

Students' cross-perception of the economic crises in the European Union and in Southeast Asia

Petr Blizkovsky



An examination hall in Denmark (Photo: public domain)

ABSTRACT

The financial crisis of 1997-1998 in Southeast Asia and the European Union's financial crisis of 2008 followed by the sovereign debt crisis represented major policy events in the regions and beyond. The crises triggered policy adjustments with implications on economic and other policies.

This paper aims at evaluating the perception of university students in the European Union (EU) and Southeast Asia on the management of these crises. It strives to confirm several ex ante assumptions about the relationship between students' background, their policy orientation and their knowledge of the European Union and ASEAN policies. It also provides an analysis of the students' evaluation of the geopolitical importance of the global regions and the EU and ASEAN policies.

The paper is based on opinion surveys conducted during the first part of 2012 at four universities, two in the EU and two in ASEAN countries.

In the eyes of EU and ASEAN students, the EU crisis is not being managed appropriately. The citizens of the EU surveyed were even significantly more critical of the EU's anti-crisis measures than any other surveyed group. Their ASEAN counterparts were generally more positive in their evaluations.

Key words: opinion survey, students, European Union, ASEAN, economic crisis

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Students' cross-perception of the economic crisis in the European Union and in Southeast Asia

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1. Introduction

The aim of this paper is to study the opinions of university students on the policy responses to the economic crises in two regions – the Association of Southeast Asian Nations (ASEAN) and the European Union (EU).

The Asian financial crisis that affected ASEAN and the current sovereign debt crisis in the euro zone were severe and were followed by structural policy responses. Public opinions are an important indicator as to whether the crisis management and policy adjustments were appropriate. This is useful information for further policy reforms.

The opinion surveys were conducted among university students who are close to public policy studies. Thus the survey can be seen as representing opinions of a selected group of future policy makers and practitioners in their respective regions.

The main research question of the paper is to confirm a hypothesis that students' perception of the crisis management is mainly determined by their geographical background. More concretely, it was assumed that EU students would be more critical of crisis management in the context of the ongoing crisis. This presumption was based on two elements. First, the European crisis had been ongoing in the time of the research, so it was supposed that European students would be more critical of it. Second assumption was more of the cultural nature: it was subjectively observed by the author while teaching in Asian universities that European students tend to be more critical than their Asian counterparts.

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The subsidiary research task is to confirm several *ex ante* assumptions about the relationship between students' background, other than geographical, their policy orientation, and their knowledge of European Union and ASEAN policies. It also provides an analysis of the students' evaluation of the management of both crises, and cross-analyses students' opinions on the importance of the various global regions to the EU and ASEAN.

2. Literature overview

ASEAN and the EU are two "recognisable" examples of regional cooperation. The integration process was formalised in the EU in 1957 when the predecessor of the EU, the European Economic Community, was created with the objective of establishing peaceful coexistence on the continent which had experienced several military conflicts. One decade later, the Association of Southeast Asian Nations (ASEAN) was established as a mechanism to manage intra-regional and big power relations. Both regions have been growing progressively. In the case of ASEAN, there were five signatories in the beginning (Indonesia, Malaysia, the Philippines, Singapore and Thailand) and now there are 10 (these and Brunei Darussalam, Viet Nam, Lao PDR, Myanmar and Cambodia). In the case of the EU, it has grown from the initial six members to the current 27 (with Croatia joining in 2013).

The nature and ambition of cooperation in both regions differ. The working method in the ASEAN region, which experiences bigger cultural and welfare disparities, is based on voluntary cooperation, without sharing sovereignty. Its decision-making process relies on consensus and consultation. Dispute settlements are not subject to court ruling, and institutional intensity is low (Tan, G., 2003; Welfens, P. J. J. et al [eds], 2009; Yeo, L. H., 2009; Lee, J., 2010).

The EU operates on the basis of a legally-binding process, where the EU legislation prevails at the national level and sovereignty sharing applies to defined areas. The EU is charged with judiciary responsibility and there is a strong institutional structure supporting the functioning of the EU.

There are consequently differences in economic governance in both regions. The ASEAN economic governance before the crisis in the region was based on political dialogue and consultation, while the EU pre-crisis economic governance was based on a set of

legally-binding rules in the single market area with free movement of production factors. This was coupled with the European Economic and Monetary Union (EMU) as of 1992. Several studies analyse both the economic policy design (Blizkovsky, P., 2012) of the EU and its shortcomings, including in respect to implementation (Marzinotto, B., Sapir, A. and Wolff, G. B., 2011; Schuknecht, L., Moutot, Ph., Rother, Ph. and Stark, J., 2011; Nordvig, J., 2012).

