

From Bangkok to Helsinki and Beyond is ASEM Relevant?

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Abstrak

Terbentuknya ASEM bagi kawasan Asia dan Eropa membawa dampak yang konkrit bagi para anggotanya. Hubungan ini membawa pengaruh yang cukup kuat, salah satunya bagi Indonesia. ASEM memegang peranan yang penting bagi Indonesia karena forum ini dapat menjadi arena bagi Indonesia untuk mengusulkan dan melaksanakan berbagai kepentingannya di dunia internasional. Keuntungan ASEM bagi Indonesia antara lain ialah dapat menjadi fasilitator dalam kegiatan perdagangan dan investasi bagi kedua kawasan serta mendorong Eropa untuk menjalankan sistem perdagangan multilateral. Sementara bagi ASEM, Indonesia menjadi sangat penting karena adanya kepentingan politik ASEM di Indonesia. Di sisi lain, kawasan Asia menjadi salah satu faktor penting bagi terbentuknya ASEM karena kedinamisan benua ini yang makin berkembang pesat. Kedinamisan Asia akan menjadi penunjang serta tantangan bagi berkembangnya proses ASEM serta bidang-bidang yang diliputinya di dunia internasional.

Keywords: economic cooperation, ASEAN+3, enlargement, international relations, regionalism and multilateralism

INTRODUCTION

The underpinning facts of this paper are two. First, the Asia Europe Meeting (ASEM) is a forum that promotes various levels of cooperation among Asian and European countries. It is a process based on dialogue with the objective of strengthening mutual understanding between the two regions and promoting concrete cooperation that aims at sustainable

economic and social development. The cooperation covers politics, economy, and culture.

Second, the participants in the first ASEM summit included representatives of the European Commission, the then EU Member States, the seven members of The Association of Southeast Asian Nations (ASEAN), plus China, Japan and South Korea. The number of

participating parties increased in Hanoi, Vietnam in 2004, as the countries that had acceded in the EU over the Union latest enlargement round and the countries that had become members of ASEAN in 1997 and 1999, Laos, Myanmar and Cambodia, joined the process. Currently the number of participant countries is 39.

Six ASEM summits - which took place every two years alternatively in Asia and Europe - have been carried out over the arc of the 1996 ASEM 1, Bangkok, Thailand and ASEM 6, 2006 Helsinki, Finland period. Therefore, to encompass ASEM's life, this paper has been titled "From Bangkok to Helsinki and Beyond". It follows; the purpose of this paper is to make an overall analysis of ASEM during these ten years on the basis of which possible an assessment of its relevance will be made.

For the practitioner in order to make the program/project he/she is involved in, what is essential is that all program/project stakeholders have a clear idea about what is at stake from an operational viewpoint. That is, with this approach is possible to illustrate also what was and is actually happening in the ASEM process among participants, which allows the author to be in a position of making insightful analysis. Hence, having been involved in the preparation of ASEM summits, as the strategic thinker of one of ASEM's partners,

and knowing what a jamboree the ASEM summit is with 2000 delegates and 1,000 media representatives - and this sheer volume creates significant organizational confusion and overlapping of coordination efforts - I decided to apply this criteria. Hence, in order to give to the reader of this paper an appropriate service, I responded to the editor's request by writing a paper in a crystal clear and direct language addressing only the strategic issues practically concerning all the ASEM stakeholders.

This approach was also very timely because the sixth ASEM summit- to be held in Helsinki in September 2006 and being organized with a budget of US\$14 million - will mark a special milestone in Asia-Europe relations as it celebrates the 10th anniversary of the ASEM cooperation process. It follows, it is within this "beyond" spirit of this paper - titled "From Bangkok to Helsinki and Beyond" - that it will begin its inquiry by asking four basic questions in a very direct manner, i.e. why is ASEM important to Indonesia? Why is Indonesia important to ASEM? Why is Europe important to ASEM? Why is Asia important to ASEM? Answering these fundamental questions, our inquiry will review what the major critics of the ASEM process say. Thus the ASEM's challenges will be identified. This step will allow us to face the last and most important question of all: IS ASEM RELEVANT?

WHY IS ASEM IMPORTANT TO INDONESIA?

Trying to answer the basic question "why is ASEM important to Indonesia?" implies to accept a public invitation to make an audible reflection. Given the fact that nowadays there more opportunities - In Indonesia in general and in Jakarta particularly —to attend a lecture by a public figure who delivers his/her views on the future of Indonesia, while the audience is immersed in attentive listening. The consequence is that none of these lectures /public reflections has been made on Indonesia in ASEM. Hence, rather than joining these experts chorus, I am more inclined to answer the question why is ASEM important to Indonesia?

There are four essential reasons why ASEM is important to Indonesia. They are:

- *Indonesian Independence.*

Indonesia has its own political agenda. It is focused on: governance reforms and democratization while maintaining its political stability and improving its economic performance with an "even spreading of the butter". With this frame of reference Indonesia wants to develop its very own development model. That is, it does not intend to emulate any other country, including Europe. However, since Indonesia needs international support, ASEM is the appropriate vehicle to provide it.

