

EU-ASIA CONNECTIVITY: CONCEPTS, CONTEXTS AND CONTESTATIONS

The Bochum Jean Monnet Lecture Series on EU-Asia Connectivity

3 December 2020



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Ruhr-Universität Bochum

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INTRODUCTION

Introduction

*“It is clear that the **Indo-Pacific** will be the **most dynamic** region in the world and the **center of growth** for decades to come”*
(Borrell: 20.11.2020)

*“The key question will be; what will be the **nature** of the **regional order?**”*
(Borrell: 20.11.2020)



Source: <https://www.np-coburg.de/inhalt.treffen-mit-lawrow-eu-aussenbeauftragter-fordert-freilassung-nawahmys.6959ba77-3f0e-46db-ae10-98715a4366d6.html>

Introduction

What will be the **role of Europe** in that order?

Will it **co-shape** the evolving normative-institutional architecture?

And in how far does and could the new **buzzword** “**connectivity**” play a role in these dynamics?

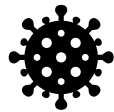
Introduction

Argument:

A **window of opportunity** has opened up for the EU to **increase its role** in Asia, the Pacific and the Indo-Pacific.

The EU needs to **demonstrate internal unity** and Europe needs to **offer an incentive** to the actors in the region.

A **major political project** that tells the story of EU-Asia cooperation and integration anew.



COVID-19, CHINA AND CHANGES IN THE GLOBAL ECONOMY

IN THE GEORGETOWN ECONOMY

Covid-19, China and Changes in the Global Economy



World trade declined by **10%** in 2020



Recovery by **4,25%** in 2021/22



China **top foreign market** in Asia-Pacific



Trade growth of **7%**

Covid-19, China and Changes in the Global Economy



Risks



Weak growth



Closed borders



International tension



Unilateralism



Chances



Regional Comprehensive Trade Agreement (RCEP)



Comprehensive Progressive Agreement for Trans-Pacific Partnership (CPTPP)

Covid-19, China and Changes in the Global Economy



Source: <https://www.joanburton.ie/latest-on-brexit-for-business/>

**Diverging Europe –
Converging Asia?**



Source: <https://blog.de.erste-am.com/wp-content/uploads/sites/9/2020/11/worldbank.jpg>



A CHANGING STRATEGIC CONTEXT

A Changing Strategic Context

EU Global Strategy

“pursue a coherent approach to China’s connectivity drives westwards”



2016



2018

EU-Asia Connectivity Strategy

“Connecting Europe and Asia Building blocks for an EU Strategy”

Trump-Administration / Changing EU Perception of China

“partner, competitor,
and systemic rival at the
same time”



2020

Covid-19 / RCEP

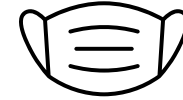
Disruption of the
Global Economy and
rise of the Asia Pacific



A Changing Strategic Context



Wolf warrior diplomacy



mask diplomacy



Market access



5G technology



Hong Kong

“Partner,
competitor,
and
systemic rival”



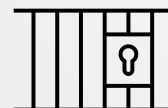
the South China Sea



Taiwan



respect for international law



Xinjiang

A Changing Strategic Context

Strategic Vector

Value based cooperation

Military cooperation

Naval engagement in the Asia-Pacific



Source: <http://www.chinadaily.com.cn/a/202011/28/WS5fc18488a31024ad0ba9810f.html>

Fields of Contestation



Source:
<https://www.facebook.com/eucouncil/photos/a.182018825181114/3495690250480605/?type=3>

Cyberdiplomacy

What the Internet is and how it should be governed

“China-ASEAN digital port to promote digital connectivity and build a digital silk road”

(Xi Jinping: 27.11.2020)



THE ROLE OF THE USA AND ITS IMPACT ON EU-ASIA RELATIONS

RELATIONS?