Both regions have experienced their financial and economic crises, ASEAN in 1997-1998 and the EU since 2008. The nature of each of the crises was however different. The Asian financial crisis was principally exogenous (Henning, R. C., 2011; Rajan, R. S. and Gopalan S., 2011; Blizkovsky, P., 2012). The Asian countries were conducting sound fiscal policies and were introducing structural measures to increase their competitiveness. However for many of them, their monetary policy was linked to the fixed exchange peg to the US. This fixed peg combined with the international free movement of capital caused the crisis once short-term investors withdrew capital from the individual economies. This happened first in Thailand and in Indonesia, and then spread to Malaysia, the Philippines, Hong Kong and Korea.

The financial crisis experienced by the EU in 2008 was also triggered externally by the US subprime mortgage market. It then spread through the banking channel and eventually caused the sovereign debt crisis in some euro area members, such as Greece, Portugal, Ireland or Spain, and in the rest of the European Union, such as Hungary, Romania and the Baltic states. The principal cause of the euro area economic crisis however was due to the internal structural problems of the incomplete economic and monetary union. The single monetary policy was not fully complemented by the strict application of fiscal coordination and thus triggered the investors' perceptions of a differentiated risk level of sovereign defaults. This led to significantly higher spread levels in borrowing costs and to sovereign debt crises in several countries.

The policy response to the crisis was significant in both regions. On the ASEAN side, it led to the creation of ASEAN Plus 3 (ASEAN + China, Japan and Korea), and a soul searching within the association leading to a desire for a more institutional approach toward region-building and hence the aspiration for an ASEAN Community by 2015 and the adoption of the ASEAN Charter. These developments were analysed among others by Acharya, A. (2010); Baldwin, R. (2011);

Hamilton-Hart, N. (in EU Centre in Singapore, 2011); Leshner, M. and Plummer, G. (2011) and by Wong, M.-H., Shankar, R. and Toh, R. (2011). On top of this, financial cooperation was strengthened in both the ASEAN and ASEAN Plus frameworks. This started with a network of bilateral currency swaps in 2002 and was followed by the Chiang Mai Initiative Multilateralisation (ASEAN Plus 3, 2010). Another instrument of economic governance was the Asian Bond Markets Initiative, aimed at creating efficient and liquid bond markets in the region (see Chung, W.C., 2006). The Macroeconomic Research Office (AMRO) was created as a regional macroeconomic surveillance and crisis management unit for ASEAN Plus 3.

The crisis in the euro zone was met by the EU by focusing on strengthening the regulatory framework in the financial services area, on fiscal rules for the EU and in the euro area, and on competitiveness surveillance. An important feature is the creation of financial assistance within the euro area through intergovernmental instruments. This comprises the European Financial Stability Facility and European Stability Mechanism. Importantly, the rules of fiscal coordination have been progressively strengthened and have become partially decoupled from the political implementation control. The literature, such as Begg, I., Belke, A., Dullien, S., Schwarzer, D. and Vilpisauskas, R. 2011; Blizkovsky P., 2011; Bishop, G. 2011; and Woolcock, S., 2012, offers further details.

Public opinion on the crisis is important. Public support for the reforms is a precondition for passing new rules in the parliaments and it also determines the outcome of elections. Economic crises, as they are followed typically by spending cuts and/or revenue increases, are of course not liked by citizens. However, policy adjustments as a reaction to the crisis can offer a long-term benefit to society.

As expressed by European citizens in the Autumn 2011 Eurobarometer (European Commission, 2012) and contextualised in the Pew Research Center Survey on European unity (Kohout, A. et al, 2012, p. 48), public opinion surveys show declining support for the common currency and the European Union as a whole. We do not, however, have at our disposal any opinion survey concerning the ASEAN perception on the financial crisis.

Lisbonne-de Vergeron, K. (2011) studied the Chinese and Indian views on Europe and how it reacts to the economic crisis. One of the conclusions is that the EU

crisis is seen in Asia as a crisis of the Western economic model and not only as an EU crisis. On the management of the euro crisis, the Chinese respondents are more positive compared to their Indian counterparts. In general, the author suggests that the Asian respondents of Confucianism background can tend to be more positive in evaluations of the policy actions, probably due to Asia's cultural perspectives (Lisbonne-de Vergeron, K., 2011, p. 18), which tend to be influenced by the tradition of a long-term outlook and higher optimism. As generally underlined in various public opinion work that has been carried out over the past five years or so (Chaban et al 2009; Holland, M. et al, 2007; Portela, C., 2010; Turner, B., 2009), Asian respondents see the EU as an important economic partner. They however fear that the crisis will make the EU more inward-looking.