- *Intensify and Expand.*

The foreign ministers of the Republic of Indonesia and the European Union Member States, as well as the EU Representative for the European Foreign and Security Policy and the EU Commissioner for External Relations met several times. At the end of their meetings, a key point was always stated: "Indonesia and the European Union have agreed to intensify their cooperation in enhancing regional security and fostering closer ties between Asia and Europe through the EU-ASEAN relationship and ASEM."

- *Many Similarities*

Delivering his keynote speech at the International Dialogue Foundation, the former EU Commissioner for External Relations, Mr. Christopher Patten, stated: "Indonesia matter to us. It matters because of its size, and because of its economic scale. But it also matters because of its role in Southeast Asia. Relations with Indonesia do not take place in a vacuum, but in a regional setting. Indonesia is an important partner for Europe in the ASEM process, a process based on partnership of equals. ASEM is based on mutual understanding, no lectures, and a desire to share experiences and build links."

- *Major Facilitator.*

ASEM can help Indonesia by:

1. Facilitating trade and invest-ments

between the two regions. This daunting task is being tackled by developing the appropriate culture of collaboration and cooperation among the present 39 ASEM Member States —which has led to the creation of the ASEM Business Forum, and many other facilities.

2. Encouraging that Europe remains committed to a multilateral trading system. This encouragement has produced the desired effects. Example, the agreement reached in the WTO negotiations was made possible only because the EU efficiently and effectively supported the cause advocated by many developing countries, first and foremost Indonesia.
3. Helping Indonesia to keep on designing and effectively implementing its governance reforms. The Trust Fund experience is a very good example (more about this later).
4. Potential. The connection between Indonesia and the EU has a tremendous economic, cultural, and political potential. Young Indonesians and Europeans should be encouraged to learn European languages and Bahasa, respectively, and accept to fly 15 hours each way to have living and working experiences which will have a tremendous positive impact on the actual development of their future working careers and lives.
5. Institution Building. The institution building process – now being envisaged in Indonesia within its governance reforms approach – has to be rules and norm-based. Many more institutions on which to build are indeed necessary. In both cases what is vitally important is the learning process. Thus, Europe can learn from Indonesia in the actual development of its very own development model and expanding its private networking approach with its neighbours. Conversely, Indonesia can learn from Europe and its fifty five years long experience in institution building to link all the different elements of what is today the EU.
6. Trust Fund. In June 1998, the ASEM leaders agreed to establish the ASEM Asian Financial Crisis Fund (ASEM TF1) with the aim of providing support to those ASEM Asian Members most affected by the East Asian financial crisis. Contributions to this fund amounted to less than US\$ 100 million. The European Commission was the largest contributor, but Denmark, Finland, France, Italy, Luxembourg, the Netherlands, Sweden, and the United Kingdom contributed too. The importance of the European contribution is clear. The purpose of the Fund was to deal with two crisis and post crisis recovery processes: Financial and Corporate Restructuring and Social Policy and Social Protection.

Although other Asian countries were eligible to draw from this Trust Fund, it was Indonesian who benefited the most from it.

7. The Euro. If and when the Euro becomes both the major international trading currency in ASEM Asian Member States and the currency for stoking Asian Central Banks reserves, the Euro will be very beneficial to Indonesia.

able to make a significant contribution towards restoring its international standing once had.

- *Co-Driving Force.*

ASEM is important as APEC and ASEAN Regional Forum (ARF). ASEM is co-driving all these three processes. This gives ASEAN a clout and influence which no other group of developing countries has. Since Indonesia has shown its ability to lead within ASEAN, Indonesia may become a leading force within ASEM. This is not, of course, the opinion of those critics who aired their marked pessimism while speculating on the future of Indonesia. Their attitude is dictated by their inability to put daily events into the greater context of long-term understanding. But let us not forget the greatest reservoir of human capital Indonesia has; the wealth of its national resources, the weaning impact of the Indonesian army on Indonesian society. Furthermore, let us remind ourselves that tomorrow Indonesia will be lead by those Indonesians who today are young (representing a great majority of the population.) They came to taste the world of politics at the time when Indonesia is experiencing democracy for the very first time. Free of the traditional Indonesian anchors into its political past, they are free to live the new political momentum Indonesia is experiencing and look forward within the context of ASEM. Indonesia has shown for

WHY IS INDONESIA IMPORTANT TO ASEM?

Since the importance of ASEM has been spelled out, and the specific reasons of the ASEM's importance to Indonesia have been identified; it is now essential to reflect on a critical question: why is Indonesia important to ASEM? The main groups of reasons are the following:

- *Political Will.*

Political Will is the most critical component to any reform designed and carried out by the country's political leadership. Unless the political elite can unite, formulate the right priorities, and effectively and speedily implement its programs, efforts at reforming will falter. A People's Movement to pressure and support Indonesian unity could become a decisive factor in the near future. It is precisely this message that Indonesia can send to its ASEM's partners. And in so doing, it will be

many years its ability to lead in International relations. Therefore, two scenarios are wide open: it will return to lead or it will not. When it will happen, in the first case scenario, the prophets of doom —the media, especially the very complacent European ones— will be proved to be, once again, wrong and un-reliable in their reporting on Indonesia . On the other hand, with Indonesia becoming a co-driving force in ASEM, extra work for European will have to be carried out. As a matter of fact, Europeans being —by and large— so very ignorant about Asian/Indonesian Affairs in general and ASEM in particular, will have to do a major adjustment, correcting thus our view about that country. Conversely, if the other case scenario materializes, then it will mean that the Indonesian young have not been able to keep up their promise for a new Indonesia. Henceforth, the actual cancer eating the country inside out, corruption, will have been able to swallow them too. In the process they will show to be incapable of attracting Foreign Investors —because the Global Corruption Perception Index has always shown Indonesia at the bottom of its list of the 84 countries surveyed.

