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EU Indo-Pacific Strategy: More than Meets the Eye

By Frederick Kliem

SYNOPSIS

The European Union (EU) has just concluded a first draft of its long-expected Indo-Pacific strategy. While criticism is plentiful, EU policy can have a meaningful impact.

COMMENTARY

THE RISE of the "Indo-Pacific" is a reflection of geo-economic and geo-strategic change, similar to the emergence of the "Asia-Pacific" in the 1990s. It also pressures all stakeholders to adopt a strategy accounting for new geo-political circumstances, the latest of which, on 19 April 2021, is the Council of the European Union's draft guidelines for an *EU Strategy for Cooperation in the Indo-Pacific*. This is to be finalised by the Commission later this year.

The strategy foresees a stronger strategic EU presence and greater contribution to stability, security and sustainable socio-economic development of the Indo-Pacific. As can be expected from a self-identified normative power, EU norms and values take centre-stage, as does its envisioned role as a cooperative partner to all regional powers to jointly work towards upholding international law and "soft" objectives subsumed under the UN's Sustainable Development Goals.

A Paper Tiger?

The easiest — not entirely unjustified — criticism one can level against EU foreign and security policy (CFSP) in general and this strategy is that it is a paper tiger. Ever since the United States officially identified the Indo-Pacific as its main strategic theatre, endorsed a very robust Indo-Pacific strategy, and upgraded the so-called Quad to a quasi-alliance, the battle-lines were drawn around China as the problem.

Naturally, the comparatively mild EU strategy has been — not incorrectly — <u>criticised</u> <u>by observers</u> for its ambivalence and soft stance on China, potentially disappointing its key partners in the region, who take a much stronger position. Instead, Europe was appearing China, or at least evading the problematic China question.

Instead, rather than a shortcoming, EU strategic ambivalence is a strength. A more appropriate comparison is ASEAN's Outlook on the Indo-Pacific (AOIP). Despite being very different organisations, in terms of foreign policy and the China question, the EU faces challenges similar to ASEAN, resulting in a vast expectation-capability gap.

In terms of foreign policy, the EU is not an actor but a platform for coordination of its members' national interests and policies. And just like Southeast Asia, Europe contains a wide range of national interests, threat perceptions and dependencies. Consequentially, one should not expect a united strategic reorientation beyond what has long been EU's Asia policy anyway.

Likewise, one might criticise that the EU strategy does not address China. In fact, it even regresses from once <u>calling China a "systemic rival"</u>. But while many members are concerned about both the strategic and normative challenges China poses, for most this is symbolism rather than a political priority.

Europe's Priorities

The largest member, Germany, is generally normatively conscious, but that its economy is doing reasonably well despite COVID-19 is predominantly a function of a large manufacturing sector capitalising on a continuously strong Chinese market. One should not expect that the Council would suddenly "get tough" on China — especially in a document as strategically loaded as an Indo-Pacific strategy.

Likewise, as important as non-traditional security is, security status is measured in "hard-power" currency. Despite a justified anticipation of greater EU presence following this strategy, a dose of realism and expectation management is in order.

Brussels bureaucrats are not going to become security-relevant actors in the Indo-Pacific theatre. While some may point to the deployment of national (French and German) military assets, this does not demonstrate EU but national power.

Lastly, although the German foreign minister <u>recently repeated</u> the common cliché that 'the future lies in Asia', from a European perspective this is misleading. Economically, Asia is the present, and has been for a long while — nothing has changed here.

In strategic terms, this is grossly misrepresenting Europe's priorities, which are not shifting to East Asia but firmly remain where they have been for centuries: Russia and the Near East. China and the Indo-Pacific are at most in the top-four strategic concerns.

EU-ASEAN: Making a Difference

But similar challenges also offer similar opportunities. Kissinger once remarked that a purely military definition of balance in Asia will eventually shade into conflict. This is

where such reputable actors as ASEAN and the EU can make a difference. They can conceive of a concept of partnership and cooperation, potentially offsetting the worst consequences of hard-power balancing.

Just like AOIP, the EU strategy provides a second way to conceive of the Indo-Pacific, seeing it as distinctly inclusive not exclusive of China. By proposing to focus on common challenges and capacity building, AOIP presented a real alternative to the Quad members' hard power focus.

It also invited all stakeholders to make better use of the existing multilateral architecture in order to manage their differences and mediate great power estrangement. The EU is now unambiguously lending ASEAN its support in precisely these areas.

EU A Relevant Global Actor

Additionally, notwithstanding the obvious lack of military capabilities, the EU is a relevant global actor. This is predominantly a function of its weighty, indeed supranationally organised, common market and trade policy. But the EU is also heavily invested in the Indo-Pacific in terms of diplomacy, non-traditional security questions, and regional multilateralism.

The EU is the largest contributor to ASEAN integration — larger than ASEAN members themselves — and a living example of the benefits of regional multilateralism. The EU can at times serve as a valuable reference point, and Brussels has the power to meaningfully influence the future of trade rules and standards in the region.

Europeans also have great expertise in and experience with ecologically and financially sustainable infrastructure development; something the region is in dire need.

It is very promising to note the prominent role of infrastructure development in the EU Indo-Pacific strategy, coupled with an emphasis on partnerships and multilateralism. There is great potential in synergising with AOIP. But expectations ought to be managed and the EU must focus on what it is good at.

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