

# Foreword: The Complex and Multifaceted Nature of EU-Asia Relations

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A SHIFT OF INTERNATIONAL POWER TOWARDS THE EAST IS NEITHER A NEW IDEA NOR a new phenomenon, but in the wake of the 2007-2008 financial and economic crises, it has gained even more adepts. Exhibiting the highest economic growth rates over the last decades, Asia has attracted the attention of the world's governments and corporations. Today, China is the EU's second trade partner. Japan and South Korea represent the EU's fifth and seventh partners respectively, whilst other South East Asian states like Singapore and Malaysia also figure in the list of the EU's top twenty-five trade partners. Undoubtedly, economic links have been a crucial part of the upgrading of relations between both regions in the past decades. In particular, the trade volume between the two regions has increased by almost 61 per cent between 2003 and 2008. The deepening relations between the EU and East and Southeast Asia are complex, multifaceted and in a constant state of flux, hence the timeliness of this special issue surveying these developments.

Although the connections between Europe and Asia, particularly regarding trade, stretch back across the centuries, as an entity the European Union (EU) began to forge a strategy towards the region only in the mid-1990s. This tardiness can be accounted for by institutional shortcomings and the predominance of national foreign policies in the foreign policy of the EU, as well as less shared recent history than with other parts of the world. Latin America and Asia remained the areas where the EU did not have special links beyond first generation trade and cooperation agreements dating back to the 1970s and 1980s. By the 1990s, these were also the two areas of the world showing greatest economic growth rates and opening up their markets to foreign investors. Steps were taken to remedy the situation by re-launching relations with both regions. Crucially, the European Commission from the start considered a rapprochement with Asia to be more challenging given the cultural differences. The 1994 'New Asia Strategy' took a cautious approach and suggested increased dialogue and cooperation to understand each other better, develop trust and subsequently build upon that to forge closer ties economically, politically and strategically. In this spirit, and following a suggestion by the Singaporean Prime Minister, the Asia-Europe Meeting (ASEM) was born. ASEM has come to represent the relationship between the EU and Asia and has encouraged the development of political dialogues, social encounters, and a Europe-Asia Business Forum, in an attempt to strengthen inter-regional political, social and economic ties. Its key success has been the institutionalisation of the relationship. However, the great diversity amongst the Asian states and differences in political cultures have **mired** more ambitious developments.

Beyond ASEM, the EU's Asia strategy is increasingly concerned with securing the competitiveness of the EU in the face of the growing competition from the region and particularly with 'the need to get China right' as stressed in the 'Global Europe' Document. The granting of Strategic Partner status to China in 2003 was in itself also a clear reflection of this, and of the EU's wish to engage more closely with key emerging economies through its new strategic partnership tool. Whilst the economic side of this relationship and the EU's demands for a 'fairer trade policy' are clearly a crucial aspect of the relationship, and perhaps the one most often in the public and media's eye, it is but one aspect. Political dialogue on a host of topical issues (environment, multilateral governance) where the EU has attempted to exert global leadership, feature highly on the EU-China agenda. They are also a crucial part of the broader EU's engagement with East and Southeast Asia through ASEM. The EU's relations with the region have focused on economic ties and negotiations with the most powerful economies in the region to secure conditions better than the World Trade Organisation (WTO) conditions in view of the stalemates at the WTO multilateral negotiations. The EU has pursued this objective through the negotiation of an Association Agreement with South Korea, negotiations for an inter-regional deal with ASEAN – which, given the diversity, will now be undertaken at the bilateral level with the EU negotiating agreements with Singapore and Vietnam -, and of course the trade aspects of the Partnership and Cooperation Agreement with China.

This collection of essays offers an overview of some recent developments in the increasingly important relations between the EU and Asia. Given the complexity of and variation in these relations, the volume, of necessity, obviates some interesting aspects of the relationship. Here, contributors analyse key areas of these developments such as the Strategic Partnerships with China and Japan, free trade agreements, or ASEM, from a broad range of approaches (international relations, political economy, opinion research) presenting a purposefully eclectic compilation that reflects the thematic, institutional, structural and geographic variety that characterises the EU's relations with East Asia. Given the focus of the volume, all authors devote most of their analyses to the actual interactions of the EU once a policy or strategy has been agreed internally, with East Asian counterparts. The internal dynamics within the EU and both the effects of Member States' individual Asian policies in shaping the EU's strategy and the potential Europeanisation of national Asian policies, as well as the bilateral relations between EU Member States and Asian counterparts, are, of course crucial pieces in this puzzle, not least because these can complicate Europe's position vis-à-vis partners (*e.g.* the EU's arms embargo on China, whilst China made military acquisitions from individual Member States). However, given length restrictions they lie outside the direct scope of this volume.

The special issue can be broadly divided into three parts. The first three papers deal with the strategic angles of the EU-Asia relationship, looking at the strategic partnership with China (Smith and Xie), the increasingly complex issues of energy, climate change and the environment in EU-China relations (De Matteis), and the security dimension of the EU's strategic partnership with Japan (Atanassova-Cornelis). Trade and economic negotiations take prominence in Garcia's and Pakpahan's contributions, whilst the final paper deals with the 'visibility' and 'profile' raising facet of interactions between the two regions through ASEM (Brovelli, Chaban, Lai and Holland).