3. Methodology

The source of data was our own public opinion research conducted in the first half of 2012 among the current university students at four universities (see Table 1 for students background): Kasetsart University's International Master of Business Administration (KIMBA), Thailand; Lee Kuan Yew School of Public Policy, National University of Singapore, (LKYSPP), Singapore; Mendel University, Faculty of Regional Development and International Relations (Mendel), Czech Republic and the Free University Brussels, Faculty of Law and Criminology, (VUB), Belgium.

Table 1: Regional and study programme redistribution of students surveyed by the University

Citizenship & level of studies	KIMBA	LKYSPP	Mendel	VUB	Total
ASEAN	14	32	0	1	47
EU	6	5	54	17	82
Other	1	30	0	9	40
Master's	21	53	9	26	109
Bachelor's	0	9	41	0	50
PhD	0	5	0	1	6
Other	0	0	4	0	4
Total	21	67	54	27	169

The survey collected opinions on the relative importance of macro-regions, the policy pursued by the respective macro-regional organisations, the success of the crisis response and the elements of the crisis

management during the current European debt crisis and the 1997-1998 Asian financial crisis.

In addition to dummy characteristics stated in the survey (citizenship, university, level of education) appropriate weighted coefficients were devised at the author's discretion from students' responses, policy orientation (departing from the importance of concrete policies as stated in answers) and erroneous knowledge of the organisations' anti-crisis response. Subsequently, these coefficients and other characteristics were correlated and tested. A non-discriminatory association of all responses to discover linkages between specific personality orientations and opinions on the crisis management was sought as well.²

For establishing the importance of the macro-regions and policies pursued, students who assumed high importance of concrete regions were assigned a mark subsequently weighted into the coefficient twice as high as those who assumed only medium importance. Explicitly stated low-importance perception was assumed to give zero importance to respective regions.

Coefficients of students' knowledge were composed of answers concerning crisis response with a weighted importance of answers considered to be erroneous. A first coefficient was derived from the number of mistakes made in the assessment of anti-crisis measures pursued by ASEAN weighted, following our self-assessed extent of such errors, with fiscal cooperation, together with the single market attempts considered to be small mistakes, tax harmonisation a medium mistake (twice the importance of the preceding category), and the creation of a monetary union a rather significant one (three times the first category), since such policies were not pursued as a response to the crisis, not pursued at all, or its projects had near to no importance in the crisis management. A second coefficient was derived from the number of mistakes made in the assessment of anti-crisis measures pursued by the EU non-weighted between creation of the single market and removing trade barriers, since none of the measures were implemented in the crisis context.

Subsequently, a set evaluating the positive opinion on efficiency or on the appropriate character of the anti-crisis measures was devised with the same weight, where the value 0.5 represents a neutral opinion, while

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0 and 1 respectively strictly negative and positive ones. Source questions concern the opinion of the appropriateness of the measures and their efficiency. Both answers were given the same weight. These coefficients were devised for the EU, for ASEAN and as a non-weighted means for both organisations.

Further personal-character coefficients were devised from answers to questions, which would point to specific personal orientations. Coefficients were therefore created with an aggregated weighted average of answers, which would reflect economic or political orientation (answers corresponding to assigning high importance to economic or politics-related policies of both organisations).

In order to confirm our hypothesis that the perceived importance is mainly determined by the economic output and geographical distance, results of this survey were correlated with the IMF data on nominal GDP (IMF, 2011) and average distances between centres of the concerned regions. Due to the effects on external trade, the nominal value of economic output was considered to be more appropriate than the purchasing-power adjusted one. The correlation was tested and the coefficient of determination calculated in order to discover to what extent variables in the hypothesis influence the perceived importance of regions.

4. Results and discussion

The surveys aimed at evaluating the perceptions of students in EU and ASEAN countries of the recent European crisis compared with the Asian crisis in the late 1990s. Several *ex ante* assumptions strived to be confirmed about the relationship between students' background, their policy orientation, knowledge of EU and ASEAN policies, and the subjective evaluation of the crises management.

Considering the crisis context and its potential to influence perception between world macro-regions, the perceived importance of world macro-regions for EU and ASEAN students, as well as the cross-perception of policy orientation of the two organisations, was assessed as well.

On top of the analyses of the importance the students from different geographical origins attribute to other global regions, their opinions on the relevance of various EU and ASEAN policies, were also analysed.

The summary results of students' opinions and knowledge are presented in Table 2.

