

**“The EU’s Approach to East Asia:  
Strategic and Systemic Implications  
for the new EU Member States”**

presented by:

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**ASIAN ECONOMIC DEVELOPMENT AND THE  
EUROPEAN UNION: VIEWPOINT OF THE NEW EU  
MEMBER COUNTRIES**

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## 1. Introduction

According to the European Commission the “one clear core objective” that should guide the future development of EU-Asia relations is “to focus on strengthening the EU’s political and economic presence across the region, and raising this to a level commensurate with the growing global weight of an enlarged EU”<sup>1</sup>. With this macro objective in mind the question about the strategic and systemic implications of the Asian economic development for the new EU member states arises.

In this context the EU’s approach to the People’s Republic of China is of overall importance. This is because China holds the key for regional cooperation and integration in East Asia. This is not to say that Japan, South Korea or the ASEAN are less important as partners for the EU.<sup>2</sup> Yet, without the increasing dynamic interaction between East Asian and Chinese stakeholders the trend of regionalization in East Asia would not be in place. This trend has been building up since the so called Asian crisis. The signing in 2002 of a framework agreement of the China-ASEAN Free Trade Area that has been targeted to come into force by 2010<sup>3</sup> is one important indicator.

## 2. The EU’s Approach to East Asia

The policy of the EU towards the East Asia region and China is a **multilevel engagement policy**. Furthermore, it is a mixture of bilateral and multilateral approaches.<sup>4</sup> Besides meetings on the bilateral level the EU and its member states meet their Asian counterparts in fora like the ASEAN Regional Forum or through the Asia-Europe Meeting (ASEM) process. Thereby it is a central aim of the actors to increase international cooperation not only bilaterally but multilaterally.

A specific element of the EU’s approach to East Asia is the interregional one and the

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1 Commission Communication 'Europe and Asia: A Strategic Framework for Enhanced Partnerships', COM(2001), 469, 4 September 2001, [http://europa.eu.int/comm/external\\_relations/asia/rel/index.htm](http://europa.eu.int/comm/external_relations/asia/rel/index.htm)

2 Not India since I am concentrating on the East Asian region. Yet, last December India was a participant at the inaugural East Asia Summit. This is an indicator that functional criteria for defining regionalism are gaining importance.

3 In November 2001, China and the 10 ASEAN countries started negotiations to set up a free trade area. One year later, a framework agreement was signed. The FTA, a zero-tariff market of 1.7 billion people, has been targeted to come into force in 2010 for the six original ASEAN countries and in 2015 for the other four.

4 In the following I will concentrate on the PR China and not on the Republic of China. With respect to Taiwan, the EU follows a One-China policy and thus has no diplomatic relations with Taiwan. Yet, the EU has relations with Taiwan in non-political areas, such as economic relations, research, culture, education and science. The EU supports the peaceful resolution of the Taiwan issue and rejects the use or threat of force. The EU “urges both sides to resolve the cross-Straits question through constructive dialogue and to renounce dogmatic positions”. When China adopted the so-called Anti-secession Law, on 14<sup>th</sup> March, the EU issued a declaration expressing its concern and its “opposition to any use of force“. Re-emphasising that cross-Straits relations must be based upon a constructive approach, the EU hopes that the increasing interdependence and integration between both actors can lead to a peaceful resolution of the cross-Straits conflict.

Asia-Europe Meeting. In contrast to other interregional cooperation processes in which the European Union is involved (e.g. EU-ASEAN, EU-Mercosur) the ASEM process developed an extensive approach to the challenges and perils of our times.<sup>5</sup> This approach is based on two fundamental principles: 1. multilateralism, 2. regionalism. During the ten years of its development the cooperation between the ASEM participants has become more intense than anybody could have expected in the middle of the 1990s. Thereby a regime is unfolding that shapes the context for policy choices and **strengthens multilateralism as an organizing principle of the international system through interregionalism.**

### 3. Strategic Implications

An implication of the engagement policy vis-à-vis the East Asian region and its actors is the **strategic partnership between the People's Republic of China and the EU.** This partnership is not strategic in the military sense. Yet, the issue of the lifting of the European arms embargo against China indicates that hard security issues have entered EU-Asia affairs.

According to the European Commission's China policy paper „[i]t is in the clear interest of the EU and China to work as strategic partners on the international scene“. This long term plan of action is in line with the 'European Security Strategy'. According to Javier Solana, the EU should focus on developing a strategic partnership with China.<sup>6</sup> The Premier of the State Council of the PR China, Wen Jiabao, has coined the term 'comprehensive strategic partnership'. Wen defines the term in the following way: "By 'comprehensive', it means that the cooperation should be all-dimensional, wide-ranging and multi-layered. It covers economic, scientific, technological, political and cultural fields, contains both bilateral and multilateral levels, and is conducted by both governments and non-governmental groups. By 'strategic', it means that the cooperation should be long-term and stable, bearing on the larger picture of China-EU relations. It transcends the differences in ideology and social system and is not subjected to the impacts of individual events that occur from time to time. By 'partnership', it means that the cooperation should be equal-footed, mutually beneficial and win-win. The two sides should base themselves on mutual respect and mutual trust, endeavour to expand converging interests and seek common ground on the major issues while shelving