Smith and Xie focus on the ongoing development of a strategic partnership between the EU and China. They analyse this strategic partnership through the exploration of its underlying logics: "(1) the integration logic, (2) the logic of the external opportunity structure and (3) the logic of the EU's search for identity through external policy". Such partnerships are viewed as part of an external projection of the notion that the EU is a 'force for good' as a contributor to world order, as well as a means of projecting the EU's growing need to assert itself within that arena. The authors find ample support for their

thesis in their review of the EU's documentary evidence regarding the development of the strategy and in the ongoing challenging negotiations for the Partnership and Cooperation Agreement. Smith and Xie's analysis predicts continued ebbs and flows in the relationship between these two complex powers depending on patterns in their relationship, internal developments and international factors, not least the changing dynamics of EU-US-China relations.

De Matteis' contribution to this volume charts the progress of EU-China cooperation in the field of energy, environment and climate change. In contrast to the papers on 'strategic partnership' his work emphasises fruitful outcomes from this cooperation. The EU's self-promotion as a leader in global environmental governance has given it credibility, which has led China to wish to engage with it. De Matteis cites a host of examples of such cooperation and export of EU expertise and standards, such as the EU-China Clean Energy Centre or the implementation in China of legislations similarly drafted in the EU. Economic interests, which could be hampered by soaring Chinese energy demand, the EU's comparative advantage in the environmental technology field and the opportunity to use it to gain diplomatic leverage, the development of a potentially profitable export market, and the necessity to avoid confrontation on energy supply by pushing China to diversify its energy demand are viewed as the main drivers behind the EU's enthusiasm for cooperation in this field. Despite clear outcomes and potential for cooperation given the similar energy and environmental challenges faced by both the EU and China, De Matteis ends with a stark reminder of the potential for conflict between both powers in this area as they compete for energy resources or as EU firms fear transferring clean technology to China should the actors fail to exploit their cooperative synergies.

Atanassova-Cornelis, whilst focusing on the often overlooked security cooperation part of the EU-Japan strategic partnership, reaches a similar conclusion regarding the unfulfilled potential of the relationship. She highlights the fertile ground for cooperation given the EU's and Japan's normative, and necessity-derived, preference for soft power and commitment to non-traditional security matters including crisis management, post-conflict reconstruction, and poverty alleviation. Both face the same challenges of carving out more prominent roles for themselves in the international arena, and both share some common strategic aims in the region, like preventing an over-powerful China or too much American influence. Yet they have so far failed to deliver concrete results in forging a more cooperative and mutually beneficial security partnership. The declaratory and institutional foundations for this have been laid, but it remains to be seen whether the extraordinary potential for such a partnership can be fully materialised.

Trade and economic relations have been at the heart of EU-Asian relations. As Smith and Xie highlight, economic discussions are a key aspect of the EU-China strategic partnership. This focus extends beyond China, and accounts for increased rapprochement with the broader East Asian region. The successful negotiation of an Association Agreement - the most extensive type of Agreement with a third party that the EU has - with South Korea in 2009 was just the first of a longer list of planned agreements.

Garcia's paper focuses on the EU's free trade agreement (FTA) strategy in East Asia, and compares it to that of China. She suggests that, whilst both have been heavily influenced by external factors like the impasse in the WTO Doha Round and the pursuit of bilateral FTAs by the United States of America, the strategic aspects of the FTAs, as well as their breadth and scope, differ greatly. The EU's strategy, in particular, in its discourse reveals a certain degree of anxiety and competitive fears especially in the East Asia region. Despite this, and its clear attempts to 'catch up' in the region, if the EU succeeds in implementing its FTA strategy of 'deep trade' agreements, it may still gain an economic upper hand in the area.

Pakpahan's contribution analyses the emerging FTAs between the EU and East Asia within the context of trans-regional cooperation within the ASEM framework. This article discusses the potential for these FTAs to either enhance trans-regional economic ties or to disturb the broader trans-regional cooperation by shifting the onus of the relationship, as well as resources, to a range of bilateral relationships structured through FTAs.

The final key element of the EU's strategy towards Asia has been a desire to foster greater inter-regional understanding and trust. This was evident already in the 1994 'New Strategy for Asia' Communication of the European Commission. EU-Asia relations have been epitomised by the Asia-Europe Meeting (ASEM) framework engineered around multiple levels of institutionalised contacts for information exchanges, information gathering, and eventually negotiations.

Brovelli, Chaban, Lai and Holland analyse the complex matter of ASEM's effectiveness, projection and media profile. They focus on ASEM's (and the European Commission's) desire for greater visibility and impact for the forum. Elite reactions to ASEM in East Asia reveal that, whilst political elites, crucially the main actors in the intergovernmental ASEM architecture, generally hold positive views of the process, business and, in particular, media leaders remain much more sceptical. This translates into more media attention focusing on bilateral issues and domestic angles in ASEM coverage. The authors propose an ASEM media centre to facilitate coverage rather than hoping that media elites will choose to increase their reporting on ASEM, which could facilitate the EU's goal of establishing its 'presence' and 'voice' more firmly in this region.

A common thread apparent in all the articles in this collection is the strong sense of as yet unfulfilled potential in all aspects of the relationship between the EU and East Asia. Through regional strategies, ASEM, and FTAs, foundations are being laid for a true strategic partnership. As these articles have shown, East Asia and the EU face some common challenges (*e.g.* energy security and environmental degradation) and in many areas share similar approaches and interests (*e.g.* multipolarity, nontraditional security), despite their obvious rivalries and competition in other areas. Future research will focus on how this potential develops further, and how the EU adapts to the challenges and opportunities derived from the rise of Asia.

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