The Role of the USA and its Impact on EU-Asia Relations

*“We must work together to deal effectively with **China’s growing assertiveness**, and also to **maintain necessary avenues of cooperation** with Beijing to face global challenges such as the covid-19 pandemic and **climate change**”*

The Washington Post
Democracy Dies in Darkness

Opinion: French and German foreign ministers: Joe Biden can make transatlantic unity possible



President-elect Joe Biden in Wilmington, Del., on Nov. 10. (Demetrius Freeman/The Washington Post)

Opinion by **Jean-Yves Le Drian** and **Heiko Maas**

November 16, 2020 at 6:00 p.m. GMT+1

Source:

www.washingtonpost.com/?url=https%3A%2F%2Fwww.washingtonpost.com%2Fopinions%2F2020%2F11%2F16%2Fgerman-french-foreign-ministers-joe-biden-transatlantic-unity%2F



Source:

www.gouvernement.fr/ministre/jean-yves-le-drian



Source:

<https://www.dw.com/de/heiko-maas-souver%C3%A4nit%C3%A4t-ist-mehr-als-washingtons-wille/a-56072199>

The Role of the USA and its Impact on EU-Asia Relations

... the answers to the importance of the Indo-Pacific in the 21st century should not **overly depend** on the possibility of **a real interest in Washington D.C.** to increase **coordination** across the **Atlantic**.

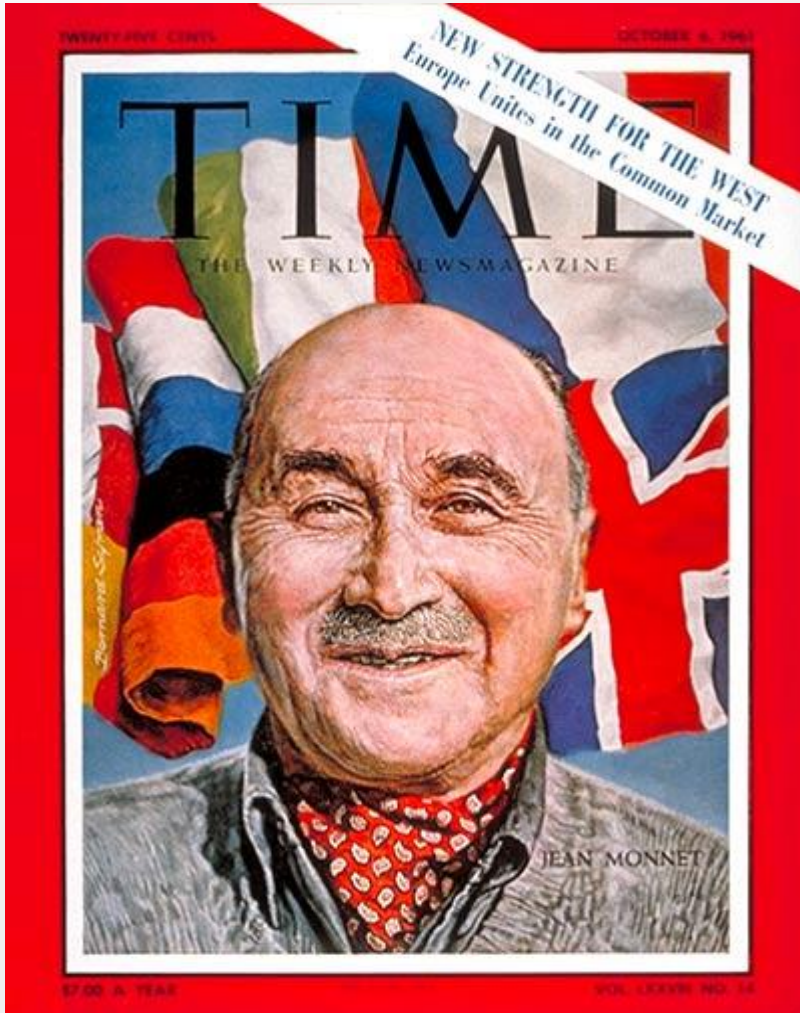
For the EU to play a role according to its interests and norms **more agency is needed**

Connectivity needs to be understood as a tool for the shaping of the international order **with like-minded partners**, especially in a post-pandemic environment



REGIONAL INTEGRATION IN EUROPE AND ASIA COMPARED

Regional Integration in Europe and Asia Compared



Source: TIME Magazine Cover: Jean Monnet – Oct. 6, 1961 - Economy

Integration theory: **Federalism**, **Functionalism** and **Neo-Functionalism**.

