

Category I

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The Future of Asia-Europe Cooperation

The global economy is in a state of permacrisis – of multiple phases and multiple faces. One of those, many argue, is the end of globalisation. Following Covid-19, global integration, already struggling before – helped by Brexit, Trump and Sino-American tensions, seems to have completely broken down. As the pandemic ruptured global supply chains and exposed inadequacies of global governance, states reverted to self-sufficiency, protectionism and even hostile nationalism, enclosing themselves within isolated strategic niches. The commitment to openness, previously the guiding principle of international relations, is out of fashion. Multilateralism, it is argued, has failed and “Covid has killed globalisation” (The Economist 2020). While the tectonic shifts in cross-border configurations are undeniable, as are the national and regional impulses towards self-reliance, the conclusion seems premature. The virus simultaneously highlighted mutual interdependencies, reminding that to withstand shocks these must be underpinned by shared values and respect. Perhaps, this is not the death of globalisation – merely the decline of multilateralism as we know it, in its western-centric, often shallow forms. A new pattern emerges: one where extreme openness is giving way to stronger links underpinned by mutuality and trust. This new order will define the future of Asia-Europe relationship, promising a chapter of revival for their cooperation.

A world tilting towards inter-regionalism rather than open-ended globalism can bring Asia and Europe closer together. The historically present ties between Asia and Europe have been deepening in recent years, as the regions recognise their strategic interdependence, and the potentiality of their dynamic interconnections faced with global challenges. Asia and Europe have become each other’s most important trading partners (Cameron 2017), together accounting for about 68% of global trade, and 65% of global GDP (EEAS 2022). As world economic power is shifting to Asia (Cameron 2017), these numbers are likely to grow, entrenching multi-polarity. Europe can no longer rely solely on West-to-West cooperation, increasingly dependent, as Covid-19 reminded, on Asia for its vital supply chains. Asia too leans heavily on Europe as its major trading partner and for strategic support, particularly given the recent US inwards-oriented agenda and its tension-ridden decoupling from China (Garcia-Herrera 2022). The stakes are not purely economic: Asia-Europe cooperation will be progressively centred around sustainability and security concerns, with Climate Change set to become at heart of the future relationship between the regions. Especially so given the recent US Inflation Reduction Act, and its deeply protectionist elements of onshoring of the green transition as a national prerogative. It is increasingly up to Asia and Europe to sustain the collective fight against Climate Change in the emerging multipolar system, leading collective commitment to rule-based order and cross-border cooperation.

Cooperation, however, is not convergence. It does not need to be – convergence, as push towards homogeneity, is behind the current push-back against multilateralism. Instead, the new era of Asia-Europe cooperation will be a balancing act of contestation-coordination. Differences must be recognised and respected, compromises negotiated. This is where Asia and Europe find common ground – both share a vision for a constructive, dialogue-based approach to multilateralism that

prioritises sustainable, peaceful and prosperous future over ideological dominance-chasing. Such path does not mean forgoing normative commitments or values completely – neither for Europe, nor Asia. Rather, it will call for promoting them in a sensitive, considerate manner rooted within an appreciation and in-depth knowledge of the partner region. The future of Asia – Europe relationship depends on an understanding and respect of each other’s culture, complexities and goals, while building a shared value-system alongside. Flourishing Asia-Europe cooperation will be about developing relationships that strengthen, not undermine each other’s identities – only then trust can emerge.

For Europe, this entails active awareness of the intricate intra-regional power dynamics of Asia (Lay-Hwee 2016), the multiple and overlapping process of restructuring involving individual states, alliances and intra-regional flux of nexuses. Europe must recognise, that while its own stability is contingent on Asian internal cohesion (EPC 2021), the pace or shape of this cannot be imposed. Asia, although has been through its recent rise developing a distinctive identity beyond geography, must be recognised in its complexity, for what it is and not what Europe might want it to be. The same goes the other way. While there is much to learn from the EU, as probably the most successful project of supra-national integration in history, “European” is not a singularity. Not only Europe stretches beyond the EU, but the block itself is vulnerable to being pulled in different directions by member states, including divergent views on navigating its alliances in the emerging order (Christiansen 2015). On both sides, there is a need for being mindful how one’s internal challenges shape emerging forms of mutual engagement, alongside with deep understanding of and respect for each other.

Given this, building a sustainable trust-based partnership between Asia and Europe necessitates transcending narrow economic and institutionalised forms of engagement and embracing, instead, a system of scaled-down but much deeper multilateralism. Strong and reliable Asian-European inter-regionalism will be built through “formalising the informal” (Oelgemoller 2011): democratising integration via engaging civil society, promoting cultural and knowledge exchange, sharing ideas, and embracing non-institutionalised forms of diplomacy and engagement. Although economic partnership will remain the backbone of Asia-Europe relationship, the freshly crystallising international order is no longer just about market openness. In a world where innovation, not pure growth is driving progress, viability of supply-chains will depend on the parallel exchange of knowledge, expertise, and multidimensional facilitation of connectivity and information networks. Crucially, better – lasting and resilient – not just bolder ties that withstand shocks are those cushioned by layered, value-based integration beyond mercantilist exchange. Where economies fails, friendships remain. Through people-to-people connections values can be mobilised as an antidote to brutish political realism. Weaving the Asian-European inter-regional partnership along a “formal-informal continuum” (Prantl 2014) paves way for a relationship in which institutions themselves are shaped by shared values, and underpinned by trust. Trust, hopefully, will be the foundation of a new chapter in Asia-Europe cooperation: a chapter which ASEM, and millions of us – citizens of Asia and Europe – already started writing.

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