-makers when a consensus decision was taken by the EU (especially by the four big powers - UK, Germany, France and Italy) to put aside sensitive political issues and return to a pragmatic course of focusing on economics. This, of course, must be seen in the context of the EU's general shift in policy towards Asia as reflected in the July 1994 EC Communication *Towards a New Asia Strategy* (NAS).

The pragmatic course taken was reflected in the 11th AEMM held in Karlsruhe in September 1994 which showed that ASEAN had gained the upper hand in determining the subject-matter, style and procedure of the meeting.⁴ The meeting was congenial, unlike the previous few meetings. East Timor was not raised and human rights issues were only briefly mentioned. Another concrete example of this pragmatic approach was the side-stepping of the issue on a new agreement that was blocked by Portugal. The Ministers resolved to continue and expand their dialogue through other existing channels, and also commissioned an ASEAN-EU Eminent Persons Group to develop a comprehensive approach of ASEAN-EU relations towards the year 2000 and beyond. The European Commission's Communications *Towards a New Asia Strategy* also pinpointed ASEAN-EU relations as the cornerstone of the new partnership that Europe would seek in Asia.

Asia-Europe Meeting (ASEM)

A combination of Europe's reorientation of its Asia policy as reflected in the NAS (with its background context - the end of the Cold War, the changing distribution of power, globalisation and increasing economic competition, a structural shift from government to markets), and ASEAN's pro-activeness, germinated into the idea of a summit meeting between Asian and European leaders. The image of a missing third

4 Rüländ 1996, p. 31.

link in the relationship between the three centres of economic power - US, EU and East Asia - was first conjured by Singaporean leaders during the 1994 East Asia Economic Summit organised by the World Economic Forum, and held in Singapore. It was lamented that while there exist strong transatlantic (US-EU through NATO and other channels) and transpacific (APEC and other bilateral US-Japan, US-South Korea) ties, there was a missing link between Europe and Asia.

The challenge was thus put to Asia and Europe to develop this missing link in order to complete the triangular balance among the three engines of world economy - a key to ensure continued peace and prosperity. ASEAN was poised to take up this challenge. It could capitalise on its historical and existing institutional links with the EU (ASEAN and the EU have over the years been keen to maintain their role as a bridge builder between Europe and East Asia and have established various mechanisms and a number of forums to facilitate dialogue and consultations between the two sides. Presently, at the highest political level is the ASEAN-EU Ministerial Meeting (AEMM). Additionally, there are the annual ASEAN Post-Ministerial Conferences and the ASEAN-EU Joint Cooperation Committee Meetings and since 1995 the ASEAN-EU SOM). Through these institutional channels and drawing on the strengths of its dialogue partnerships with China, Japan and South Korea, ASEAN was able to construct a case for an Asia-Europe Summit Meeting comprising the 15 EU members and the ASEAN members plus China, Japan and South Korea. The ASEM process was thus born on 1 March 1996 in Bangkok, and the triangle was completed.

When ASEM was initially conceived, there were two very basic and broad objectives. The first was to promote economic cooperation between Asia and Europe; and second, to develop direct and personal contacts between Asian and European leaders. It was meant to be an exploratory meeting with no fixed agenda, *à la* "ASEAN style". This meant an emphasis on informality, the purpose of which was networking, the modus operandi was decision by consensus, and a step-by-step approach to allow the process to evolve.

The success of the first ASEM Summit catapulted Euro-Asia relations to a higher status in the EU's external policy orientation. Ironically, however, the success of ASEM has the unintended effect of overshadowing ASEAN's special relationship to the EU. According to Jacques Pelkmans in his paper presented at a conference organised by ISEAS in Singapore in September 1996, the telling signs that ASEM is a potential threat to ASEAN-EU relationship were:

First, ASEAN-EU never had a summit meeting, ASEM begun with one, and more are to follow. Second, whereas the follow-up of ASEM has prompted a whole network of committees, working groups and Ministerials, and even a Foundation, ASEAN-EU relations have only slowly developed and with much less vision and determination. Third, ASEM is done the 'Asian way' Unlike ASEAN-EU there is no cooperation agreement. All there is today is the Chairman's Statement after the ASEM summit. Fourth, ASEM and ASEAN-EU already overlap in activities and the overlap may well increase. This carries with it the risk that it will be harder to attract interest for

ASEAN-EU ventures, if ASEM projects, initiatives, exchanges, etc would already exist.⁵

I, however, beg to look at this slightly differently and purport to argue that ASEM and ASEAN-EU relations are complementary. ASEAN has been the initiator and the driving force behind ASEM's emergence. At the same time, the success of ASEM has propelled ASEAN to greater prominence in the eyes of the EU. The real danger to ASEAN's special role in contributing to the wider Euro-Asian relations lies with its own internal problems, the most obvious of which was the problem caused by its expansion in 1997, and the inclusion of Myanmar as one of its members.