- *Congenial Characteristics.* Let us remind ourselves that the key characteristics of the ASEM process are six:

- *Its informality* — which complement rather than duplicate the work already carried out in bilateral and multilateral fora.
- *Its multidimensionality* —carrying forward political, economic and cultural dimensionsequally, which is exactly the Indonesian approach.
- *Its emphasis on equal partnership* – avoiding any ‘aid based’ relationship; since aid is covered by bilateral relations – in favour of a more general process of researching understanding through sharing common experiences, dialoguing and cooperation. It is indeed the approach the most important country in Southeast Asia, Indonesia, prefers to adopt.
- *It's Focus* – ASEM's high level focus results from an overall top down approach and the by-annual summits. An approach Indonesia shares.
- *It's Environmental Characteristics* – Indonesian environment is uniquely endowed with what it takes to make multilateral working groups and summits work. Indeed, the 2003 ASEM summit was held in Bali.

WHY IS ASIA IMPORTANT TO ASEM?

Asia is important to ASEM for a variety of reasons which can be summarized in three major groups: dynamism, strategy, and implications.

Dynamism

ASEM, which takes up 40 per cent of the world's population with its 2.4 billion people and its 50 per cent of world's GDP, includes Asian countries accounting for a significant share of EU foreign investment flows, while certain Asian countries are important investors in the EU. Some of these countries experience annual double digit growth. Within the WTO Asian countries play a very important role which has been significantly strengthened with China's entry into the WTO. Asia has been is the cradle of several of the world's major religions, and has an unparalleled cultural richness.

The sustainability of such an economic dynamism depends upon further investments in manufacturing, infrastructure as networks of telecommunications transport, harbour etc. Therefore, the operational aspect of such sustainability provides rich countries in Europe and North America with opportunities to take an active part in Asia's development process. As a consequence, the strategic value of dynamic Asian markets has increased substantially.

Strategy

While political changes – i.e. the transition and economic crisis in Indonesia, ASEM and ASEAN expansions, the tensions of the Korean peninsula, the South China Sea dispute etc – keep occurring, the EU's dialogue

with Asian partners on global and security issue is important for the whole security, because the region is the locus of some of the world's major sources of tension or conflict which needs to be prevented, managed and resolved. Several Asian states have a nuclear capability, and certain countries continue to cause concern in relation to the proliferation of weapons of mass destruction (WMD). Within this framework, Asia is really important for the success of the ASEM process, as it reflects the strategic needs of the two continents to complement each other both politically and economically.

In this sense, ASEM was the Asian and European answer to the rapid progress of APEC. Thus, the creation of this cross-cultural communication bridge started producing a plethora of activities, with enthusiasm and optimism. However, of the three critical pillars of this relationship – i.e. economic, political and civil society – only the economic issues seemed to be preferred by the Asians, the other two pillars were at a standstill. The reason behind was the EU unease with the East Timor issue, and the Myanmar's human rights record. It was essentially another example of cultural gaps.

Implications

The implications of Asia importance to ASEM are four. First, ASEM provides Asian countries with

balancing weight to their strong, political, economic and cultural dependence on the US and Japan. Second, Asian countries' influence will definitely be critical in shaping the future path of the multilateral trading and investments regimes. Third, considering the relatively low intra-ASEAN trade members need increased economic exchanges with the Northeast Asian countries. This leads, under ASEM, to an enhanced policy co-ordination and solidarity among the Asian countries. Fourth, with the intra-Asian trade and investment flows increasing, Asian markets will have to be opened up to non-Asian countries as well. Consequently the speed of coverage of opening Asian markets will depend on the degree of cooperation/integration among Asian countries.

WHY IS EUROPE IMPORTANT TO ASEM?

Europe is important to ASEM in several ways. The most important are:

- *The missing link.* Since ASEM is the European version of APEC, it can be regarded as an instrument that can fill the 'missing link' between Asia and Europe. Indeed, while transatlantic relations between Europe and North America were strengthened with the launch of the New Transatlantic Agenda and that Asia-Pacific Economic Cooperation was formed in 1989 as the major channel for the USA to
- *Inter-regional co-operation.* Since ASEM was regarded as an attempt to overcome the regional tendency by way of strengthening inter-regional cooperation, it was interpreted as another result of the European Union's efforts to facilitate multilateralism and freer trade through building free trade areas with Asia.
- *Complementarities.* Asian countries had been seeking ways to diversify their external economic linkages that were too strongly concentrated on USA and Japan, and were in need of Europe's capital, science and technology, as well as rich experience in economic development and environmental protection, with the view of sustaining their growth potential. Thus, EU countries by establishing ASEM were enabled to counter-balance the predominance of the USA economic presence in East Asia.
- *Priorities.* EU-East Asia relations are shaped by other developments, such as the EU eastward enlargement. Therefore, the strengthening of political relations with East Asia and other regions like Latin America has been viewed as the result of EU reconsideration of its hierarchy of economic priorities.