Table 2: Students' opinions and knowledge results, means of chosen variables (0,1) and their standard deviation

Variable	ASEAN	EU
Economic orientation ¹⁾	0.636 (0.219)	0.700 (0.255)
Political orientation	0.436 (0.259)	0.433 (0.281)
Opinions on ASEAN measures ²⁾	0.553 (0.379)	0.546 (0.201)
Opinions on EU measures	0.404 (0.359)	0.317 (0.375)
Measures were right (both)	0.500 (0.286)	0.457 (0.257)
Measures were efficient (both)	0.457 (0.318)	0.405 (0.241)
Mistakes on ASEAN measures ³⁾	0.255 (0.231)	0.300 (0.235)
Mistakes on EU measures	0.191 (0.305)	0.244 (0.345)
Importance of ASEAN ⁴⁾	0.915 (0.217)	0.449 (0.338)
Importance of EU	0.574 (0.294)	0.944 (0.194)

Means of standardised normalised (0,1) variables with standard deviations in brackets, the highest mean of either is in **bold**

¹⁾ Where 1 corresponds to a full economic or political orientation, 0 to none

²⁾ 1 corresponds to a fully positive opinion, 0.5 neutral and 0 negative

³⁾ 1 corresponds to all possible mistakes committed, score 0 to none

⁴⁾ 1 corresponds to a maximum importance, 0.5 medium and 0 none

Opinions on the crisis management

The analysis on the opinion on the handling of the EU and Asian financial crisis was the main focus.

Three tests were carried out. Firstly, the relationship between citizenship and opinions/knowledge was analysed (citizenship test). Secondly, a set of variables was devised, demonstrating a student's economic or political orientation, which were compared subsequently with opinions on crisis measures (economic relevance test). Finally, a coefficient of

propensity to make mistakes on the exact character of these measures was calculated in order to assess to what extent being informed on crisis measures implies a change in opinion on anti-crisis measures (knowledge test).

Citizenship test

The hypothesis, which was tested here, was that the EU students would be more critical of the handling of both the Asian and the EU economic crises compared to their Asian colleagues.

This hypothesis was confirmed. The survey confirms the negative perception of the EU's crisis management in relative and absolute terms (Graph 1). Students across all groups tend to evaluate the EU's measures in the ongoing crisis negatively (inferior to 0.5 in Table 2) and worse than the ASEAN ones during the Asian crisis.

EU students are therefore more likely to be critical of the policy response pursued by European leaders (Table 3). The highly critical opinion on EU measures expressed by EU students in our survey is in line with the declining support for the common currency and the European union as a whole expressed by European citizens in the autumn 2011 Eurobarometer (European Commission, 2012, p. 14) and contextualised in the Pew Research Center Survey on European unity (Kohout, A. et al, 2012).

ASEAN students have a more positive evaluation of both of the organisations' crisis-management capacity. The assumption was that the underlying cause is the frequency and nature of the media coverage. In this respect, the results of our survey are also generally in line with the perception of the EU crisis by other Asian countries. As suggested by Lisbonne-de Vergeron, the roots of the positive approach probably lie in Asia's cultural perspectives (Lisbonne-de Vergeron, K., 2011, p. 18), which tend to be influenced by the a longer-term outlook and stronger optimism.

Economic and political relevance test

It was assumed that there is a link between the importance the students attribute to the economic policies (in both regions) and their evaluation of the crisis management. The hypothesis was that the students who consider economic policies of the EU and ASEAN as important would be more critical of the crisis management in both regions. This hypothesis was not

confirmed (see Table 4, first column). Opinions seem to be rather independent from the propensity of the student to prefer a specific policy field.³

On top of this, it was found that ASEAN students who attach more preference to economic policies tend to commit fewer mistakes on both the ASEAN's and the EU's crisis measures (correlation coefficient of 0.275 with 94% significance; see Table 4). In the group of EU students, this linkage is inconclusive (zero correlation with significance of less than 1%). ASEAN students with a bigger economic orientation are thus more likely to be better informed on EU's anti-crisis measures, while economic orientation among EU students does not seem to influence knowledge concerning the EU's anti-crisis measures.

Knowledge of the policies pursued by the EU and ASEAN

The next test looks at the correlation between the knowledge of the EU and ASEAN policies and the level of critical evaluation of their crisis management. The tested hypothesis was that the better the knowledge the students have,⁴ the more critical they are of the crisis handling.

This hypothesis was confirmed only in the case of ASEAN. ASEAN students with less knowledge of actual anti-crisis measures (who commit more mistakes) perceive the EU crisis measures as more appropriate and efficient (correlation coefficient of 0.221 with 86% significance; see Table 5, third row). This implies that the more informed ASEAN students tend to appreciate the gravity of the European crisis and therefore a limited success in its resolution. In the group of EU students, there is no significant correlation in this respect (-0.061 with 41% significance). This implies that European students evaluate the success of the crisis measures depending on other elements rather than technical knowledge of its elements. These elements could include the students' preferences of EU integration in general and the degree to which their country of origin was exposed to the crisis.

³ The policy-orientation variables were devised from students' answers on the nature of policies they associate with EU or ASEAN.