National **sovereignty**, and by extension **nationalism**, too often has been the cause of **contestation**, **conflict** and **war** in European history.

Jean Monnet:
Establishment of a **supranational institution** can provide the framework to manage and **overcome rivalry** and **security dilemmas** among nation states.

Regional Integration in Europe and Asia Compared

Events

“Systemic Bipolarity”

Churchill’s speech on the division of Europe

1946



Integration

1951

ESCC (now EU)
European Steel and
Coal Community

First supranational
institution



Regional Integration in Europe and Asia Compared

Events

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1946



End of “Systemic Bipolarity”

Fall of the Berlin Wall

1989



Integration

1951

ESCC (now EU)
European Steel and
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First supranational
institution

1967

ASEAN
Association of
Southeast Asian
Nations

1989

APEC
Asia-Pacific Economic
Cooperation

1994

ARF
ASEAN Regional Forum



Regional Integration in Europe and Asia Compared

Asia-Pacific Economic Cooperation (APEC)

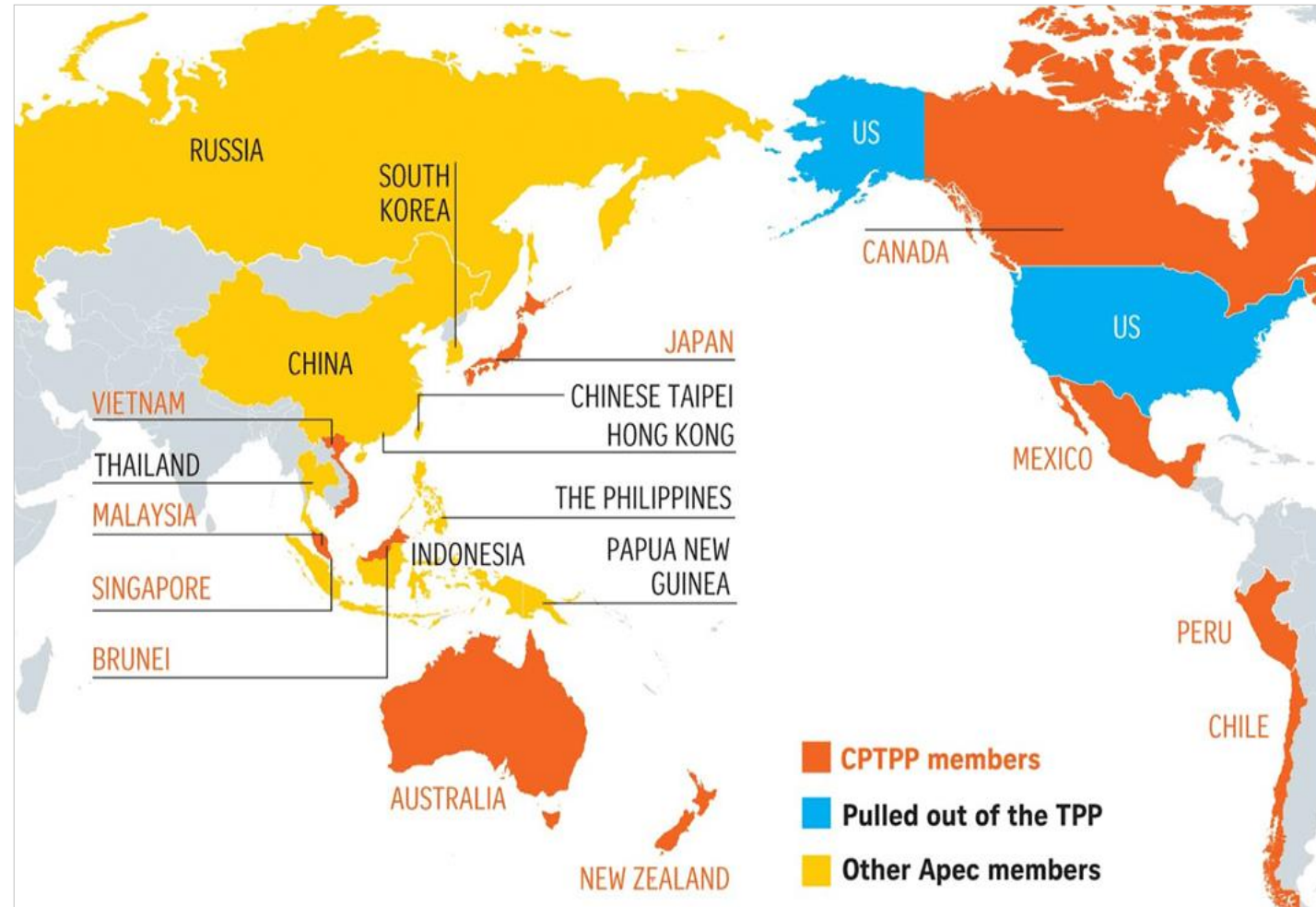
The “**premier forum** for regional economic cooperation”