- *Trust Fund.* As previously noted, during the Asian financial crisis Europeans decided to tide over the crisis with positive counter-measures and putting in place a trust fund to highlight financial cooperation.
- *Integration.* The integration process of Europe has boosted and safeguarded stability and prosperity after World War II and laid the foundation first for Europe to play a bigger role in the world economically and subsequently a bigger role politically. Experiencing throughout these 60 years the hurdles to be overcome in the integration process, Europe has several lessons to pass onto their ASEM partners.

ASEM SUMMITS, THE ANALYSTS OBSERVATIONS

ASEM has received mixed reactions from its analysts. In fact, their observations have been made at different levels. They can be summarized in the following groups:

- *The Civil Society's View*

Economic concerns dominate the ASEM process and these are influenced by an unquestioning adherence to liberalization agenda and neo liberal orientation. This is facilitated by the reticence or resistance of Asian governments to engage in meaningful political dialogue and the opportunistic

attitude of the European governments. The launching of the ASEM was seen as the beginning of a historically unprecedented relationship between Asia and Europe —not the least of which is the formalised transition from a colonial power relationship to one of partnership.

- *The Structuralist's View*

ASEM had an extremely symbolic start, but it needs more than symbolism to deliver what it envisions. It needs continued political interest, it needs political will, it needs resources, time and efforts and it needs a widening circle of supporters. ASEM is only a soft institution: its structure is loose, its agenda is ill-encompassing, and it does not have any clear international personality yet.

- *The Fundamentalists' View*

The very first ASEM Summit proclaimed the dawn of a comprehensive Asia-Europe partnership of equals working hand in hand to develop a common vision of the future. Is this real? they ask. Can Asia and Europe ever be equal partners? Can ASEM transform an unequal relationship of a hundred years and decades of mutual neglect, towards the single destination of equality and mutual concern?

- *Lumping Together.*

In the EU Commission Communications, India, Korea, Japan and

China are given special emphasis; however the Southeast Asian countries are lumped together. Thus, they sense a tendency in Brussels to underestimate the use of bilateral relations between the EU and the individual Southeast Asian nations, and even a certain doubt about the efficaciousness of the regional groupings/regional multilateral constructions such as ASEAN or ARF or ASEM.

However, those who do fully understand the strategic importance of ASEM in the world today offer the following counter-arguments.

- *From Childhood to Maturity*

It is easier to criticize ASEM than to support its growth from its childhood to its maturity. ASEM is – like any other human organization – not perfect. However, if we do not give to it the political will indispensable to mature and the resources to operate, it will always remain vulnerable to critics who do not intend to be involved in it to begin with.

- *An Important Arena for Cooperation*

ASEM can serve as an important arena for cooperation in the area of globalization and international communication technology (ICT). Which opportunities are to arise and be exploited will depend on a number of decisions with regard to

standardization, the means of various applications of ICT and other technologies; upgrading of policy and management skills, research and education etc. For the benefits to be spread broadly, and not to be limited to the few, a range of complementary actions need to be taken. Outcomes will depend on interactions between multiple stakeholders around the world. The ASEM countries, with yet untapped potential for reaping the full benefit of ICT and globalization, have an important role to play in showing the way towards more broadly based benefits.

- *The Strategic Thinker's View*

In its article "ASEAN's challenges for the Future" - published by Taiwan Security Research - Chairman Yusuf Wanandi stated: "There is also the need to revitalize the multilateral institutions in the region such as APEC, ARF, and ASEM. These institutions lack a strong inner core. This is the rationale for closer cooperation among East Asian economies.

- *The Diplomats' View*

The high profile nature of the ASEM summit must be fully exploited to send the key message of the importance of engagement and of building bridges between the two regions to stem the rising tide of in-ward looking ness. And, more importantly, the burst of activities and energy before and

during ASEM summits have to be fully exploited to promote interest, so that knowledge about and interest in Asia could be sustained and continuously improved even after the conclusions of ASEM. However, these Asia literacy promotional activities had to be consistent, pertinent and persistent because they were dealing with a basic fact: few European countries show real interest in ASEM, after the first glamorous summit in Bangkok. Even after 911 it has not changed.

▪ *From a Fuzzy Concept to Making Itself Understood*

Most of this criticism is borne out of the fact that Europe is –in the minds of many ASEM Asian Member States – a fuzzy concept in geographic, let alone political terms – and a complacent loudspeaker of values which do not reflect Indonesian priorities. However, Europe has not been perceived in Asia – up today- to have made a real significant effort to clear out both its fuzziness and this perception of imposing its very own political agenda on Indonesia. Yet, in order to create understanding in the minds of many of its ASEM Asian's partners, it is essential. Indeed, it was only in 2001 that Europe's political involvement in the Asia Pacific has come of age with the Korean experience- and it did because of the new frontier role played by Italy in January 2000. Certainly, the most dramatic sign was Europe's

involvement on the Korean peninsula, but the EU also participated in the efforts to build a viable independent East Timor and pushed forward with the project of Euro-Asian multilateralism. Riding this new momentum created out the European commitment to Northeast and Southeast Asia, Europe has made new commitments to Indonesia. It is very practical-because it aims at dissipating this very fuzziness and the perception of being complacent. It is managed by the European Commission Delegation in Jakarta, in Jalan Sudirman, Wisma Dharmala Sakti, and 16th floor. It is there that the EU Ambassador and his staff can make decisions on specific cooperation projects within Indonesia. Thus, Indonesia, Europe's partner, does not need to go to Brussels to expedite its pet projects.

