



CSDS-Asia Matters Podcast — 25/2/2022
Europe and South East Asia: Kindred spirits or worlds apart?

Edited transcript

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Andrew Peuple: Hello and welcome to CSDS Asia Matters, the podcast where we aim to go behind the headlines to discuss the major developments in the world's most fascinating region. I'm Andrew Peuple.

Regular listeners will have noticed a change to the name of the podcast. We're proud to have tied up with the Centre for Security, Diplomacy and Strategy at the Brussels School of governance to produce our future podcasts. We've already worked with CSDS in the past and have now made a more permanent arrangement. It's a huge pleasure for us to be linked with an institution that is doing so much to promote understanding of the various security and diplomatic challenges facing all of us in the 21st century.

For this first episode, we're taking a look at relations between two of the world's most important blocs: the European Union and ASEAN, the Association of Southeast Asian Nations. The two sides inked an agreement to become strategic partners in 2020. But is there a role for Europe in Southeast Asia beyond just being an economic ally, and what do ASEAN nations want from the EU? Moreover, are these two large organisations set to become more irrelevant anyway, as competition between the US and China heats up, and individual countries sign up to smaller more focused security arrangements.

Joining me to consider these questions and more, we're joined by two prominent experts.

Eva Pejsova is the senior Japan Fellow at CSDS with a research portfolio that focuses on security issues in the Indo Pacific region.

And we also have with us **Huong Le Thu**. She is a Senior Fellow at the Australian Strategic Policy Institute and a non-resident fellow with the Southeast Asia programme at the Centre for Strategic and International Studies. Her research covers Southeast Asian security and the region's relations with China. Welcome to both of you.

Can we start with an overview of relations between the EU and ASEAN? What is the EU hoping for in pursuing closer ties with ASEAN?

Eva Pejsova: First of all, thanks a lot for having us. And it's a great pleasure to be working with Asia Matters.

Clearly the EU and ASEAN have come a long way. ASEAN is in fact, the oldest dialogue partner for the EU, dating back to the 1970s. And it's a relationship that has evolved substantially over the years from essentially a donor-recipient relationship, to what we call today a partnership with a strategic purpose, and I'm quoting here. Today's partnership is really encompassing more questions of political and security cooperation as well. So we're beyond trade only.

The main common denominator inevitably is the commitment to regional integration and multilateralism. We often call the two partners, partners in integration, at least in Europe. So that's really the main bond, which is perhaps even more relevant in today's context than ever.

For the EU, in the context of today's renewed interest in the Indo-Pacific and the EU's effort to engage in the Indo-Pacific, strengthening relations with ASEAN has really become a matter of pragmatic interest. ASEAN, and the whole ASEAN-centred security architecture is seen really as a vital guarantor of sustaining the regional rules based order, and in a way it supports and serves a lot of the EU's own foreign policy goals. It provides it with leverage and legitimacy to boost its own narrative in the Indo-Pacific.

Now, when it comes to ASEAN, clearly, the main image of the EU is still [related to] its market power, that's its heaviest weight. It is viewed as a trading partner, above all. But we see an evolution there as well. Last year a survey on the state of ASEAN in 2021 said that ASEAN countries see the EU as the most trusted partner to hedge against the US-China rivalry, together with Japan. So we see a little bit more progress. And of course, there is ongoing cooperation in many of those non-traditional security issues. And I'm sure we'll get there further in the discussion, but I'd be more interested actually, to hear also about the ASEAN perspective.

Andrew Peaple: And so Huong, from your perspective, does that tally? It's quite interesting what Eva said there about ASEAN seeing the EU as potentially a hedge between the US and China. Is that a view that you hear across the region?

Huong Le Thu: Hi, Andrew, thank you for having me and good to be with Eva on this podcast.

Certainly, the relationship between the EU and ASEAN has been a long standing one, and one that is quite valuable because these are two [of the world's] most successful regional organisations that are long term committed to multilateralism. And in the era of great power competition, multilateralism has been under challenge. I think it is in both groups' interest to defend multilateralism and it would be actually good to do it together. So in that regard, the EU is a long term partner but also a potential heavyweight alternative that could really support that multipolarity, rather than accepting bipolarity.

So in that aspect, I think ASEAN values the EU increasingly as a strategic actor, especially now that the EU also has an Indo-Pacific view, so that it's also increasingly interested in strategic and security issues beyond economic relations. Like Eva mentioned, in this recent regional survey done by a Singaporean think tank, the EU continues to rank as the first, most popular option of hedging beyond the two great powers. And I think that the EU's commitment to multilateralism — although obviously within Europe, it is experiencing some turbulence just as we see in ASEAN itself — but I think from the EU's Indo Pacific strategy, its commitment to multilateralism and ASEAN itself seems more genuine than [what is] currently coming from the US or even Australia, India. That referral to ASEAN centrality seems to be more convincing from the EU, more recently.

