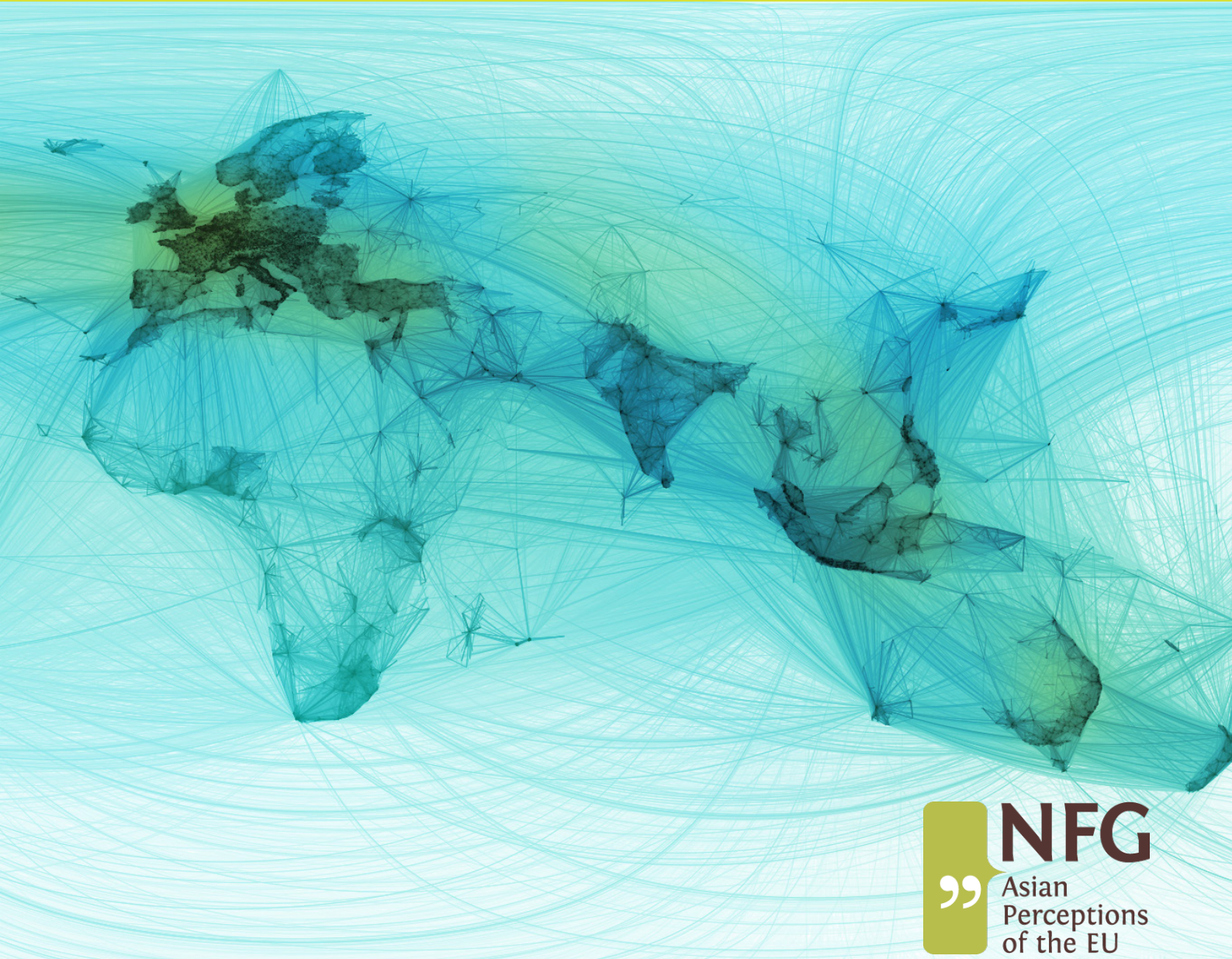


The EU and ASEAN

Prospects for Inter-Regional Cooperation

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The EU and ASEAN:

Prospects for Inter-Regional Cooperation

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Executive Summary

There is a growing tendency to compare regionalism in Europe and Asia. Such analysis often uses the EU as the basis for comparison in analyzing ASEAN's promotion of Asian regional cooperation. However, given the significant differences between the two regions, the European experience is not directly transferable. Rather than imposing one region's processes and experience onto the other, it is more important to cultivate inter-regional cooperation that will enable Europe and Asia to learn and benefit from each other. Despite mutual acknowledgment of the need for deeper and broader inter-regional cooperation, interaction between the EU and ASEAN has so far been limited. However, the long-term prospects for inter-regional cooperation are promising, with the EU and ASEAN facing both internal challenges in their integration processes and common economic and security threats in their respective regions.