• *A Stronger Asia /Indonesia Emerging*

Most of the Asian experts have many times stated that Asia has received a salutary shock with its glitch on the road, i.e. its financial crisis, from which it is emerging economically and politically stronger, more democratic, and better able to compete in the global economy, better prepared in multilateral discussions/ negotiations in multilateral fora.

Such as ASEM. Many critics agree, and the international media would certainly back them up – because they have. Have their very own agenda –

there is no doubt that the present troubled times are nothing else but testing times.

For the Indonesian role in Southeast Asia and its future leadership in ASEM and the rest of the world. From this very perspective, this crisis is indeed a blessing in disguise – because Indonesia will successfully pass these trying times of today.

- *The ASEM Trust Fund and Indonesia*

This special fund created by ASEM and funded by Europeans to alleviate the Asian financial crisis has already been reviewed earlier on.

THE CRITICS POINT OF VIEW

Although ASEM's life has been short, it has invited many critics to air their views. They can be summarized in ten different groups. In order to gain an understanding of them and create, therefore, the instruments to inquire into ASEM's effectiveness, let us review them one by one.

The Changing Environment

Throughout ASEM's life much of the environment in which it was born and grew has changed.

While at the beginning (1996) the strategic rationale behind ASEM was an economically dynamic East Asia, deepening European integration, the development of APEC, economic competition, the end of the Cold War and the US response, the spectre of

an increasing unilateral America, the aspiration to engage China into the international system, the euphoria about the benefits of globalisation and more optimism with regard to international cooperation and multilateralism as the way forward in creating a new emerging global order.

However, ten years later, i.e. 2006, ASEM's environment has significantly changed. Indeed, it is characterised by increasing unilateralism, the Asian financial crisis, the waves of anti-globalization that followed, the September 11 terrorist attacks, the introduction of the Euro and the EU enlargement from 15 to twenty five Member States which has triggered fears in Asia and elsewhere that self-absorption may shift EU's attention away from ASEM; the six summits (i.e. Bangkok 1996, London 1998, Seoul 2000, Copenhagen 2002, Hanoi 2004 and Helsinki 2006), the development of the East Asia regionalism, the failure of the WTO meetings, the rise of China and the merging of India, and last, but not least, the ASEM enlargement from twenty five to thirty nine partners.

That is, the underlying reasons that led to the birth of ASEM changed because of the increasing interdependence and the sense of vulnerability it generates because it requires more international cooperation, more rules and procedures. The international norms and institutions built in the twentieth

first century are under stress, and seemingly unable to cope with the increasing demands and insecurity of the twenty-first century.

It follows, the reasons underlying ASEM and its working methods and coordination mechanisms have to be changed otherwise the Europe-Asia dialogue can not remain meaningful and sustainable. Furthermore, since ASEM's development is affected by regional and global events and realities, it has not yet achieved an international personality to become an international actor in its own right, like other international organizations. It represents only one of the increasing linkages between the EU and other Asian countries and must be taken in due account within this equation.

Achievements and Challenges

Throughout these ten years ASEM has, surely, achieved some remarkable results: the dialogue on political matters of Europe and Asia common concern, the economic and financial cooperation, in the field of science and technology, in the environmental sector, and cultural and intellectual fields. They were all carried out at three different levels: summits, ministerial and senior officials meetings, in addition to informal seminars, workshops and symposia. The conclusion to be drawn from these achievements is, therefore, that the ASEM process has been able to address effectively the high level

of expectations set by Heads of Governments. However, many challenges have not been met (more about this later).

Principles and Objectives

ASEM's ambiguous basic principles and its lack of clear objectives inevitably place limitations on its achievements and tangible results. This ambiguity is a problem that reflects itself in many ASEM's contexts.

Take for example, the way ASEM is seen. When it was conceived, it was seen as an intergovernmental state-to-state forum. However, during its ten years of life this process has adopted features of a region-to-region dialogue- because of its intra-regional coordination and deepening integration in both areas.

Another example is the way ASEM is framed. This process of dialoguing is supposed to be informal, loose and non-binding, and not intended to produce new agreements, treaties or contracts. However, the partners' desire to achieve concrete results is there and it is spreading widely and quickly.

The lack of clarity in the overall principles, and the lack of clearly defined objectives have given rise to different expectations and unrealised potential. Differences in perspectives and priorities hamper the ability to prioritize and deepen the dialogue to generate concrete policy coordination. This, in turn, contributed to the

proliferation of a wide range of initiatives as reflected in the vast assortment of projects, conferences, workshops and meetings. Thus, the unique management and coordination problems became evidenced.

Another example of ambiguity is related to the different European and Asian perceptions of political dialogue. While Asian partners regard dialogue in itself as an achievement and prefer to talk about non-contentious issues, Europeans tend to press for tangible results and are interested in taking up contentious issues in order to arrive at conclusions.