“*Open, dynamic, resilient and peaceful Asia-Pacific community by 2040 [...]*”
APEC Putrajaya Vision 2040

Trans-Pacific Partnership (TPP)

→ After US withdrawal →

Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)



What is CPTPP & How Will It Shape the Future of the Global Economy?

Source: morethanshipping.com

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ARF
ASEAN Regional Forum

Pivot to Unilateralism (Trump Admin.)

Trans-Pacific Partnership (TPP), WTO, WHO, Paris Climate Accord, etc.



2020

RCEP
Regional Comprehensive Economic Partnership

2020

CPTPP
Comprehensive and Progressive Agreement for Trans-Pacific Partnership

Integration

Regional Integration in Europe and Asia Compared

The first time **China, Japan, and South Korea** participate together in a **regional Free Trade Agreement (FTA)**

Positive **knock-on effects**

During last week's APEC summit **Xi Jinping** said that China will "**favorably consider**" **joining** the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (**CPTPP**)

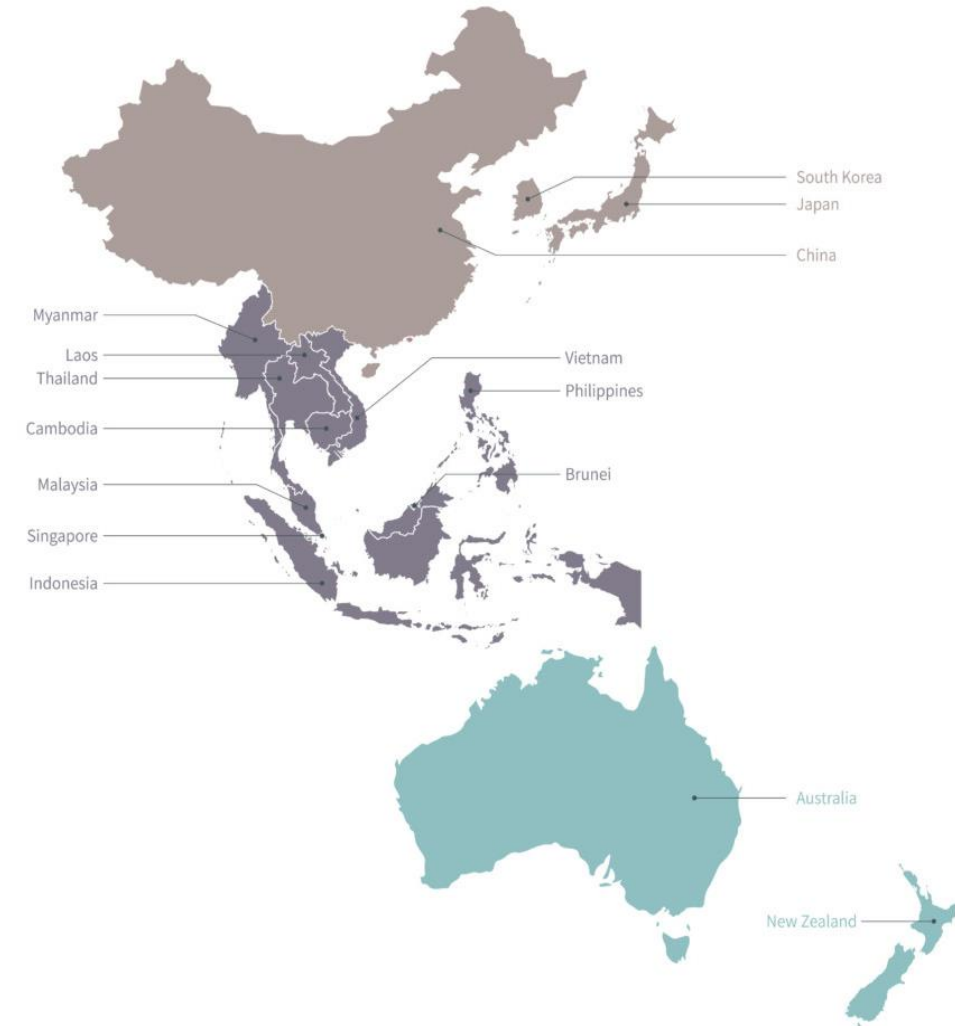
RCEP

Regional Comprehensive Economic Partnership

SOUTH KOREA
CHINA
JAPAN

MYANMAR
VIETNAM
LAOS
THAILAND
CAMBODIA
MALAYSIA
PHILIPPINES
INDONESIA
BRUNEI
SINGAPORE

AUSTRALIA
NEW ZEALAND



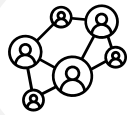
Regional Integration in Europe and Asia Compared

*“Foster **stronger** regional trade **integration**, but it could also make the region more attractive to further **diversification of supply chains** for multinational companies”*

Euler-Hermes/Allianz research report

RCEP reduces non-tariff barriers by creating a **common Rule of Origin** (RoO)

Multilateral regional economic integration is a **chosen model** of Asian governments