Andrew Peuple: It's very interesting, you both referred there to the importance of multilateralism and the fact that both of these institutions stand for multilateral cooperation between a number of countries. But are they both swimming against the tide here: On the one hand, in the EU we've had the UK leaving the EU, there's various issues on which it seems harder and harder to get European Union unity. For ASEAN as well, you have the problems with Myanmar, for example, getting a coordinated approach on that. At the same time, we're seeing the growth of what we could call mini-lateral agreements: The Quad, for example, the agreement between India, Japan, Australia and the US around Indo Pacific security, or AUKUS, the defence pact between the UK, the US and Australia. Are the EU and ASEAN getting left behind in this sort of world? Eva, I'd be interested in your thoughts on that.

Eva Pejsova: Clearly, the emergence of the so-called mini-laterals as you say, the Quad and especially AUKUS recently, has triggered a bit of a shockwave in Europe, especially in France. And in a way it has been interpreted as a turning point, saying that within this increasingly inclusive security architecture that the Indo-Pacific encompasses there is a shift towards more exclusive partnerships again, and that we're going away from multilateralism back to confrontation.

But here I would concur very much with what Huong said, because the world and the Indo-Pacific cannot be reduced to the US-China rivalry. There are way too many actors, way too many interests, way too many issues to be tackled. And perhaps more than ever, actually, there is really an importance to reach another narrative than [that of] the G2, to demonstrate that a middle way is somehow possible and that ASEAN and the EU should not only navigate the rivalry but try to try to shape it.

On the other hand, the Quad, or cooperation with the Quad in some possible form or format, is definitely not excluded, at least not on the part of the EU. In fact, it is even explicitly mentioned in the EU strategy on the Indo-Pacific, that the Quad will be one of the key partners or one of the partners to cooperate, the four members of the Quad are the EU's strategic partners. And there are many efforts and ongoing initiatives bilaterally to liaise or to cooperate with Japan on ASEAN, and in ASEAN, and with ASEAN, and with India and ASEAN etc.

So it's really flexible. What I see as a whole in this security environment is that it's really multi-layered. And everything can be combined with everything. So they're not mutually exclusive. They do signal a certain turning point, which is not super encouraging for the promotion of multilateralism as such, but they are not mutually exclusive and can exist in parallel.

Andrew Peaple: Huong, I wonder if you have thoughts on that. I also want to explore that idea a bit more of the hedge between China and the US. Could you explain exactly how Europe could be different as a partner for ASEAN compared with those two major world leading economies?

Huong Le Thu: The approach of Southeast Asian countries in ASEAN, as an institution that had been created over decades, has been about involvement of other dialogue partners, external partners, including those from the external region, extra regional, as they call it. So that was the whole idea of bringing in multiple new stakeholders to be investing in that broader common concept of stability, security and common prosperity through trade and other integral economic relations. But that's quite a slow [process], isn't it? It's an approach, multilateralism, that is usually slow and the multiple institutions that the ASEAN-led architecture has created has also created a level of bureaucracy.

A number of countries in the region, especially those that are strategically active like the US, Japan, Australia, India, that constitute the Quad, and now the UK that is in AUKUS, have a different view, because there is this conception that the strategic environment has changed and is changing very rapidly. The progress that China has made in asserting its interest is certainly exceeding any regional processes. The dialogue of multilateral institutions tends to be slow. And therefore there has been a revival of ideas of mini-lateralism, [with bodies that] are smaller in membership, and more focused in their agenda, and agile and very targeted. Therefore, we have seen the emergence of the Quad and AUKUS and so on, which are very different in operation than ASEAN and the ASEAN-led mechanism.

So I think ASEAN at the moment is in this juncture where it wants to sustain the format that it has worked out, which involves engagement, dialogue, and first and foremost diplomacy. Whereas there are new initiatives that are responding to the rapidly changing, and perhaps not so positively changing, strategic environment. And I think ASEAN has yet to entirely make up its mind towards the Quad and AUKUS, because on one hand, they could complement what ASEAN is not able to do in terms of security architecture, security responses and collective security. But on the other hand, those mini-lateral initiatives can compete with or overshadow its centrality. So I think at the moment, different ASEAN countries have different views on those new initiatives, and I think as a group, it still is making up its mind; and I think, the Quad and AUKUS also have to work out the relationship they want to have with ASEAN: not just, you know, declaring their respect for ASEAN centrality, but working out the real way to have a working relationship with ASEAN itself.