The existence of this cultural gap sometimes leads to misunderstandings. However, despite differences with regard to principles, perspectives and priorities, both Asia and Europe will stand to gain from furthering inter-regional linkages at all levels. The key challenges that both Asia and Europe have to face are: international terrorism, transnational crimes, and lopsided development.

And there is, of course, the case of a declared priority which is not validated by the actions taken. At ASEM Summits European leaders claim themselves as promoters of democracy. Example, at the Fifth ASEM summit in Hanoi the name of Suu Kyi's – who has been kept under house arrest following an attack on herself and members of her National League for Democracy by thugs linked to the ruling junta – in the final

statement was not mentioned. The EU threatened to impose new sanctions on Myanmar if Rangoon did not release her. Indeed, later on imposed the sanctions. But they have been dismissed as being more symbolic than strong in substance. Why?

What gave to this episode the quality of a farce is the length to which France went to protect its economic interests in Myanmar- totalling US\$470 million- from tougher punitive measures. And standing to gain from that the French oil giant Total which has investments in Myanmar. The British government was not far behind despite of being a leading opponent of the junta. The fact is that British investments in Myanmar are the highest among EU countries- i.e. an estimated US\$ 1.5 billion. The message is clear for the Burmese regime from this. The international community is inconsistent and they can move forward being a rouge state.

Management and Cooperation

The very success of the ASEM process has produced many initiatives that have led to an impressive number of activities and an expanding range of themes, few institutions and programmes it has established, and the structure that has evolved. The actual management of them is left to the Foreign Ministry of the partner hosting the summit and/or the event at their cost. It follows, the management of the ASEM process

becomes increasingly critical to the success of the initiatives taken, and otherwise the "forum fatigue" will not be avoided. This is, unfortunately, an experience that ASEM officials often have. Thus, the question needs to be asked: how best to streamline and focus the process to make it more efficient and appealing to the general public?

For the European partners coordination is to a large extent carried out by the EU Commission which provide the basis for the EU's Asia policies. The Asian side with its current rotating coordinated mechanism may not be the most ideal. Indeed, Asian ASEM partners seem inclined to advocate the establishment of a cost-effective and efficient ASEM Secretariat. Its main purpose would be to enhance the coordinating process within Asian partners, and also foster further regional integration within Asia.

Other critics reacted to this proposal arguing that because of the informal character of the ASEM process, the key value of this informal approach in fostering dialogue between the two regions, such an institutional approach would seem to be both inappropriate and indeed counter-productive. In addition, it will important to ensure that ASEM partners retain a full sense of ownership and responsibility for the initiatives they might propose.

Communication Strategy

One of the main problems ASEM has is its lack of visibility and public profile. That is awareness about ASEM in the media and among wider public remains very low, probably because it is mostly the concern of leaders and public officials, and not so much the concern of the average citizen.

What are the causes for it? The answer is complex and depends from who is holding what perception. As a matter of fact, Europeans believe it is due because of an un-focused agenda-setting, the inability to prioritize, the lack of concrete results, the low level of commitment and limited engagement of different actors from civil society, the business sector and parliaments. On the other hand, the ASEM Asian partners argue that ASEM is lacking an overall communication strategy. That is, ASEM's lack of public profile and visibility is part and parcel of a larger problem related to ASEM's lack of substance or relevance (more about this later) because the dialogue process has remained at the information-sharing level and it has not moved into substantive cooperation.

It follows, while high hopes and a mood of optimism prevailed during the first two years of ASEM's life, the remaining years have witnessed the development of the relationship between the two partners which leaves much to be desired. Thus,

ASEM has not entirely lived up to the initial expectations and it has not been exploited to the full. Furthermore, the division of Myanmar's admission to ASEM has severely conditioned activities and events and subsequently the follow up to the junta's decision on Suu Kyi's. Thus, a clash of 'political criteria' and the 'principle of non interference' developed. That is, most the ASEM Asian partners in order to determine that member state should not interfere in each other's internal affairs- advocated the principle of 'non interference', already successfully adopted in ASEAN. On the other hand, the more interventionist European partners pushed for the establishment of 'political criteria' on Myanmar because of protecting democratic values, human rights and rule of law is hardly compatible with the ASEAN diplomatic principle.

Priorities

Since following the 'laundry list', where each member state is allowed to put forth its own favourite idea with little sense of priority, had become an approach that could not continue forever. Hence, it had become indispensable, according to some critics, to review priorities and prevent proliferation and duplication of initiatives. Moreover, they also argue that ASEM is too elitist and top-down in its approach because the high-level focus stemming from the summits. Indeed, knowledge about the ASEM process has been confined

to a small group of politicians and public officials, bureaucrats and scholars. Therefore, since ASEM's public profile is very low two problems come to the fore. First, do ASEM's leaders believe in the importance of Asia to Europe and Europe to Asia? Second, have they the commitment and will to move beyond rhetoric to bring about concrete achievements?

ASEF

In order to fulfil its mandate of promoting better mutual understanding between the people of Asia and Europe through greater intellectual, cultural and people-to-people exchanges between the two regions, ASEM created the Asia-Europe Foundation (ASEF). It was established ten years ago in Singapore, reporting to 39 governors, developing activities ranging over conventions, symposium, seminars, public lectures, youth camps, art competition, performances and exhibitions.