CONCEPTS OF CONNECTIVITY IN EUROPE AND ASIA

ИИ БОКОЛЕ ВІАД ВІВІ

Concepts of Connectivity in Europe and Asia

*“Has to be economically, fiscally, environmentally and socially sustainable in the long run [...]. **Connectivity** is about **networks**, and the **flow of people, goods, services and capital** [...], and that it is about **“internationally agreed practices, rules, conventions and technical standards**, supported by international organizations and institutions, enable interoperability of networks and trade across borders.”*

The EU is promoting an approach to connectivity that is *“**sustainable, comprehensive, and rules based**”*



Source: https://ec.europa.eu/luxembourg/news/lue-renforce-sa-strat%20A9gie-visant-%20A0-relier-leurope-%20A0-lasie_fr

Concepts of Connectivity in Europe and Asia



“Seamlessly and comprehensively connected and integrated ASEAN that will promote competitiveness, inclusiveness, and a greater sense of Community.”

Concepts of Connectivity in Europe and Asia

23rd EU-ASEAN Ministerial Meeting



“Sustainable connectivity” is considered to be *“a key priority for the region-to-region relationship.”*

“The unique experience of connectivity and regional integration of ASEAN and the EU” the leaders *“reaffirmed their commitment to promote connectivity **within** and **between ASEAN** and the **EU.**”*

Spur **sustainable investments**, especially in infrastructure. In this respect *“digital connectivity with a focus on our people as a key enabler to **inclusive growth** and **sustainable development** through cooperation in the areas of **digital innovation, digital infrastructure** and **logistics**, [...]”* is highlighted.

The EU and ASEAN elevated their relationship to a **Strategic Partnership**.