Andrew Peaple: Eva, how do you see the EU's approach to ASEAN and Southeast Asia, as differing from the US? And China as well? Obviously, we've seen the US come up with its own Indo Pacific strategy. Recently, the UK has as well. Should Europe actually be looking to forge a common approach to the region with the US, in line with Washington's ideas of forging a league of democracies? Or is Europe acting in competition with the US, as well as China, in the Southeast Asian region? What's the offer that the EU has for ASEAN that differs from the United States, for example?

Eva Pejsova: Well, as Huong said as well, the emphasis on multilateralism is somehow much more genuine sounding, or more convincing, when it comes from the European Union than when it comes from the United States. And especially at the beginning, the first US Indo Pacific strategy was quite neglectful of ASEAN and the ASEAN-centred architecture. So at that point, the EU's position was really different. It was really one that was much more aligned to the ASEAN outlook on the Indo Pacific. It was really focusing on economic integration, on economic cooperation, on functional issues, on non-traditional security issues, on connectivity, all the things that really need to be done. It was slightly less strategic in terms of traditional military security terms, but really more hands on. So that was pretty much the main difference.

Now with the new strategy and with the change of leadership in Washington, I think the gap is closing a little bit. There is plenty of scope for cooperation between the US and EU on Indo Pacific and in the Indo Pacific, there are ongoing consultations on trade, on technology, on China, we're working towards a more kind of comprehensive cooperation in the Indo Pacific in general. So I'd say yes, it was quite different, it is still rather different, but there's definitely not competition. There is an effort now to coordinate, at least, efforts between Washington and Brussels, which is ongoing. So we'll see where that is heading.

Andrew Peaple: And Eva is this approach by Europe towards ASEAN, is it consistent? Is this something that is going to be sustained? There's often been a criticism in the past in Southeast Asia, that the US, for example, tends to turn its attention on and off the region, depending on whether it's distracted by things that are going on elsewhere, say in the Middle East, for example. Do you see Europe's engagement with Southeast Asia as being something that's going to be more consistent than that, that they're going to keep focusing on even when we have issues like, for example, the crisis in Ukraine that we're facing at the moment?

Eva Pejsova: Well, that's one thing that we tend to reproach or used to reproach the EU for, that it had this long history of over promising and under delivering. But in this case, I would be quite optimistic.

One thing about the EU is that the decision making process is extremely cumbersome and slow. But once we come to an agreement, we usually stick to it. And when you see the evolution of the Indo Pacific vision in Brussels, it took quite a long time to get where we are. And the areas where we concentrate our focus are actually I would say, lowest common denominator, but they're actually pretty practical, everyday functional security issues. And I'm more focusing on security, but also in terms of the seven priorities in the strategy, there's been transition, there's

ocean governance, digital connectivity, or connectivity in general, etc, which are, in fact, strands that are in constant progress. So the strategy itself, or this new effort to engage with the region is really built on ongoing work.

We were often reproached, especially by our ASEAN partners, that there were a lot of words and not enough action. And frankly, Europe has done quite some homework on that front. There was a new initiative in 2018, which was called 'enhancing security and cooperation in and with Asia', that started two years ago, slowly, but we're heading there. And there is really an effort to deliver on the ground. So I would almost say there is parallel work that is already started, with the strategy coming perhaps after, but it's already built on rather concrete efforts,

Andrew Peale: Huong, Eva has made the case there that Europe's engagement with ASEAN is going to be something that's consistent and sustained. Do you see ASEAN pushing for Europe to join some of the institutions like the East Asia Summit, or some of the new trade arrangements like CPTPP that have started to grow up in the Asian region? Is that something that you think that Europe should be encouraged to do?

Huong Le Thu: I think Europe wants to join the East Asia Summit. And perhaps, if we're talking more about security issues, at some point, there should be closer consideration of [the EU joining the] ASEAN Defence Ministers Meeting plus. So at the moment, the EU is only a member of the ASEAN Regional Forum, which is much broader in terms of dialogue partners' membership; but I think there is interest from Europe to get engaged in the East Asia Summit, as well.

Some of the ASEAN members are more receptive to that. I know that Vietnam has been one of the more active ones on involving the EU more in diplomatic processes, as well as closer economic relations. So Vietnam, and Singapore are the ones that have free trade agreements with the EU, and the EU is still in negotiations with Indonesia, Philippines and Malaysia. So there is, of course, that strategic importance of the market and economies: Let's not disassociate the economy from security, because for many in the region, it's really a concept of comprehensive security rather than dividing it into 'hard' security and non-traditional security or even economics. And that's why I think this is an important point to underline.