⁴ We consider that the more mistakes the students commit, the less knowledge they have of the measures.

Graph 1: Opinion on the EU’s crisis management

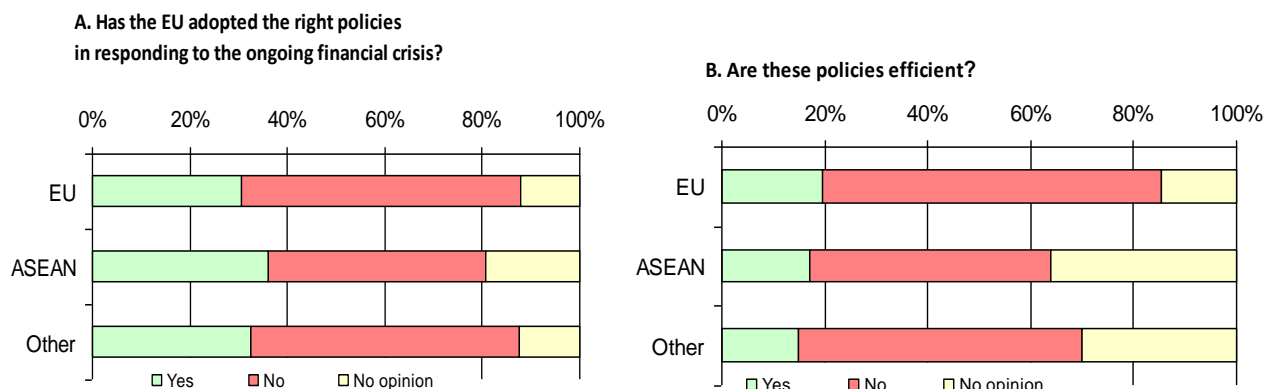


Table 3: Evaluation of crisis measures by citizenship

	Citizenship	Negative	Positive	$\chi^2(1)^{1)}$	GoF ²⁾
ASEAN measures' right character	ASEAN	43%	57%	0.8229	36.4%
	EU	30%	70%		
ASEAN measures' efficiency	ASEAN	41%	59%	0.4173	51.8%
	EU	32%	68%		
EU measures' right character	ASEAN	55%	45%	1.0569	30.4%
	EU	65%	35%		
EU measures' efficiency	ASEAN	73%	27%	0.1671	68.3%
	EU	77%	23%		

Unexpressed opinions, including 'don't knows' answers are excluded.

¹⁾ Person χ^2 with one degree of freedom.

²⁾ Probability of the goodness of fit.

Table 4: Correlation of chosen variables with economic and political orientation

Citizen-ship	Variable	Economic orientation	Political orientation
ASEAN	Opinions on ASEAN measures	0.042 (0.779) ¹⁾	0.136 (0.363)
	Opinion on EU measures	-0.107 (0.472)	-0.221 (0.136)
	Mistakes on EU measures	-0.275 (0.062)	-0.014 (0.926)
	Opinions on ASEAN measures	0.166 (0.136)	-0.044 (0.694)
EU	Opinion on EU measures	-0.085 (0.446)	-0.127 (0.255)
	Mistakes on EU measures	0.001 (0.994)	0.167 (0.134)

¹⁾ Pearson correlation (significance)

Correlation with >90% significance are in **bold**

Table 5: Mistakes on measures

Variables	ASEAN	EU
Mistakes on ASEAN measures ¹⁾	0.255 (0.231)	0.300 (0.235)
Mistakes on EU measures	0.191 (0.305)	0.244 (0.345)

Means of (0,1) coefficients with standard deviations in brackets, the highest mean of either is in **bold**

¹⁾ Where 1 corresponds to all possible mistakes committed, 0 to none

More surprisingly, the EU students with a higher level of knowledge of the ASEAN anti-crisis measures (who commit fewer mistakes) tend to perceive them more positively (correlation coefficient -0.210 with 94% of significance; see Table 5, first column). A possible explanation is that the more knowledgeable students are more aware of the complexity of the anti-crisis measures and are thus less critical in their evaluation.

As a side result, the survey also showed that EU students have a lower knowledge of ASEAN anti-crisis measures applied during the Asian crisis than ASEAN students have of the current European crisis. However, there is a statistical factor here which should be taken into account – the fact that a higher proportion of the EU students were undergraduates. In addition, 11% of the students at the two ASEAN universities were from the EU but there was only one student (1.2%) from ASEAN at the two EU universities (0.300 of mistakes committed compared to 0.255 by ASEAN students; see Table 5). This could be explained mostly by the lower perceived importance of ASEAN among EU students, the lower relative coverage of ASEAN events, and the time distance from the Asian crisis. The surprisingly lower level of knowledge of EU students of the EU anti-crisis measures (0.244 of mistakes compared to 1.91 by ASEAN students; see Table 5) is probably due to the tendency of EU students to associate crisis-irrelevant but existing policies with crisis response (the single market and removing trade barriers).