Having completed over 300 projects directly involving 20,000 Asians and Europeans to date, ASEF always works in partnership with other institutions and private sector entities to ensure its work is broad-based and spread as widely as possible through ASEM countries.

ASEM is funded by contributions from member governments, but the cost of many of its projects are shared by other institutions as well as private corporations. It is such an approach

that has allowed critics to argue that ASEM's productivity has to be increased through better management and greater resources.

ASEM's CHALLENGES AFTER 9/11 and BALI ATTACKS

Reflecting on the world after 9/11, the most important consideration to make links up and goes beyond the three EU-Asia relations images – summit diplomacy, instrument of regional integration and cooperative regime. Indeed, many observers effectively argue that the 9/11 and Bali attacks have robbed us of our very confidence. It is this apparent lack of confidence which makes us now all feels insecure because our security system has been demonstrated to be shockingly vulnerable.

As a matter of fact, this apparent lack of confidence underlines one major need: vision. We have to have a vision of our future. It is precisely in this context that ASEM plays its pivotal role. But if it needs ASEM's vision; we have to come to terms with the fact that it also needs us. That is, it needs our resources, our determined efforts and our commitments.

Since they have not been properly invested into the ASEM process, many challenges have not been met. Indeed, economic dialogue and cooperation should have made a genuine impact on the trade and investment conditions economic operators are facing, cultural and intellectual networking has not been able to build

up broader and deeper awareness of the importance of Asia-Europe relations among a wide public. Yet meeting such challenges has become the pivotal importance to secure public interest in and support for the ASEM process—precisely because the public in general and the business community in particular expect concrete results.

The ASEM way to respond to the terrorists' threat has been to undertake three actions. The first action is against trans-national crimes—such as illegal trade in arms and weapons, money laundering activities that support terrorist's organizations. The second action is to address the gap between the world that is plugged into the process of globalisation and internationalisation and the one that is not. Thus, the element of interciviliation dialogue between Europe and Asia has to be effectively harnessed. The third action consists of engendering greater cooperation and concerted efforts—while the anti-terrorism campaign continues.

IS ASEM RELEVANT?

In this paper we have used a step by step approach to lay down the foundation to gain a practical understanding of the ASEM process. Thus, we have worked towards finding the appropriate answers to these four questions: Is ASEM important to Indonesia? Is Indonesia important to ASEM? Is Europe important to Asia? Is Asia important to ASEM? On the basis of the results

of this inquiry, we have presented the arguments put forward by ASEM's analysts and critics. Therefore, after having collected all these basic facts, we are now in a position to address the most important and practical question of all: ten years after its foundation is ASEM today relevant? Its answer is yes it is not relevant. Yet it could also be, yes it is very relevant. It all depends from which perspective we look at this question. Indeed,

On the one hand ASEM is not relevant.

Therefore the answer to this question is negative, i.e. ASEM is irrelevant in the world of today, if one consider only the following four factors.

It is irrelevant because security cooperation between Europe and Asia has been rather conceptual, abstract and lacking of substance. Asia's economic and security relations with the United States are of strategic nature and far stronger

Than those between Europe and Asia. As a matter of fact, Europe can still boast that despite the recent fall out over Iraq, its transatlantic relationship with the United States continues to be the most important inter-regional relation in world politics. In addition, Europe does not have and does not seek to have — contrary to the USA — a strategic power projection in Asia and cannot guarantee the security of anyone in Asia.

It is irrelevant also because looking

at ASEM's three pillars they do not seem to be progressing and. on the other hand, civil society does not seem sufficiently organised to engage with ASEM's leaders. To succeed ASEM must build understanding from roots level up, and not top down as it has been doing from its birth. Developing ASEM's potential also means that European leaders participate more actively and engage seriously in the process, which does not seem to be the case today, otherwise the dialogue is on the rocks.

It is irrelevant also because in the predominant private view, aired in ASEM circles, Asia is not considered a priority. Hence, ASEM has not evolved into the 'missing link' of the Europe-Asia relations. It follows Europe should show more commitment to the ASEM process. And because of this way of perceiving ASEM as a priority, the ASEM process does not feature much in the media. ASEM's development is too slow to raise interest in the European and Asian media. Thus, it has to make itself more visible through their representatives who start selling the ASEM process more aggressively. If that were the case, Brussels policy-makers would not any longer referred to as technocrats, bureaucrats, or eurocrats implementing policies that are difficult to understand in Asia. This lack of priority derives from two factors. First, the perception of ASEM being a talking shop points out the lacking of the political will to move

beyond an informal dialogue by making decisions and effectively implement them. Second, this may have been because the ASEM's objectives were rather vague such as "addressing political, economic and cultural issues, with the objective of strengthening the relationship between Asia and Europe, in a spirit of mutual respect and equal partnership."

It is irrelevant also for three other reasons. First, ASEM has established a number of task forces but both the EU and the Asian side have been reluctant to implement its recommendations. Second, the absence of high ranking officials at recent ASEM meetings has led to irritation on the Asian side and accusations that ASEM is not receiving the attention it should from Europe appeared on the dialogue scene. Third, this aspect of its irrelevance is further reinforced by the long-running dispute over how to treat Myanmar, which has been illustrated earlier on.

On the other hand, taking into consideration four other factors, the conclusion is: ASEM is very relevant.