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5 A region can be defined by territorial and functional criteria. Depending on the emphasis, geographical, or, for example, political elements are pinpointed. In contrast to other interregional mechanisms like the above mentioned EU-ASEAN dialogue, it is a further characteristic of ASEM, that the meaning of "region" is not preformed by the participation in any regional organization. Therefore interregionalism within the ASEM context has the meaning of cooperation between actors of two mainly territorially circumscribed regions. The role of the geographical element becomes obvious when looking at the name of the process: Asia-Europe Meeting. Because of the importance of the geographical aspect of regionalism, ASEM has been conceptualized as a process of cooperation between potential actors that are foremost defined by their geography and not by functional criteria, like belonging to an organization. Due to this territorial conceptualization of regionalism, Russia, Switzerland and India apply like many other countries for participation in ASEM.

6 „In the next years we should focus particularly on developing strategic partnerships with [...] China. These partners play an increasingly important role in their respective regions and beyond.“ (European Security Strategy 2003: 15).

differences on the minor ones.”<sup>7</sup>

While the strategic partnership between the EU and China belongs to the bilateral realm (EU-China) the European strategy of institution building on the interregional level within the ASEM context belongs to the multilateral realm as well. This is because of the participation of 39 actors who are assigned to their territorial and functional belonging.

The EU's engagement approach to East Asia needs to be explained within the new systemic context that is emerging after the end of the cold war.

#### **4. Systemic implications**

Furthermore, the assumption that institution building on the intraregional and interregional level will facilitate shaping the context for future policy choices when interacting with East Asian actors and especially China is an inherent element of the EU's approach.

At this point the **US and the EU approach to the Asian region differ fundamentally** as the US approach does not make use of the principles of regionalism and multilateralism in an interregional context.<sup>8</sup>

Consequentially the increasing level of intraregional cooperation in East Asia and the proactive role that Beijing plays within it is perceived by many as part of a Chinese strategy to expand its influence within Asia.<sup>9</sup> In that respect the Chinese support of the concept of an East Asian community and the inaugural meeting of the East Asia Summit in Malaysia's capital Kuala Lumpur in December last year have raised suspicion on the US side. US politicians and experts question the direction of such a process and call it a “test of China's intentions (...) whether its growing capacity will be used to seek to exclude America from Asia or whether it will be part of a cooperative effort”<sup>10</sup>. In this context US Deputy Secretary of State Robert Zoellick stated: “The United States respects China's interests in the region, and recognizes the useful role of multilateral diplomacy in Asia. But concerns will grow if China seeks to maneuver toward predominance of

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7 „Vigorously Promoting Comprehensive Strategic Partnership Between China and the European Union“, Speech by H.E. Wen Jiabao Premier of the State Council of the People's Republic of China At the China-EU Investment and Trade Forum, Brussels, 6 May 2004.

8 See Bersick, Sebastian, 'Strategic Considerations in the US-China Relationship: A Role for European Soft Power', Asia-Europe Journal, April 2006, forthcoming.

9 See: Jane Perles, The New York Times, ‚Chinese Move to Eclipse U.S. Appeal in South Asia‘, 18.11.2004, p. 5.

10 Henry Kissinger, ‚Conflict is not an option‘, IHT, 09.06.05, p. 9.

power”<sup>11</sup>.

The current US China policy is confronted with an Asian region that “would like China’s meteoric rise to be balanced by a sustained US commitment to defence of the region” but does not “want to be asked to choose between supporting one superpower over the other”<sup>12</sup>. The resulting dilemma for Washington lies in the consequentiality of its current policy of hedged engagement: The more institutionalized an East Asian regionalism becomes with an ever more assertive China driving the process the more political and military power balancing is needed – not only vis-à-vis China but also vis-à-vis East Asia. In the end US foreign policy could be forced to develop a hedged engagement policy for East Asia. That would raise the crucial question of how to develop a policy mix in order to be capable of engaging and containing a future East Asian regionalism. It is the inherent danger of the current US China policy that the missing regional component in US-China relations could facilitate the formation of a fortress Asia.

The EU approach to China has this regional component. The Europeans engage China bilaterally (EU-China, EU member states-China) and in a multilateral, interregional institution – that is the ASEM process. This is the **added value of the EU’s approach to China and East Asia**. Within the emerging new systemic context the EU’s interregional relations with Asia and especially the ASEM process offer the institutional framework for the EU and its member states to take part in the molding of an evolving East Asian regionalism. Thereby Europe develops the means to project its **soft power**<sup>13</sup> into the Asian region by co-defining the norms, rules and principles that facilitate the integration of the increasingly assertive Asian power China into a new world order in which regional communities and unions are seeking to become actors in their own rights.<sup>14</sup>

The EU should intensify its policy of exporting the European model of regional cooperation and integration. This process has strengthened and supported the forces in East Asia that favor a deepening of intraregional cooperation as the inaugural meeting of the East Asia Summit in December 2005 has demonstrated.