Concepts of Connectivity in Europe and Asia

The upgrade of the relationship is of **high symbolic meaning**

Need for:

- Economic integration and trade liberalization in the form of a **Comprehensive ASEAN-EU Free Trade Agreement**

- **Embed** ASEAN-EU relations in a broader **institutional architecture** and to provide a strong incentive and rationale for **countries to join and participate**

Strategic Partnership



Source: <https://futureconomy.org/asean-and-the-eu-the-two-faces-of-regional-integration/>

Concepts of Connectivity in Europe and Asia

Advantages:

51 countries + ASEAN + EU

25 years of existence

But:

Few tangible results

Collective action problem

Result:

Postponement of
ASEM13



Asia-Europe Meeting

Source: <https://www.aseminfoboard.org/>

ASEMInfoBoard



Source: <https://epthinktank.eu/2018/09/27/asep10-gives-priority-to-climate-change/>

CONNECTIVITY AND CHALLENGES TO THE EU'S ROLE IN ASIA



Connectivity and Challenges to the EU's Role in Asia



Source:

<https://www.aseinfoboard.org/news/gallery/videos/ase-pathfinder-group-on-connectivity/imdPcjrQrA>

ASEM Foreign Ministers' (2017) Definition:

*“Connectivity is about bringing **countries, people and societies** closer together.*

*It facilitates access and is a means to foster deeper **economic and people-to-people ties**. It encompasses the hard and soft aspects, including the **physical and institutional social-cultural linkages** that are the fundamental supportive means to enhance the **economic, political-security, and socio-cultural ties** between Asia and Europe which also contribute to the narrowing of the varying levels of development and capacities [...] ASEM connectivity aims to establish the sense of building **ASEM partnership of shared interests**. It upholds the spirit of peace, development, cooperation and mutual benefit.”*

Connectivity and Challenges to the EU's Role in Asia

The ASEM-Rationale



Europe (EU):

Engage with **East Asian Miracle**

Alternative to **APEC**



Asia (ASEAN):

Engage China

“to coax China into the mainstream of world affairs”