The major motivation for Asia to cultivate stronger ties with Europe seems to be the desire to balance the predominant relationship with the USA. On the other hand, many Asian states were keen to seek more prominent relationship with Europe to make sure that they would not be 'left alone' with the United States and the ever growing weight of China.

In addition there was also the strong need/desire to cultivate export markets and to compete for investment and technology transfer from Europe; let alone the possibility that Asian countries were interested 'to learn' from the European model of regional integration, disarmament, confidence building and conflict-control measures.

Critics question also ASEM's effectiveness in the broader international context, because, they argue, it has not been able to enhance the balance of power in the triangle Europe-USA-Asia remarkably, nor it has been successful in coordinating or harmonising interests of its partners efficiently vis-à-vis larger international organizations and bodies. On the contrary, ASEM's supporters respond to them by arguing that ASEM's ultimate objective is to build a comprehensive partnership among equal partners, based on the promotion of the three pillars of political dialogue, the deepening of economic relations and the reinforcement of cultural links between peoples. Since it requires time to achieve this objective, it is clear that ASEM is a summit driven process, in the long-run, with emphasis on informality and multidimensionality. It is this informality (dialogue over negotiations), multidimensionality (touching equally on political, economic and cultural aspects) and its high level (the only heads of state/government forum linking this two

region) which constitute ASEM's competitive advantage over other international bodies.

Since ASEM is not, compared to other international bodies, a negotiating forum with the aim of producing binding agreements, it is informal forum aiming at exchanging views in bilateral and multilateral for a to promote dialogue and understanding were views may differ, and foresee more active co-operation in areas where a commonality of views can be identified to create opportunities for cooperation. Thus, ASEM can adapt to the changing global and regional landscape, while retaining its characteristics, which have been labelled by the critics "talking shop".

ASEM's people have to deal with the constraint of accommodating different stakeholders' perspectives, interests and expectations among its thirty nine members. And ASEM has been able to do that.

It has been argued that ASEM's achievements can be broadly judged by the extent it has fostered micro-networking and macro-networking linkages between both regions. Micro-networking relates to ASEM's various socialization processes and functions on which wider macro-networking ties can be further built.

Europe and East Asia face common security threats. Besides more traditional concerns, non-traditional security issues of a trans-national nature threaten the security of both regions. These risks include terrorism,

drug trafficking, illegal migration (human smuggling and human trafficking) and others. Both regions share the adoption of a cooperative and comprehensive approach to security to combat these issues.

Both regions face similar political and economic challenges from terrorism to failed states to health scares and the challenges posed by globalization. Both share a commitment to multilateralism and a desire to strengthen the institution of global governance. Both have to deal with an American hyperpower that pursue its own and often different agenda from that of Asia and Europe. Both experience room for improvement. That is, while Asia's rising political and economic importance is too often ignored by an EU focused on its own internal affairs and/or its Mediterranean policy and transatlantic relations; for Asians is necessary to pay more attention to development within the EU, to support efforts to improve educational and cultural exchanges and to try and actually overcome differences on human rights and other issues. Each side has the desire to play a bigger role on the world stage while they are driven to develop their relationship primarily by mutual economic interest.

While ASEM is, remarkably, the only major forum involving key countries where the US is absent, it is more important for the Asian side because there is no other forum that encompasses all Asian countries.

Increasingly, Southeast Asia and Northeast Asia cooperate with each other through ASEM.

In addition to these factors which characterize ASEM as a relevant or irrelevant body, given the different dimension of the ASEM relationship, then pushing the understanding process forward means also that improvements have to be made in ASEM's different pillars.

They will have to be made in political pillar because the effectiveness of the political dialogue in promoting multilateralism and global institutions need to be strengthened through closer coordination and more focused agenda-setting. But they will have to be made also in other pillars for different reasons; i.e. in the economic pillar, because it is an essential component for reviving interest in the ASEM process; in the socio-cultural pillar because to develop ASEM into a democratic, participatory process, its role and function vis-à-vis civil society needs to be clarified; finally in the energy cooperation because ASEM partners are energy-importing countries and the benefits for cooperation are significant.

While the debate on ASEM's relevancy continues, discussing it it is a very good opportunity to look back over what ASEM has achieved in its first ten years of life, and to look ahead to the future. As a matter of fact, at the Hanoi Summit in 2004, the ASEM Heads of State/Government author-

ised Senior Officials and Foreign Ministers to examine ways to improve the efficiency of ASEM's cooperation and review issues relating to the possible enlargement of ASEM. To provide concrete support for this initiative, Finland and Japan commissioned a joint research project. The research report was presented to Senior Officials in Vienna in March 2006. What the final impact of these recommendations be on ASEM's relevancy? Will those recommendations be effectively and efficiently implemented? Will they be able to take ASEM away from its "talking shop" public image and bring it to a very effective decision maker whose power might influence the international order?

The answer to this key question will depend from one single and most important factor: the political will. That is, if the European and Asian states joined in partnership on the ASEM project are un-able today, i.e. ten years after its foundation, to master the same political will and determination that they had in 1996 then ASEM is destined to dwindle away, in due time, from the international scene. If, on the other hand, today ASEM stakeholders are able to master that quality of political will, equal to or greater than of 1996, then the ASEM process will move dynamically forward acquiring increasing relevance on the international scene. □