That's why perhaps the US Indo Pacific strategy is less attractive in the region right now because it is missing that economic pillar. And while the US is very focused on the security component, increasingly so, especially in terms of competition with China, in the region, in particular, I think it's non negotiable to have really strong economic relations, especially in the context of COVID.

I think I alluded to the fact in the beginning, that ASEAN is a very diverse group, and oftentimes you won't find much agreement within the group, that famous consensus is really hard to find these days, whether we talk about the Indo Pacific, Europe and any other external issues, but also, a lot of times, about internal issues like the Myanmar crisis, you see quite a diversion

within the group. So the only thing I think the whole group really agrees to is the [importance of] the economic recovery from the pandemic.

Without strong economic engagement, or an economic policy that is really targeted and integrated with the region, I don't think any strategy in the Indo Pacific would be a successful one, because that would not take into consideration the reality which [is that] the region has been very challenged by COVID. The region is for the first time experiencing really serious challenges; they are used to economic growth with very impressive numbers. Now it is being challenged, many industries, tourism, manufacturing, and whatnot are also being really seriously impeded by this pandemic. So that will cause challenges to the individual countries' governance and the stability of their political systems. So I think really, the first and foremost priority right now would be focusing on the collective efforts in the post-pandemic recovery.

Andrew Peale: You brought up there, Huong, the hard power aspects of this relationship. And I wanted to follow up a bit more on that. Obviously, in the Indo Pacific, in Southeast Asia, in the South China Sea, in particular, the US is a big presence with its naval power still, and China is growing its military and naval power in the region, as we all know. By contrast, of course, the EU, it's less unified, it doesn't have a common defence or foreign policy, particularly, and it hasn't got anywhere near the same level of hard power commitment to the region. Does that matter in terms of the overall relationship? And are there other ways that the EU can compensate for that. I'd love to get your perspective first and Eva as well, if you could join in on this aspect of the discussion.

Huong Le Thu: You will see very different responses from different countries that have different interests, or even different positions on the South China Sea, for example. So I think European vessels that have recently made an appearance in the region have had a different reception, because countries like Vietnam, or to a degree the Philippines as well, want to keep the South China Sea as a global domain. And so they don't want to see just two particular flags, or just a fixed number of vessels making appearances in the disputed waters. So the EU, the European vessels, or UK vessels, making an appearance was not necessarily a bad thing, it was actually something that they pay attention to, and perhaps even welcome as long as it's sustained, as long as it's not just a one off.

But others would see that as a strategic crowdedness in the region, and perhaps don't want to be overcrowded, and some even would associate that with a raising of tensions or even raising an arms race. I think what matters, though, is consistency in the way that you would approach or have a maritime strategy towards Southeast Asia. I don't exclude a more muscular approach, because — let's not be in denial — that's happening in the region anyway. And China does challenge Southeast Asian claimants all the time almost, and there's no stop to that, whether it's through its military prisms, or grey zone activities.

But at the same time, I think what matters and whether it is successful or not, is the measure of consistency. And if you had a consistent strategy and approach and were able to actively communicate that, then it would be probably better received. One of the key contributions would

be really building the maritime capacity and maritime awareness of the domain. The EU through the years, even before the Indo Pacific strategy, has been involved in numerous capacity training activities, and this should be sustained if not enhanced. This is something the region does need and there is demand for that. So I think first and foremost [the important thing] is to understand the demand and appetite from the region, and understanding that there will be quite a variation within the region; [the EU] having a consistent approach would do much more than just showing off power.

Andrew Peaple: That's very interesting. Eva, does the EU need to add more muscle in the Southeast Asian region to its talk about multilateralism and economic cooperation?

Eva Pejsova: Well, I would say it has the member states to do so. I think the key question in the South China Sea, really, is what these military or naval deployments aim to achieve, apart from the United States, of course, which is a separate case, in a way. The presence of extra regional powers — whether it's the French, now the Germans, at least on the European side, the Netherlands, to a certain extent, the UK — is really very much a symbolic one as, it aims to send a strong political message of disagreement with some of China's activities, and of our insistence on the freedom of navigation, etc. And for that you really don't need an EU flag on the ship, you have the member states that carry the message, in a way, and defend the interests of all European member Member States and the EU as such.

So for that, I think you don't need a stronger EU. And the fact is, let's be realistic, and our Asian partners are well aware of it, the EU does not have an army, does not have a navy, and does what it can do. And as Huong said, there's been a long history over the years now, of engagement of the EU in all those dialogues, in capacity building, in law enforcement and dealing with environmental issues. And you may say, we should not separate again the soft and hard power that much, especially in the South China Sea, because they really matter. In trying to find solutions through joint development of resources, — although, unfortunately, we've gone a little bit too far these days from these issues that actually stand at the core of the solution in the long term.