ASEAN Regional Forum (ARF)

Another forum initiated by ASEAN in which the EU was given a voice by default due to its status as the dialogue partner of ASEAN is the ASEAN Regional Forum (ARF).

The ARF was initiated by ASEAN to bring together key players in the Asia-Pacific region who could directly or indirectly affect the peace and stability of ASEAN and its immediate neighbourhood. Its mission is to enhance strategic equilibrium in the region by promoting the norms of self-restraint and the non-use of force. Its purpose is to draw all relevant players into a reciprocal web of consultations and confidence-building, fostering habits of dialogue and generating trust and confidence among members.

In the five years since it was first launched, the ARF has laid down confidence-building measures (CBMs) amongst its members through dialogue and conferences involving defence officials, military academies and defence universities; by the publication of Defence White Papers; and by participation in international treaties on weapons of mass destruction. Equally important are the special efforts in creating CBMs such as exchanges of peace-keeping experiences and training, as well as information on search and rescue exercises.⁶ Progress is also visible in that sensitive issues are being discussed more forthrightly. And, China, the major player which has joined the ARF with many reservations, is now participating actively, and giving the ARF her increasing support.

ASEAN has a pivotal role to play in the ARF. It is in a unique position to move forward the dialogue on political security and cooperation in the Asia-Pacific region because China is comfortable with ASEAN in the driver's seat. ASEAN will remain at the core of the ARF for sometime as China would continue to be suspicious of an ARF led by the US or Japan, or the EU. How long ASEAN retains its key role, however, will depend on relationships between the major powers. By bringing India into the ARF in 1997, the central role of ASEAN has been assured for sometime. As long as tensions exist among the major powers in the ARF, ASEAN will have diplomatic space for manoeuvre, and maintain a key role in the ARF.

5 Pelkmans 1996.

6 Wanandi 1998.

On the issue of ASEAN's expanding membership, new members Laos, Myanmar and later possibly, Cambodia, could pose a problem when they are in ASEAN's driver seat, and as such also assume chairmanship of the ARF. They might be unprepared and problems they have (especially Myanmar) with dialogue partners, particularly the western members might impede the ARF.⁷ Hence, certain improvements must also be made to the ARF in order to maintain its relevance.

In addition, to maintain long-term leadership, ASEAN must also strengthen cooperation among its members and work hard with all the ARF members to keep up the momentum. In this arena, the same problems that plague ASEAN at this difficult period of its history - the Asian Crisis and the lack of cohesion within ASEAN due to its recent expansion - would have a negative impact on ASEAN's ability to lead and to move forward the ARF process.

The Expansion of ASEAN

There are indeed signs that Europe is downplaying its traditional annual dialogue with ASEAN now that a broader framework of ties have been achieved with the larger Asian continent through ASEM. A key factor pushing the Europeans away from their annual dialogue with ASEAN is Myanmar.

In a conference organised by the Centre for Strategic and International Studies in Jakarta in September 1996, Professor Tommy Koh, the Executive-Director of the Asia-Europe Foundation, put forward some possible drawbacks on ASEAN's expansion:

1. A danger that the traditional ASEAN spirit of solidarity, of give and take, of mutual accommodation might be eroded.
2. It might be harder to achieve consensus.
3. ASEAN-10 might not be able to move as rapidly as a smaller grouping in launching new initiatives such as ARF and ASEM.
4. The process of AFTA might be slowed down.
5. New membership might bring back historical suspicions.
6. The creation of 2-tier ASEAN.
7. ASEAN's relations with the US and the EU might be complicated because of their attitudes towards some potential members such as Myanmar.

And it was the last point that has proven to be the nemesis of ASEAN-EU relations. In July 97 when Myanmar was brought into the fold of ASEAN, EU officials warned that the move could create difficulties in ASEAN-EU relations. But Luxembourg's Foreign Minister, Jacques Poos promised that he would not let human rights issue "drive a wedge between ASEAN and Europe". The opposite has happened, of course. Fighting about human rights is back on the agenda. A Joint Cooperation Committee meeting between ASEAN and EU officials in November 1997 was called off because of disagreement over Myanmar's presence in the meeting. Correspondent Ms Shada Islam in an article "Quick damage control needed for ASEAN-

7 Wanandi 1998.

EU" which appeared in the Singapore's *Business Time* attributed this setback to mis-handling by the officials and not the politicians.