On top of this, the survey revealed that the respondents who had a good knowledge of the policies in one region also had a good knowledge of the policies of the other. They made few mistakes but they made them in the answers concerning both regions, thus there is a clear association between mistakes committed in the EU and those made in ASEAN across the groups (0.261 and 0.404 for ASEAN and EU students respectively with high values of significance; see Table 6, third column). This could be attributed to the fact that there is either a group of students with a higher level of interest in macro-regional organisations or with a higher level of knowledge of international affairs.

Importance of macro-regions

Our next research question relates to the perceived importance of the global regions⁵ among the EU and ASEAN students.

⁵ ASEAN, European Union, North America, South America, Japan, China, Russia and Australia.

The tested hypothesis was that the geographical proximity and nominal GDP (potential as a trading partner) are the main positive factors of the perceived region's importance. This hypothesis was confirmed as very significant in the case of the EU and modestly significant in the case of ASEAN. Distance was proved to be less determining, explaining 19% and 46% of importance given to regions respectively among ASEAN and EU students. The GDP determines roughly a third and a half of the variance in the perceived importance of the ASEAN and EU respectively, and is therefore to be considered the main determinant (Table 8).

Apart from proximity and economic output, there is also a geopolitical and cultural relevance, which seems to play a role and would explain the remainder of the variance. This was demonstrated by the relatively high importance of Russia, and to a limited extent also the disproportionate importance of North America if compared to the EU.

On top of this, the survey found that students with citizenship of an ASEAN country assign consistently higher importance to EU than European citizens do to ASEAN. The EU comes however in its importance only after China, Japan and North America (Graph 2 and Table 7). While the EU's importance in ASEAN is still rather significant, it is unlikely that it would overpass these. This could be partly due to the relatively lower coverage of EU-related news if compared to other Asian countries (Holland, M. et al., 2010, p. 188). Methodologically, it should however be reminded that not all students at the ASEAN universities are from ASEAN countries. Therefore, the results might be partially distorted. For EU students, ASEAN is the least important region out of eight after Australia and South America. This is coherent with the limited level of knowledge of ASEAN countries and the policies they pursued and perhaps also because only one student at the EU universities was from ASEAN, while 11% of the students at the ASEAN universities were from the EU.

As a side result, the survey revealed that cross-importance tends to be associated with self-importance. This means that some students assign consistently higher importance to macro-regional organisations in general. This is in line with the association between the number of mistakes on both regions. It implies that some of the students are consistently better informed and more interested in cooperation between macro-regional organisations.

Table 6: Correlation of variables related to the knowledge test

Origin of the respondent	Variable	Opinion on ASEAN measures	Opinion on EU measures	Mistakes on ASEAN
ASEAN	Mistakes on ASEAN measures	0.223 (0.132) ¹⁾	0.339 (0.020)	–
	Mistakes on EU measures	0.004 (0.979)	0.221 (0.136)	0.261 (0.076)
EU	Mistakes on ASEAN measures	-0.210 (0.058)	-0.061 (0.587)	–
	Mistakes on EU measures	0.015 (0.892)	0.170 (0.126)	0.404 (0.000)

¹⁾ Pearson correlation (significance)

Correlations with >90% significance are in **bold**

Underlined values refer to correlations in the same direction in both regions

Table 7: Importance given to macro-regions, distance and nominal GDP

Region	Importance (EU) ¹⁾	Importance (ASEAN)	Distance EU ²⁾	Distance ASEAN	Nominal GDP ³⁾
EU	93%	57%	-	10.3	17.6
Russia	54%	18%	2.7	7.7	1.9
China	76%	90%	7.4	2.7	7.3
Japan	45%	59%	9.2	4.3	5.9
ASEAN	43%	91%	10.3	-	2.2
Australia	11%	34%	15.1	5.8	1.5
South America	29%	17%	9.9	18.6	3.5
North America	74%	71%	8.3	13.8	16.8