Policy Recommendations

The EU and ASEAN can develop and advance inter-regional cooperation by:

- **Mitigating constraints in inter-regional engagement:** Both regions should seek to deepen their relationship at the inter-regional level, aside from concentrating on cultivating multiple sets of bilateral relations in Southeast Asia. In addition, both parties must move beyond an aid and development paradigm that highlights donor-recipient roles.
- **Learning distinctive features in regional governance:** ASEAN can learn from the European system of political and market integration, and can benefit from looking into Europe's "Monnet Method" of decision-making processes and regional compliance. Meanwhile, the EU can learn from ASEAN's flexible approach in the overall administration of the region, and can examine the advantages of the "ASEAN Way" of a less formal multilateralism with a consensus style of decision making.
- **Sharing experiences and expertise:** The EU has acquired valuable expertise in conflict management, humanitarian assistance, disaster relief, and peacekeeping efforts from which ASEAN can learn. Meanwhile, ASEAN's experiences in managing security issues such as nuclear threats, territorial disputes, and maritime conflicts can benefit European approaches in addressing its own security concerns. The EU can also draw insights from ASEAN's supervision of its multilateral and bilateral arrangements, as well as the management of its web of security alliances amidst great power rivalries in the region.

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The EU and ASEAN: Prospects for Inter-Regional Cooperation

Andrea Chloe Wong

1. Introduction

As regions all over the world strive for deeper institutionalized cooperation, some—particularly within Europe—see the European Union (EU) as a model for regional integration. Since the establishment of the EU, the region has experienced stability and prosperity within and beyond its borders. It has since operated a single economic market across its member states and has employed a common regional currency that has brought pride to the EU. Such achievements have consequently produced a tendency for the EU to promote itself as a model of integration that other regions can follow.

Growing discussions in the field of comparative regionalism reveal a predisposition to regard the EU as a basis for comparison. This is evident in Southeast Asia, as it strives for closer regionalism led by ASEAN. However, despite the global recognition of the EU as the most advanced form of integration in the world, its organizational processes may not succeed when exported and adopted as a whole by ASEAN. Given the significant differences between the two regions, the European experience is not directly transferable to the Asian context. Instead, it is of utmost importance to cultivate a deeper inter-regional cooperation that will enable Europe and Asia to learn from each other.

Since the EU considers itself to be more advanced in regional integration, there are many things that ASEAN can draw on when looking to European institutions and procedures. At the same time, there are also several features in ASEAN's distinct approach and unique experiences that the EU can consider. There are some areas in which the EU can learn from ASEAN. However, these have generally received little attention due to a common perception of the EU being the more superior regional organization. It is important, therefore, to highlight the fact that the objective of having strong inter-regional cooperation should not be one-directional, but should instead promote reciprocal contributions to enrich each other.

Despite recognizing the need for enhanced inter-regional cooperation, both the EU and ASEAN have been slow to engage with each other at an inter-regional level. This

has been driven by a number of factors, including the reality of distance that glaringly separates the two regions, the EU's bilateral focus on strategic countries in Asia at the expense of ASEAN, and the donor-recipient outlook promoting a superior EU and a passive ASEAN that hampers the growth of an equal partnership.

Confining interactions in these ways restricts the EU and ASEAN from exploring other areas for cooperation that can become wasted opportunities if left to continue. These concerns should be addressed by both regions in order to foster mutual learning and promote a more meaningful and multi-dimensional inter-regional exchange.

2. Demystifying the “Picture Perfect” EU

Recent discussions have questioned the value of employing the EU as the yardstick in the process of regional integration. Critics contend that advancing European integration as a paradigm in comparative regionalism implies a perception of the EU as an “integration snob” (Murray 2010a). Moreover, for Asian scholars, imposing the processes and experience of the European approach may appear to be hegemonic (Acharya 2009). This is because Europe carries a heavy load of colonial baggage in Asia's history, which causes great suspicion and skepticism towards European ideas and imposition in the region.