Another meeting between Senior Officials (SOM) scheduled in May this year was cancelled because of demands by the government of Myanmar for full observer status at the talks. EU was prepared to accept a low-key and passive presence of Myanmar, and many ASEAN countries, anxious to get the relationship with EU back on track were ready to accept the European position, but Myanmar taking a tougher than expected stance demanded full observer status which the EU continued to resist.

The EU has always claimed that Myanmar's membership of ASEAN last July does not entitle it to automatic participation in EU-ASEAN discussions or entry into the ASEAN-EU Cooperation agreement. In order to do this, Yangon must sign an accession protocol making it a member of the agreement. And since the EU has shunned all political contact with Myanmar's military leaders, such a move is out of the question for the moment. All 15 EU governments have agreed that there will be no high level contacts with the Burmese military authorities. In addition, Burmese officials may not be given visas to travel to Europe.

The impasse over Myanmar has still not been broken. One way out of this stalemate is to reschedule the meeting under a formula that would exclude Myanmar based on the fact that she is not a signatory of the 1980 ASEAN-EU Cooperation Agreement. This would mean another new member, Laos, would have to be left out of the meeting as well since she has also not signed the accession protocol.

The Asian Crisis and Its Repercussions on ASEAN Dynamism

The financial crisis that hit Thailand in July 1997, and has since developed into a full-blown economic crisis affecting the whole Southeast Asian region has put ASEAN's solidarity and effectiveness to a real test. ASEAN has traditionally closed ranks in the face of external threats, but now that it faces a crisis from within, it does not know how to react. After some initial efforts and collaboration to help Thailand and Indonesia in the first few months of the crisis, including discussions towards the creation of a regional stabilisation fund (the Asian Trust Fund), using ASEAN currencies for intra-ASEAN trade, and the Manila Framework which set out the provision for a regional surveillance mechanism to prevent another such fiasco, ASEAN has retreated into a subdued, if not paralysed silence.

The lack of leadership and political will to carry through some of these recommendations has dented ASEAN's reputation. With its biggest member and unofficial leader, Indonesia, in the throes of change, suffering from a whole host of problems ranging from political transition and a crisis of authority, to serious inflation, and economic meltdown, to rising social tensions, ASEAN has seemed like a lame duck.

ASEAN countries are now preoccupied with their own economic recovery and trying to cope with severe internal strains and social tensions. Besides this pre-occupation with domestic problems, one other factor has contributed to the slow and inadequate response from ASEAN in these difficult times. This is the long-cherished

principle of operating by consensus. For its first 30 years, this principle enabled ASEAN to survive and grow from strength to strength. But with the expansion of ASEAN that took place at the onset of the crisis, and the nature of the problem that required a fast and decisive response, this principle has proven to be an obstacle limiting ASEAN's flexibility and initiative.

Another more pressing problem that the crisis has brought to ASEAN in terms of its ability to take initiatives and reach out to its dialogue partners is the lack of funding. Take the fledgling ASEM process for instance, it can only function and strengthen through participation. Events must be attended with enthusiasm over a significant period. This will require the assigning of appropriate priorities in terms of money and manpower. In short, resources are needed to keep the process going and build up the relationships. This will be scarce in times of economic hardship. In this area, however, the EU can help alleviate the problems partially by being more generous in its funding of the various activities and events.

Conclusion

ASEAN in its last thirty years has played an active role in maintaining peace and stability among its member countries and thereby contributing to the overall peace and stability of the region. In its economic relations, ASEAN has for the past decade been very outward oriented. As the member countries developed and gained confidence, their confidence was projected into ASEAN's external relations with the major powers in the world. ASEAN has sought actively to establish strong links with the US, the EU, and argued convincingly for the need to engage China.

In its relations with the EU, the relationship had been growing from one of a donor-recipient to that of an equal partnership (until the crisis struck). It has contributed significantly to propelling East Asia and EU relationship forward. Without the long-standing link between ASEAN and the EU, ASEM would be almost inconceivable. Also due to of this formal linkage, the EU was able to participate in the ARF - a forum which allows the EU to engage China, Japan, South Korea and India on political and security issues. ARF provides a good avenue for the EU to better understand the East Asian strategic concept and the issues facing the region. However, it was felt that thus far, the EU's participation in the ARF has been rather disappointing.

ASEAN is now at a crossroads. The Asian financial crisis has presented ASEAN with its biggest challenge since 1967. Its most untimely expansion that took place at the onset of the crisis only compounded the problem. How ASEAN responds to this challenge - whether it is willing to re-examine its past operating principles for relevance and efficacy in this rapidly changing and widely interconnected and interdependent world and come up with new solutions and bold measures - will in part determine its continuing importance and relevance not only to the EU, but to the rest of the world.

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