And another area is stemming from the fact, as Huong said, that the area is already becoming overcrowded. And what happens in such a small area that is overcrowded, is that accidents can happen. And so one of the things that European naval forces, in the few initiatives that exist — and I'm referring to Atlanta, for instance, in the Arabian Sea against piracy — one of the things the EU's naval forces did was to facilitate, to coordinate the amount of naval assets at sea to create a common information sharing environment to avoid accidents, etc. So there's also this added value in maritime domain awareness that the EU can bring. But mostly it is really through capacity building in, as I said, law enforcement etc.

There is an important leverage as well, that is not often spoken about, in terms of lawfare that is ongoing in the region: that is, the EU's diplomatic weight at the UN level. For instance, I'm personally a big fan of the recent, over the last two, three years, the deposition of [unclear] in

contesting the Chinese rejection of the PCA ruling in the South China Sea. I think a more coordinated action at the UN level is something that the EU can drive, for instance.

So yes, it does so by other means. There's no need for big boats, there are member states doing the political signalling and the EU does the rest, which is perhaps not stealing the headlines, unluckily, but it's very important.

Andrew Peaple: I want to ask as well about the EU and the way it typically likes to talk about putting human rights at the core of its foreign policy. How much of a stumbling block is that potentially to closer ties with ASEAN? I'm thinking in particular, of course, of the recent issues in Myanmar, where the military is back in control at least over parts of the country. And the concern about that, is that going to be a problem in some European countries as they talk about closer ties with ASEAN, or is that something that can be worked through?

Eva Pejsova: Well, we hope it can be worked through, I think most of the work really needs to be done in Brussels itself. There's a lot to be thought through to really fine tune the approach, especially combining trade and human rights issues. And it's not just about Myanmar, we had the same problem with Cambodia, where the EU is accused, perhaps rightfully so, of double standards, or of using its human rights approach in a not very effective way. Because clearly, the Cambodian case demonstrated [the EU's approach] was not effective, the halt of trade negotiations did not really appease the situation in the country. So there is a lot to be done.

But I'm always saying that there is hope, and on this issue it's very difficult to talk about ASEAN as a whole, because frankly, all the countries have a certain degree of issues. No one is really completely up to the ideal kind of EU standards. But it's a work in progress.

Andrew Peaple: Huong, what's your perspective on that? And I'd also be interested in your thoughts on the fact that some of the countries in Europe, particularly France, the Netherlands, are a former colonial powers. How much does that history sort of colour relations these days and the potential for closer ties between these two major economic areas?

Huong Le Thu: I think over the years, the European countries have learned a way to work with ASEAN, and transport the relationship to one of a more equal partnership. And I think these political sensitivities are recognised, and I think they are to a certain degree addressed. We recently had a Dutch apology to Indonesia. I think there have been visible efforts to address [these issues] and I think the EU is sensitive about that.

This has resurfaced in the case of the UK, actually, with AUKUS and the Anglosphere. Some are worrying that this is about the Anglosphere becoming dominant again. So I think that political sensitivity needs to be embedded in this new Indo Pacific engagement, with a level of humility in approaching the region. I think that's accurate.

But there are two sides to that. On the one hand, the normative power of the EU is what distinguishes the EU from the rest, and is its own very unique advantage. But on the other hand, there is also cause for concern that too much moralism would impede the relationship with the

region, especially because democratic retreat is quite strong in the region, even not only among more autocratic regimes, but also within the big large democracies within the region.

The fact is that the Democratic erosion has happened across the world, including in the European countries as well, especially during the pandemic, and populist tendencies and stuff like that. So it's not unique to Southeast Asia, in a way, but it's certainly prevalent. You mentioned the case of Myanmar: Myanmar is now de facto a dysfunctional member, and the EU has imposed sanctions before; we have the different discussion about to what degree sanctions work or actually don't work, because they actually hurt the people more than the regimes and its leaders. And so there is a big, tough nut to crack here for European countries or any democracies that want to have a meaningful relationship with the region without compromising too much on their values and standards. There have been lessons from before that the EU has drawn from previous coups, or previous relationships where there were disagreements on norms and values as well as human rights records. But I think more recently, we see less of the EU pointing fingers and lecturing the region. I think that actually the US has done that, with Trump [unclear]. I think the region has become more accepting of the EU that way, and there's less of that confrontational approach, but I think it's a lesson on both sides.