While EU integration can be seen as a success story, it can also serve as a cautionary tale. The ongoing Euro crisis presents a region scrambling to solve its increasing sovereign debts, major banking troubles, and sluggish economic growth. These economic woes in turn have resulted in major political turmoil in many EU countries, such as Greece, Italy, Spain, and Portugal. The Euro crisis highlights the disenchantment regarding the animating principles that have propelled so much of what the region has accomplished internally in the first place.¹

The EU's successful integration is not always infallible as it continues to confront several challenges that test its resilience. Against this backdrop, there is even less reason to invoke the EU as a model for comparative regionalism, particularly in ASEAN as the leading organization in Asia. There is already a growing wariness towards using the EU as a standard for which ASEAN should measure itself and its development as a region.

¹ This perception is based on European public opinion in a survey published in Pew Research (2013).

3. The EU and ASEAN: The Great Disparity

Aside from its imperfections, the EU also differs in very significant ways from ASEAN with respect to economic, social and political factors, which point to the “regionally specific, systematically different patterns of politics and policies” (Katzenstein 2007).

Generally, the EU is a group of countries with similar economic and political structures. It is characterized by a broadly shared economic ideology based on different varieties of capitalism. Over time, this has resulted in the creation of a common currency and a single market, considered one of the prominent features of EU integration. Moreover, the EU is composed of states with various political systems underpinned by similar normative foundations of democracy, human rights, and individualism. Despite its many divisions, the EU can be described as relatively homogeneous in terms of race, ethnicity and religion.

In contrast, ASEAN is an assembly of various states fraught with economic and political diversity. It has no common economic ideology, with communism coexisting with capitalism. Further, its members have varying levels of economic development, which is considered a major impediment towards regional economic integration. In terms of political structure, ASEAN is composed of both democratic and authoritarian states that promote nationalist doctrine and principles of non-interference. The organization is also characterized by heterogeneity in race, ethnicity, and religion.

Aside from these differences, the most critical distinction between the EU and ASEAN is their regard for sovereignty. For Europe, the reduction of national sovereignty is necessary for integration, but for ASEAN the preservation of national sovereignty is the thrust behind its regionalism. Since most Asian countries have only achieved their independence from colonialism in the latter part of the last century, they consider sovereignty as vital and non-negotiable. Because of this, ASEAN remains largely intergovernmental.

This divergent regard for sovereignty explains the EU’s marked integration and ASEAN’s open regionalism. Integration, which implies the loss of sovereignty, is evident in the EU. It operates on a formal system of supranational institutions with codified methods of decision making, resulting in a more politically and economically integrated region. Meanwhile, ASEAN features an open regionalism which does not necessarily require the loss of sovereignty. Because of this, ASEAN’s intergovernmental structure functions with less regulated systems and institutions, based on a consensus-based approach to decision making.

This critical disparity means that the EU cannot serve as a model for ASEAN in terms of regional integration. This is because ASEAN member states are not inclined to cede a significant part of their sovereignty to an overarching regional institution. This remains the case despite growing criticisms that its commitment to sovereignty is one of the major impediments in tackling common intra-regional issues (He 2004). However, ASEAN member states seek to be flexible enough to align their national interests toward a shared compromise in order to make the organization more effective and relevant.

Moreover, the course of EU integration cannot be replicated in ASEAN because regional integration is a difficult and continuous process without a definite blueprint. Therefore, it is important to recognize that “there is no single integration approach and that no entity has a monopoly on integration experiences” (Murray 2010b). Because of this, “the scope, depth, and sequencing of ASEAN’s integration process have to be its own” (Ruffini 2006). Although ASEAN integration is slow and difficult, it is certainly progressing. For these reasons, it is unproductive to refer to an “advanced” EU model to critique ASEAN for “lagging behind” (Acharya 2006).

4. Limits and Constraints on EU-ASEAN Exchange

Given these vital distinctions between the two regional organizations, it is important to forge a regular dialogue and substantive cooperation. It is precisely these differences that should induce both the EU and ASEAN to learn from each other, rather than impose one’s integration process over that of the other. Yet, despite mutual acknowledgment of the need to cooperate and improve relations, both regional organizations exhibit relatively limited interaction for various reasons.

For one, the reality of distance has prevented a meaningful engagement between the EU and ASEAN, reflected in the limited degree of collaboration between both parties. This is true despite the signing of the ASEAN-EEC Cooperation Agreement in 1980 and the adoption of the Nuremberg Declaration on an EU-ASEAN Enhanced Partnership in 2007. The minimal engagement of the two regional organizations is also reflected in their low-level participation and nominal achievements in the Asia-Europe Meetings (ASEM) established in 1996. Despite their distance, the interconnectedness of EU-ASEAN economic relations and their increasingly shared security challenges will hopefully prompt the two sides to move beyond mere diplomatic rhetoric towards meaningful cooperation.