¹⁾ Where 100% corresponds to maximum importance, 50% to medium and 0% to none

²⁾ Average distance of regions in thousands of kilometres

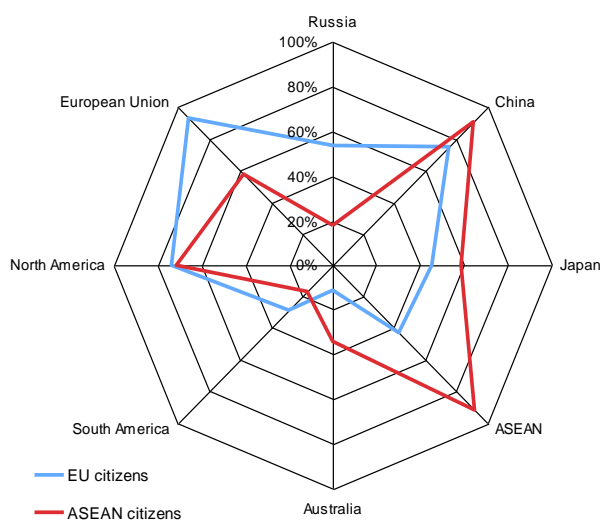
³⁾ Nominal GDP in trillions of USD as of 2011

Source : Own calculations and IMF (2011)

Table 8: Correlation between nominal GDP and distance with perceived importance

	ASEAN	EU
Distance	-0.4357	-0.6749
(significance)	(0.3285)	(0.0962)
R ²	19%	46%
GDP	0.5883	0.6949
(significance)	(0.1647)	(0.0831)
R ²	35%	48%

Graph 2: Importance of macro-regions



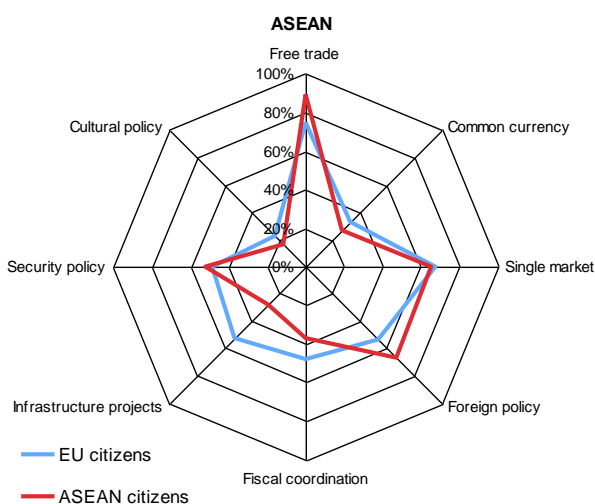
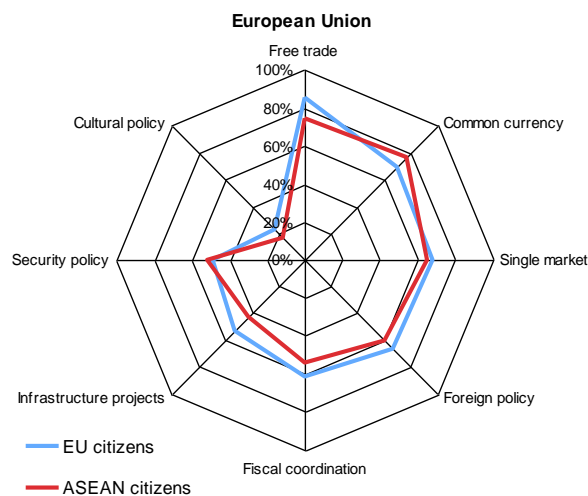
Importance of policies

Finally, the survey strived to assess students’ opinions on the importance they attribute to the various policies and competences of the EU and ASEAN.⁶

The starting assumption was that the assessments of policy importance would be more homogeneous in the case of the EU, where the number of competences is higher and more developed. Economic policies of the EU were perceived to be more important than other policies. In the case of ASEAN, the hypothesis was that the distribution of perceptions on the importance of the policies responses would correspond less to its real competences, implying thus a lower level of knowledge of the issue, especially among EU students. It was also assumed that trade policies would be seen as key ones. The hypotheses were largely confirmed (see Graph 3).

Both groups of students largely agree on the main purposes of the European Union, with ASEAN students even assigning more importance to the common currency, thus representing the main topic of the recent crisis coverage. For the questions asked, please see annex 1. The deviations in the case of common currency, infrastructure projects, culture, fiscal coordination and foreign policy are attributable to a

Graph 3 - Perceived importance of policies in the EU and ASEAN by citizenship



Note: The assessment of the importance given to policy areas was established on the basis of a ranking (for details, see section 3)

higher level of importance assigned by ASEAN citizens to the economic dimension of European integration (Holland, M. et al, 2010, p. 189).

The importance that European students assign to ASEAN policies diverges from those of ASEAN students. Concerning several policies, EU students are probably projecting the EU role onto ASEAN, notably by associating it more often with a capacity for financing infrastructure projects, fiscal coordination or even a common currency.

⁶ Fiscal coordination, common currency, free trade, foreign policy coordination, security policy coordination, single market, joint financing of infrastructure projects and cultural policy.