Engage Europe



**THE WAY FORWARD:
RE-MULTILATERALIZATION AND
MULTILATERAL CONNECTIVITY**

MULTILATERAL CONNECTIVITY

The Way Forward: Re-multilateralization and Multilateral Connectivity

☛ Comprehensive Asia-Europe Free Trade Agreement

The Way Forward: Re-multilateralization and Multilateral Connectivity

EU's FTAs



South Korea



Vietnam



Japan



Singapore

 Comprehensive Asia-Europe
Free Trade Agreement

The Way Forward: Re-multilateralization and Multilateral Connectivity

EU's FTAs



South Korea



Vietnam



Japan



Singapore



Australia



India

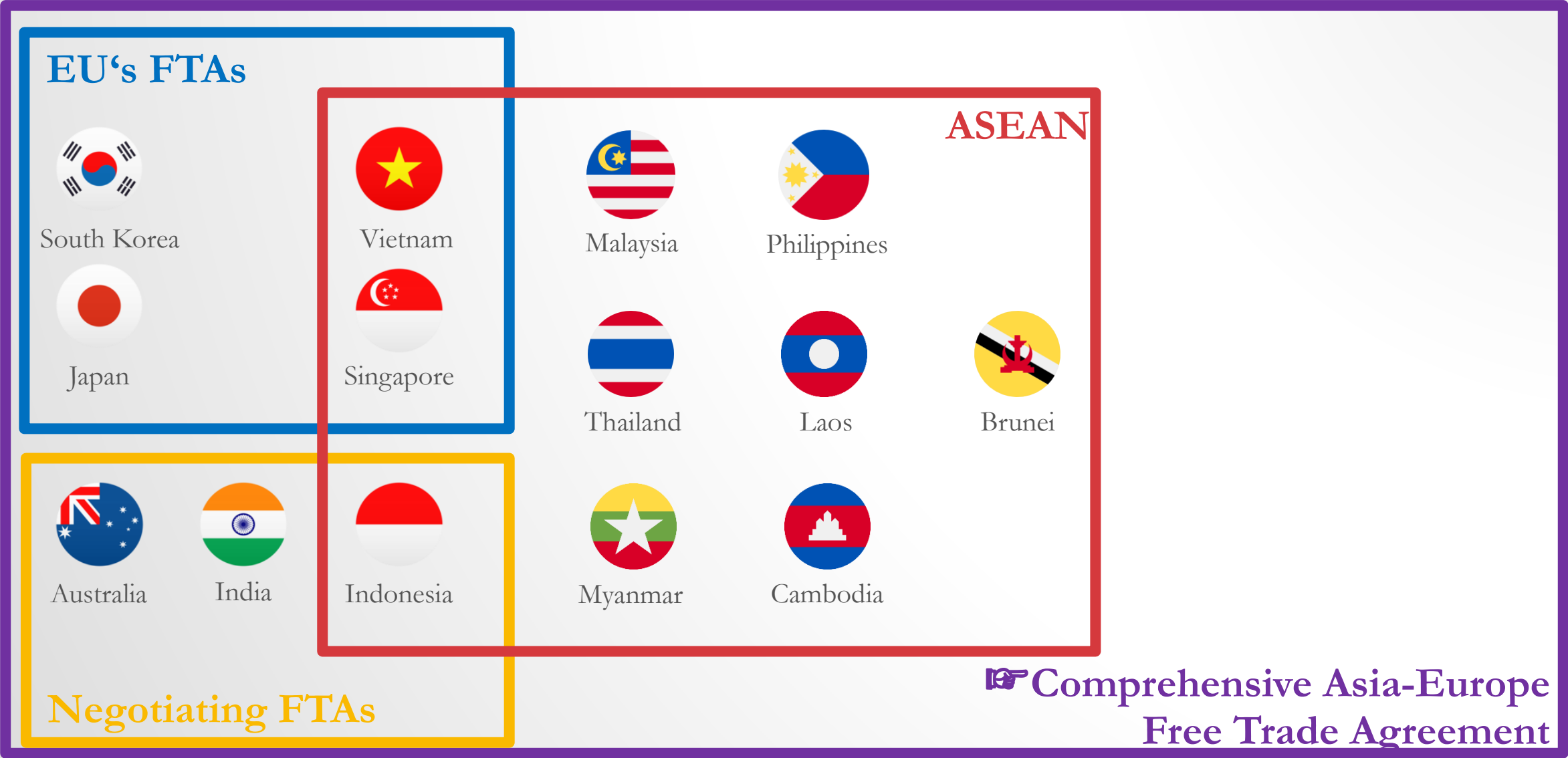


Indonesia

Negotiating FTAs

 Comprehensive Asia-Europe
Free Trade Agreement

The Way Forward: Re-multilateralization and Multilateral Connectivity



The Way Forward: Re-multilateralization and Multilateral Connectivity

EU's FTAs



South Korea



Japan



Vietnam



Singapore



Malaysia



Philippines



Thailand



Laos



Brunei



Australia



India



Indonesia



Myanmar



Cambodia

ASEAN

CAI



China



Taiwan?

Negotiating FTAs

 Comprehensive Asia-Europe
Free Trade Agreement

The Way Forward: Re-multilateralization and Multilateral Connectivity



Multilateral Approach

New narrative

Co-leader in multilateral connectivity

Complements the Chinese approach

Provide for an alternative to BRI



Belt and Road Initiative

Focus on its **domestic** market and technological **independence**

New Development Paradigm

*“Get more **actively** involved in global economic **governance**”*

*“China will further **harmonize** policies, rules and standards with **BRI partners**”*

*“Building of a community with a **shared future** for mankind”*
(Xi Jinping: 19.11.2020)



CONCLUSION

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Conclusion

If actors in the Asia-Pacific proactively engage in **multilateral regional integration** as in the cases of **RCEP** and the **CPTPP** then the **EU is a natural partner**

**Political project is needed:
Comprehensive Asia-Europe
Free Trade Agreement**

More integrated **connectivity
strategy** is needed

EU needs to **frame** itself as a provider
of **collective goods**