Second, deeper inter-regional cooperation is constrained by the EU’s focus on individual Asian states. In particular, the EU prioritizes cultivating its “strategic partnerships” with China, Japan, and to a lesser extent South Korea, while maintaining relatively limited engagement with other countries in Southeast Asia. In effect, the EU-ASEAN relationship is underpinned not so much by interregional exchange, but rather by interaction with multiple sets of bilateral relations (Breslin 2010). Meanwhile, European presence and initiatives in Asia are complicated by the existence of parallel supranational EU and member states’ policies. Because of this, there is still much progress to be made in establishing a broader and deeper relationship between the EU and ASEAN as regional organizations.

Lastly, inter-regionalism remains limited because the EU and ASEAN broadly view such cooperation from a donor-recipient perspective. Since the EU’s involvement in Asia is often examined in the context of bilateral relations, the general tendency is to perceive these interactions through an aid and development paradigm, particularly with the developing countries of ASEAN (Langenhove/Marchesi 2008). Moreover,

having a donor-recipient outlook puts the two parties on an unequal footing, which generally reveals a superior EU and a passive ASEAN. This lessens Europe's openness and interest in learning from Asia, and reduces Asia's willingness to share with Europe.

5. Opportunities to Deepen EU-ASEAN Relations

Despite these constraints and limitations, prospects for inter-regional cooperation look promising. There are many opportunities for engagement that should be explored. Both regions stand to gain by learning from each other's institutional differences and integration experiences. Moreover, collaboration and dialogue are critical as the EU and ASEAN increasingly face similar global challenges, albeit in varying degrees. Aside from global economic issues, these challenges involve security threats such as terrorism and the proliferation of weapons of mass destruction, as well as non-traditional security issues such as environmental degradation, mass migration, and resource conflicts over energy, food, and water. In particular, there are a number of ways in which both ASEAN and the EU could learn from each other.

5.1. What ASEAN Can Learn from the EU

Since the EU considers itself to be more advanced in regional integration, there are many things that ASEAN can draw from the European experience. These include the EU style of governance which could enhance decision-making processes and regional compliance, the EU system of economic and market integration, and European approaches to engage and consult civil society regarding regional integration, among others (Murray 2010b). The EU supports ASEAN's integration process and institutional strengthening through its financial and technical contributions to the ASEAN-EU Programme for Regional Integration Support Phase II (APRIS II) and the ASEAN Regional Integration Support from the EU (ARISE).

ASEAN can also learn from the EU's implementation of the "Monnet Method" that has significantly influenced the integration process in Europe. This method is based on the perception that the integration process is best supported by concrete projects rather than by general declarations of basic principles. It advocates that integration can be advanced by presenting the common interests of member states and convincing them to foster concerted action through common projects to achieve these interests. In the case of the EU, these projects condition its member states and their citizens to cooperate and gradually become interdependent. For all the criticisms against ASEAN as merely a "talk shop," it may actually learn from the EU's Monnet Method of accomplishing tangible projects and activities, to which it can concretely measure the progress of its regional cooperation.

On a wider scale, ASEAN can gain knowledge from EU institutional measures to

effectively deal with trans-border security issues. ASEAN can learn from European approaches in order to improve its capacity for conflict management, humanitarian assistance, disaster relief, and peacekeeping efforts to which the EU has valuable technology, experience, and expertise. As it confronts similar security challenges in the region, ASEAN can benefit from exploring EU approaches in these areas and complementing it with its own existing institutional initiatives.

5.2. What the EU Can Learn from ASEAN

While there are various recommendations as to what ASEAN can learn from the EU, there seem to have been very limited proposals on what the EU can, in turn, learn from ASEAN. The objective of having a strong inter-regional cooperation should not be one-directional, but should promote reciprocal contributions to enrich one another. Given the growing discussions on comparative regionalism, there are in fact several features in ASEAN's distinct approach and unique experiences which the EU can explore.

For example, the EU can examine ASEAN's preference for open regionalism to minimize economic discrimination against non-members. It can also consider ASEAN's flexible approach in the overall administration of the region, as Europe copes with the impact of its financial crisis. Moreover, it can gain from analyzing the "ASEAN Way" of a less formal multilateralism based on a consensus style of decision making as distinct from the EU's Monnet Method, just as ASEAN can learn from the EU method of regional governance.

