

## Jean Monnet Lecture Series on EU-Asia Connectivity

# Europe and the Indo-Pacific Strategy: Connectivity at its Core?

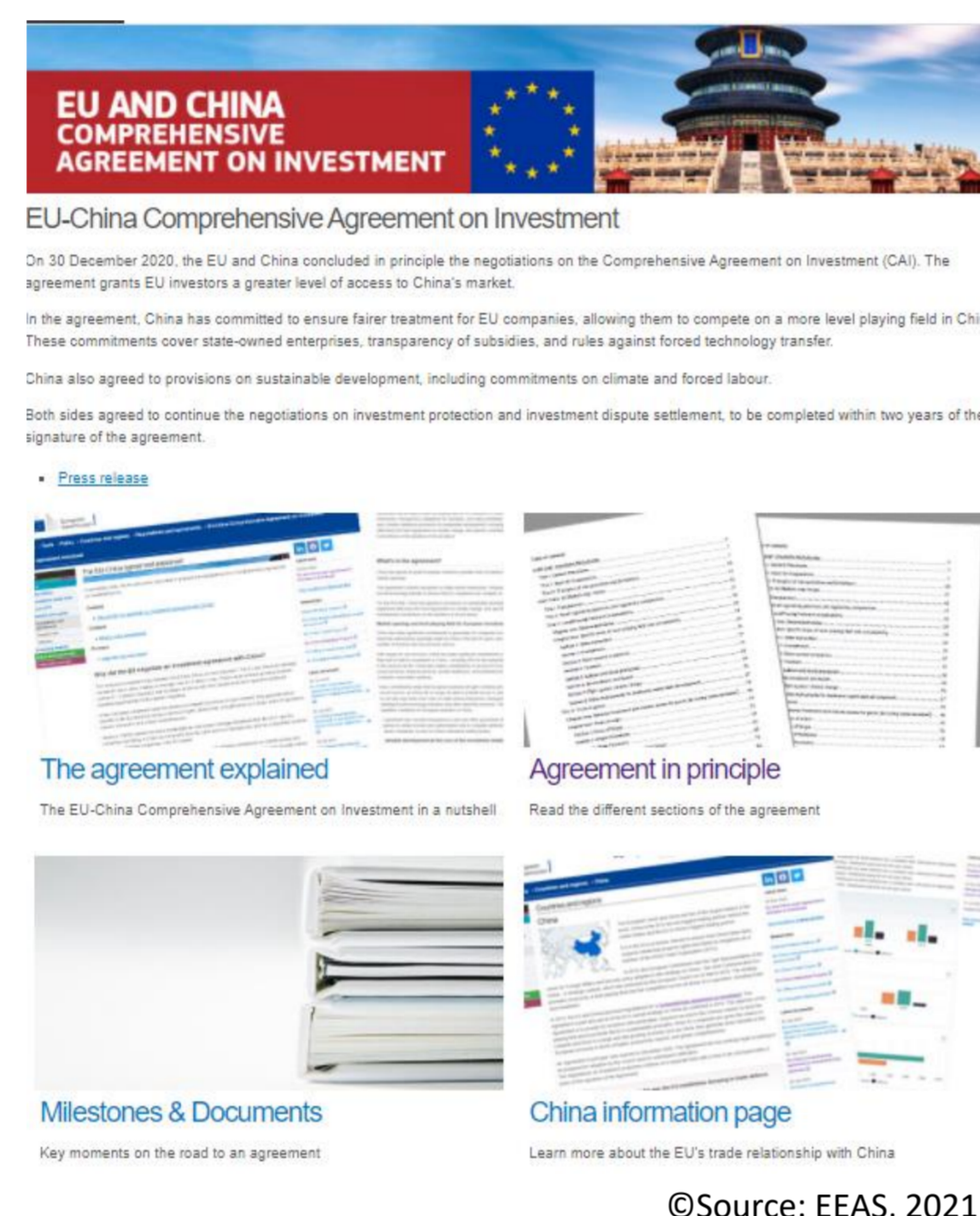
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### EU-Asia Partnership

- For decades, the EU has issued various strategies and guidelines on Asia, is the longstanding dialogue partner of ASEAN, has participated in the ASEAN Regional Forum (ARF) since 1994, set up the Asia-Europe Meeting (ASEM) together with ASEAN, and concluded 5 out of its 11 strategic partnerships with Asian countries as well as lately with ASEAN. The EU has also established trade agreements with Korea, Japan, and most ASEAN countries as well as Australia and New Zealand and has agreed to start negotiations with India.
- The EU-China Comprehensive Agreement on Investment (CAI) with China is blocked because of the exchange of sanctions between China and the EU. The EU regularly issues specific strategies on China; the 2019 EU-China Strategic Outlook introduced the concept of China being a partner, a competitor, and a systemic rival, a distinction that has also been adopted by other partners.
- The 2016 EU-Global Strategy outlining the comprehensive approach of the EU emphasized the inter-connectedness of Europe and Asia and the ensuing need to tackle global problems and challenges together. This explicitly includes security.