In order to further facilitate this paradigm shift within the international system it is imperative that the EU and its member states continue to engage China bilaterally and multilaterally. Since Beijing holds the key to East Asian regionalism China should be the

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11 Robert B. Zoellick “Whither China: From Membership to Responsibility?”, Remarks to National Committee on U.S-China Relations, 21.09.05, <http://www.state.gov/s/d/rem/53682.htm>, download 22.09.05. In May 2005 he has been quoted saying: (...) the United States is intent to deepening economic and political ties with Southeast Asia but not by trying to contain China’s rising influence in the region”. Zoellick: Policy to contain China’s influence ‚foolish’, Agencies, updated 11.05.05, [www.chinadaily.com.cn/english](http://www.chinadaily.com.cn/english), download: 11.05.05.

12 Michael Vatikiotis, ‘U.S. sights are back on China’, IHT, 07.06.05, p. 6.

13 Soft power being defined as the „ability to get what you want through attraction rather than coercion or payment“. Joseph Nye „Soft Power: the Means to Succeed in World Politics“, New York 2004, p. X.

14 This European approach and its soft power is based on the principles of regionalism and multilateralism and the hypothesis that institution building on the interregional level will facilitate shaping the context for future policy choices when interacting with China and/or East Asia.

main target of European soft power by projecting the principles of regionalism and multilateralism to Asia.<sup>15</sup> Facilitating the projection of the EU's soft power to East Asia could become a priority for the new EU member states.

## 5. The Role of the new EU member states

Most of the new EU member states are not engaged in bilateral contacts with China beyond economic cooperation. Few of them, primarily Hungary, Poland and the Czech Republic, maintain contacts concerning political, security, educational or cultural issues. In order to further **strengthen the EU's capacity to project soft power to East Asia** it is necessary to conceptualize European-Asian affairs and specifically the ASEM process as taking place on the level of state-to-state interaction and on the level of region-to-region interaction. The ASEM regime plays a particular role because its interregional setting enables its actors to develop, coordinate and implement policies in a multilateral framework. Yet, not solely. Cooperation takes place on the state-to-state level as well.

Specifically smaller EU member states can benefit from the EU's interregional approach to international relations as it offers the institutional framework to coordinate their interests with other member states.<sup>16</sup>

However, the issue of the lifting of the European arms embargo against China has demonstrated that a common European position and a coherent approach of the Europeans towards China is not enough. The increasing complexity of the international system after the end of the Cold War makes it essential that the interests and objectives of a European China policy and a European China strategy are communicated within the transatlantic framework as well and with East Asian stakeholders like Japan – in fact Taiwan should not be a residual category.<sup>17</sup>

Pro-active engagement within the ASEM process can facilitate to **strategize relations with East Asian countries** by developing multilevel and multidimensional Asia strategies that aim at increasing the capacity for interdependence management.

Furthermore, the accession to the EU offers the opportunity to a given EU member state to **multilateralize relations with individual Asian countries** by investing resources into multilateral fora like the ASEAN Regional Forum and ASEM. Within the ASEM process an individual member state can take the lead by providing practical input on the policy

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15 To what extent the EU and its model of intraregional cooperation and integration can influence the objective and trajectory of an emerging East Asian regionalism will demonstrate partly the extent of Europe's soft power in the international system. Yet, the extent of Europe's soft power will also be a function of the future US foreign policy vis-à-vis East Asia and the related question to which extent the EU and its model of interregional cooperation can influence the US foreign policy vis-à-vis China on the conceptual and operational level.

16 Yet, a common European position is what the process often lacks.

17 Though contra-factual history has no explanatory power I would suggest that the handling of the arms embargo issue would have been easier if it had been thoroughly discussed in multilateral fora first – organizations and regimes like the ARF and ASEM. The Europeans could have learned more about the interests, perceptions and powers involved.

level and vision with regard to the normative and institutional level.

These institutions create “multiple channels of contact”<sup>18</sup> that render possible the management of the increasing interdependencies between Asian and European stakeholders. They serve as agents for global governance. The ASEM regime has the capacity to serve that function on the interregional level. It has done so for the last 10 years. But it is a regime and doesn’t have the power to act in its own right. In order to live up to the increasing responsibility of the EU in a plethora of policy fields ASEM needs thus to be further institutionalized.

Such a development has a normative dimension too and raises the issue of the rules and principles that govern an institution and by whom those rules are made. The Asia-Europe Meeting has developed inter-parliamentary instruments like the Asia-Europe Parliamentary Partnership (ASEP) in which Parliamentarians participate. The next meeting will be in May in Helsinki. The active participation of European and Asian parliamentarians in this forum also contributes to the EU's capacity to project soft power.

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18 Keohane, Robert O./Nye, Joseph S., *Power and Interdependence*, Glensview 1989, p. 34.