In addition, EU policymakers can assess how ASEAN accommodates and interacts with the great powers in its neighborhood amidst its efforts towards community building. This may have some resonance for Europe, as it also experiences growing concerns about the rise and potential threat of China, the relative decline of Japan's economy, and the staying power and global impact of the US. How ASEAN copes with the implications of the complex relationship among these states in Asia is worth examining by EU policymakers. Moreover, while European history presents many lessons in conflict prevention and managing great power relations, particularly with the UK, France, and Germany, the EU can also learn how ASEAN, as a group of small states, administers regional cooperation amidst great power rivalries.

The EU can also examine how ASEAN copes with its security concerns. This is worth exploring, since Asia is home to long-standing regional flashpoints that directly threaten global peace and security. These regional flashpoints include nuclear threats, territorial disputes, and maritime conflicts, which also confront Europe to a certain degree. The EU can also draw on the experiences of ASEAN in the supervision of its multilateral and bilateral arrangements, as well as the management of its web of security alliances amidst competing major powers in the region. As the EU addresses its own security issues, it may also benefit from understanding Asia's security landscape and ASEAN's critical role in the region, both of which can enhance the EU's own security policy.

6. Conclusion: Opportunities for Broadening and Deepening Inter-Regional Cooperation

With an advanced Europe and an emergent Asia, it is more constructive to push for inter-regional cooperation rather than enforcing one region's processes and experience as the basis to evaluate the other. There is an increasing awareness of the need to avoid imposing European approaches on ASEAN's process of regionalism, despite previous glorification of the EU as a model for regional integration. However, recent comparative discussions on both regions aptly suggest that referring to the EU experience in integration and regional management is discouraged yet unavoidable. Ultimately, the great disparity between the EU and ASEAN highlights the need for caution when using a Western approach in an Asian context. At the same time, however, their vast differences can also be regarded as valuable sources for inter-regional cooperation.

There have already been major steps taken to develop EU-ASEAN relations in terms of depth and scope. Most notably, the Bandar Seri Begawan Plan of Action to Strengthen the ASEAN-EU Enhanced Partnership (2013-2017) agreed upon in 2012 aims to direct a more strategic focus towards inter-regional collaboration. The partnership is expected to boost political and security dialogue, trade and economic ties, socio-cultural exchanges, and functional and development cooperation. This exchange is expected to be mutually beneficial as each region gains from the other's perspectives in enhancing regional integration and managing regional concerns.

There is certainly a growing potential for the EU and ASEAN to enrich each other. After all, their historical contexts, institutional processes, and economic and security circumstances vary, and each side can learn from the other. The possibilities for cooperation and dialogue are endless, especially as both regions face common challenges in the face of a more globalized world. As a starting point, the two sides could focus on enhancing inter-regional cooperation by:

- **Mitigating constraints in inter-regional engagement:** Both regions should seek to deepen their relationship at the inter-regional level, aside from cultivating multiple sets of bilateral relations in Southeast Asia. In addition, both parties must view their relationship beyond an aid and development paradigm that highlights donor-recipient roles to which the EU and ASEAN normally subscribe. These concerns restrict the potential for EU-ASEAN cooperation and should be addressed in order to foster a more meaningful and multi-dimensional inter-regional exchange.

- **Learning distinctive features in regional governance:** Since the EU is generally considered to be the most advanced regional organization, ASEAN can learn from the European system of political and market integration. It can also benefit from looking into Europe's "Monnet Method" of decision-making processes and regional compliance. While there are limited proposals in academic and policy discussions on what the EU can in turn learn from ASEAN, there are in fact several areas that European policymakers can explore. The EU can examine ASEAN's distinct approach and unique experiences, particularly its flexible method in the overall administration of the region. It can also look into the advantages of the "ASEAN Way" of a less formal multilateralism with a consensus style of decision making.
- **Sharing experiences and expertise:** The EU has acquired valuable experience and expertise in conflict management, humanitarian assistance, disaster relief, and peacekeeping efforts, from which ASEAN can learn. ASEAN can then explore EU approaches in these areas, which can be complemented with its own existing institutional initiatives. Meanwhile, ASEAN's experiences in managing security issues such as nuclear threats, territorial disputes, and maritime conflicts can benefit European approaches in addressing its own security concerns. The EU can also draw on insights from ASEAN's supervision of its multilateral and bilateral arrangements, as well as the management of its web of security alliances amidst great power rivalries in the region.

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