Milan Summit Could Mark Turning Point for Asia-Europe Meeting (ASEM)

By Shada Islam

It’s difficult to deny: Europe’s developing relationship with Asia and encounters held under the ASEM (Asia-Europe Meeting) banner traditionally secure less global attention than US ties with Asia and major Asia summits such as EAS and APEC. ASEM is only occasionally in the news. Even international relations aficionados have trouble identifying just what the acronym means. And yet there is substance to ASEM.

The 10th ASEM summit held in Milan on October 17-18, 2014, is a case in point. The summit may not have made headlines worldwide but over 50 European and Asian leaders made an array of pledges on boosting growth, continuing economic and financial reform and building stronger Europe-Asia connectivity. Additionally, meetings between business leaders, parliamentarians, academics and civil society actors, allowed ASEM to make important headway in meeting its overarching original goals: enhancing mutual Asia-Europe understanding and upgrading the quality and diversity of the Asia-Europe conversation.

Significantly, the theme of the Milan summit — “Responsible Partnership for Sustainable Growth and Security” — allowed for a discussion not only of ongoing political strains and tensions in Asia and in Europe’s eastern neighborhood, but also of crucial non-traditional security threats linked to food, water, and energy security. In addition to the plenary sessions, the Milan meeting brought back much of the informality that marked the first few ASEM summits by including a “retreat” session during which leaders – with only one aide in attendance – were able to have a free-flowing discussion on regional and international issues, including Ebola and the threat posed by the so-called “Islamic State”.

Attendance was exceptionally high, with all key Asian and European leaders taking part in the plenary sessions as well as the retreat and engaging in myriad bilateral contacts. There was a quick handshake between estranged neighbors Chinese Prime Minister Li Keqiang and Japan’s Shinzo Abe. Russian President Vladimir Putin was in attendance. Although he was late for post-dinner talks with German Chancellor Angela Merkel, Putin shook hands with the Ukrainian leader Petro Poroshenko, who was invited to the summit by the Italian government. Also, the EU finally held a long-awaited first-ever summit with ASEAN leaders. Kazakhstan and Croatia joined ASEM, bringing the total number of ASEM participants to 53. Leaders agreed on a long and ambitious work program until 2016, the year when ASEM, under Mongolian chairmanship, will celebrate its 20th anniversary. Countries agreed to work in smaller groups or clusters on 16 “tangible cooperation areas” including disaster management, renewable energy, higher education, connectivity and information technology. And in a departure from previous final ASEM statements, the one issued in Milan was shorter (10 pages instead of 20) and more readable.

The challenge is to keep up the momentum generated in Milan. The good news is that ASEM’s resilience has allowed it to survive many storms and upheavals since its launch in Bangkok in 1996. Initial euphoria over the initiative was followed by a period of inertia and a degree of apathy and disinterest. Asians criticized European leaders and ministers for not turning up at important ASEM meetings. Europeans complained that the gatherings were turning into little more than photo opportunities. The current mood is positive as ASEM seeks changed formats and a stronger focus on content. However, ASEM’s future hinges on whether governments are ready to pay as much attention to ASEM and devote as much time and energy to their
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partnership as they did in the early years. Closer engagement between Asian and European business leaders, civil society representatives and enhanced people-to-people contacts is also essential.

The omens are encouraging, not least because of a stronger EU-Asian conversation on trade, business, security and culture. Exports to Asia and investments in the region are pivotal in ensuring a sustainable European economic recovery while the European Union single market attracts goods, investments and people from across the globe, helping Asian governments to maintain growth and development. European technology is in demand across Asia.

Not surprisingly, Asia-Europe economic interdependence has grown. With total Asia-Europe trade in 2012 estimated at €1.37 trillion, Asia has become the EU’s main trading partner, accounting for a third of total trade. More than a quarter of European outward investments head for Asia while Asia’s emerging global players are seeking out business deals in Europe. The increased connectivity is reflected in the mutual Asia-Europe quest to negotiate Free Trade Agreements and investment accords. The FTAs concluded with South Korea and Singapore and similar deals under negotiation with Japan, India and individual ASEAN countries as well as the bilateral investment treaty under discussion with China are important in consolidating EU-Asia relations.

ASEM’s connectivity credentials go beyond trade and economics. Asia and Europe are linked through an array of cooperation accords. Discussions on climate change, pandemics, illegal immigration, maritime security, urbanization and green growth, among others, are frequent between multiple government ministries and agencies in both regions, reflecting a growing recognition that 21st century challenges can only be tackled through improved global governance and, failing that, through “patchwork governance” involving cross-border and cross-regional alliances.

Additionally, while Asia’s rise dominates the headlines, the region’s leaders are cognizant of the many challenges they face – and often look to Europe for cooperation in tackling them. Many Asian countries did not succumb to the woes plaguing the American and European economies but governments in economic powerhouses like China, India and Indonesia are acutely aware of the dangers of falling into the “middle income trap” of economic stagnation. Even as an emerging Asian middle class aspires for a better life and working conditions, the region is grappling with environmental degradation, rampant urbanization, poor implementation of labor standards and lax quality controls on consumer products. Wealth inequalities persist despite the region’s successful attempts to reduce poverty.

Discussions on security are an important part of the political pillar in ASEM, with leaders exchanging views on regional and global flashpoints. Some call it the “Asian paradox”. Even as economic cooperation and - in the case of ASEAN - economic integration gathers pace in Asia, historical animosities and unresolved territorial conflicts weigh heavily on the region, damaging relations between governments and people. Asian views of Europe’s security role are also changing. Unease about the dangerous political and security fault lines that run across the region and the lack of a strong security architecture has prompted many in Asia to take a closer look at Europe’s experience in ensuring peace, easing tensions and handling conflicts. As such, earlier skepticism of Europe’s security credentials is being replaced by recognition of Europe’s “soft power” in peace-making and reconciliation, crisis management, conflict resolution and preventive diplomacy on human rights.

In addition, for many in Asia, the EU is the prime partner to deal with non-traditional security dilemmas, including food, water and energy security as well as climate change. Clearly also, the EU remains an inspiration for Asia’s own regional integration initiatives, including ASEAN, and in areas such as rules-based collective security.

In the future ASEM needs an even sharper focus on growth and jobs, combating extremism and tackling hard and soft security issues. Women in both Asia and Europe face many societal and economic challenges. Freedom of expression is under attack in both regions. Populist parties and nationalism are becoming a threat to diversity and societal peace in both regions.

Finally, ASEM faces the uphill task of securing stronger public understanding, awareness and support for the Asia-Europe partnership. ASEM’s 20th anniversary in 2016 should set the Asia-Europe partnership on a new and more dynamic track. But it won’t be easy.

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