### Security and a new focus

- The security awareness for the Indo-Pacific within the EU has been heightened, led by France and its 2018 Indo-Pacific Strategy. This builds on already existing security operations in the region, such as Atalanta off the coast of Somalia and CRIMARIO in the Indian Ocean, the latter of which is expected to be expanded to also cover South and Southeast Asia to secure sea lanes which is necessary to maintain the connectivity between Asia and Europe.
  - All this does not constitute discovering of new ground, but rather a recognition of a shift of focus: Geographically, South Asia and the Indian Ocean have moved up in the awareness as part of geopolitical shifts, power competition playing out in the region and a nascent more active role of the main power in the area, India.
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- The economic interests of the EU have not changed with the label. The Indo-Pacific will be important in the post-COVID-19 recovery. Politically, the EU cannot have any interest to become entangled in two conflicts at the same time – with China and Russia. From a geopolitical point of view, it does not make sense to push China and Russia further together. Despite tensions, the EU prefers cooperation with China instead of “extreme competition.” In contrast to the US, the EU is not in great power competition with China.

### Competition and Cooperation



- Balancing a value-based foreign policy with economic and strategic interests will never result in black or white results but various shades of grey. The technological dimension is very much part of the competition, as between the US and China. The EU needs to remain at the forefront of digital tech and digitisation to shape the future. This requires investment and protection of critical infrastructure to build and maintain its power base, which will be essential for the rest of the century.
- Japan, as a valued partner with similar interests in the region, has changed gears towards a more active foreign policy with its commitments to the Quad, the TPP after the US withdrawal, and its own Partnership for Quality Infrastructure. The same is true, albeit on a different scale, for South Korea.



### Connectivity

- Having built an ASEAN-centred system over decades, the ASEAN Outlook on the Indo-Pacific offers a platform to build on with an association which is based on cooperation. India has joined the Quad but is still working on a concept as its security outlook so far was primarily land-based.
- The discussion on these issues within the EU has occurred under the label of ‘strategic autonomy’. This is not directed against NATO nor trying to replacing or double NATO. It does not signify retreat from the world, nor a move to isolation or autarky, and no program for protectionism.
- Connectivity is a common feature of the relevant Indo-Pacific papers on the table. Connections are discussed in terms of physical infrastructure, economics, the intellectual dimension, and a rule and values-based approach to politics. This is an area where the EU can contribute based on multilateralism, openness and inclusiveness, values-based human-centred technology, and soft institutionalisation based on decades-long experience in setting up and managing Trans-European Networks.



### Rules and Principles

- Under which rules and standards connectivity will be conducted is part of the ongoing competition. In that area, EU foreign policy can make important contributions to prosperity and security, often below the public radar, including in the context of the ‘Brussels Effect’.
- There is a tendency, like in the BRI, to bilateralise connectivity. This occurs when connectivity projects are used solely or primarily to foster bilateral infrastructure, as opposed to interconnected networks. Building a human-centred digital eco-system with partners globally needs an all-in policy approach and should be the guiding principle in building sustainable connectivity.
- Multilateralism with EU characteristics acts as a guiding principle and is open and encompassing. For multilateralism to be effective, democracy, rule of law, and a level playing field have to be established.

### Outlooks

- The EU could offer the lead and guidance in setting up an Indo-Pacific Connectivity scheme based on horizontally connected partnerships, including with Japan, India, South Korea, and ASEAN. The open-ended cooperative approach would take out the containment element of the Quad which does not sit well with a multilateral approach to connectivity. The scheme would be open and inclusive for all which want to play along and respect agreed rules. It would not be directed against anybody but should be devised in the interest of everybody. The EU could further tap the potential of the European Investment Bank.
- The EU could develop a new form of sustainable Indo-Pacific connectivity through a network of partnerships which is open, functional, project-based, pools experience and financing, and which is also implemented in a transparent manner according to green and digital standards used by international development banks. This is an area where the EU could draw on its strength and experience which in turn would lend it credibility.