5. Conclusions

In the eyes of EU and ASEAN students, the EU crisis has not been managed appropriately. While the limited number of expressed opinions limited also our assessment of the ASEAN response to the Asian crisis, the latter is overall more positive. The students of the EU were even significantly more critical of the EU's anti-crisis measures. Their ASEAN counterparts were generally more positive in their evaluations. This was in line with our hypothesis.

While the overall opinion of EU anti-crisis measures is negative, the respondents assess even more negatively the efficiency of the measures. The respondents are therefore more likely to consider the EU's crisis management as right rather than as efficient, implying that orthodox policy response can be insufficient under extraordinary circumstances.

Despite the clear correlation between a country of origin and an opinion on crisis management, the influence of actual knowledge of the crisis measures on opinions was not confirmed. There is as well only a very weak linkage between the opinions of students of the crisis management and their policy orientation. This went largely against our assumptions about the character of the crisis.

This implies that opinions on the management capacity of leaders and policymakers are in all probability more linked to contextual influences and to media access. This would also be confirmed by the fact that economically-oriented students from ASEAN tend to commit fewer mistakes on the EU's crisis management, therefore implying that information on the European crisis in Europe is widespread, while students residing in ASEAN have to be interested in economic affairs in order to achieve a satisfactory level of information on the measures.

ASEAN students with less knowledge of actual anti-crisis measures are also more likely to assess EU measures as appropriate and efficient. This implies that more informed ASEAN students understand better the gravity of the situation. Part of the positive opinion of EU crisis measures can be therefore attributed to the limited knowledge of ASEAN students of the actual situation in the EU.

The correlation between the number of correct answers on the crisis measures of both organisations as well as the high association of cross and own

importance have been confirmed. In this context, own importance represents the declared importance of one's own region, while cross importance stands for the stated importance of the opposite region (EU for ASEAN students and ASEAN for EU students). It can therefore be assumed that there exists a loose group of students interested in supranational organisations and with a propensity to assign to them a higher level of importance.

ASEAN students tend to assign higher importance to the EU than the EU students do to ASEAN. The EU however follows in importance only after China, Japan and North America. For EU students, ASEAN is the least important region, even after Australia and South America (See Annex 1, Question 1). Our hypothesis of gross domestic product and geographical distance respectively as the most significant explanatory factors of perceived regional importance was confirmed. Altogether they explain between a half and two-thirds of variance of perceived importance.

Concerning the knowledge of students of specific policies of macro-regional organisations, the assumption was that students would assign more homogeneously the policy competences to the EU than to the ASEAN, which is still perceived as an economic project. This assumption was confirmed.

We have also foreseen a more correct evaluation of EU policies by ASEAN students than vice versa, due to the lower perceived importance and coverage of ASEAN in the EU. Indeed, while ASEAN students have a rather appropriate knowledge of the character of the EU and the policies it pursues compared to their European colleagues, EU students failed to demonstrate a similar coherence and tend to have a different and largely incorrect image of ASEAN.

The student's opinion and knowledge can be used by the policymakers as an indicator of the attitudes of one segment of the population. It can also serve as a contribution to the ongoing opinion of and research on the EU image in Asia.

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Annex 1 - Questionnaire
ASEAN⁷ and European Union in crisis

Respondent's details

A. My citizenship (please choose one reply only)

- I am a citizen of an EU country*
- I am a citizen of an ASEAN country*
- I am a citizen of another country*

B. My student status (please choose)

- I am a Bachelor's student*
- I am a Master's student*
- I am a PhD student*
- None of the above*

Q 1 How important to your country do you consider the following regions?

(maximum 3 marks per column)

Region	most important	medium important	least important
<i>ASEAN region</i>			
<i>European Union</i>			
<i>North America</i>			
<i>South America</i>			
<i>Japan</i>			
<i>China</i>			
<i>Russia</i>			
<i>Australia</i>			

⁷ Association of Southeast Asian Nations (ASEAN) - Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Burma (Myanmar), Cambodia, Laos, Vietnam

Q 2 Which of the following policies do you associate with the ASEAN in general?

(maximum 3 marks per column)

Policy	most important	medium important	least important
<i>fiscal coordination</i>			
<i>common currency</i>			
<i>free trade</i>			
<i>foreign policy coordination</i>			
<i>security policy coordination</i>			
<i>single market</i>			
<i>joint financing of infrastructure projects</i>			
<i>cultural policy</i>			

Q 3 Which of the following policies do you associate with the EU in general?

(maximum 3 marks per column)

Policy	most important	medium important	least important
<i>fiscal coordination</i>			
<i>common currency</i>			
<i>free trade</i>			
<i>foreign policy coordination</i>			
<i>security policy coordination</i>			
<i>single market</i>			
<i>joint financing of infrastructure projects</i>			
<i>cultural policy</i>			

Q 4 In your opinion, did ASEAN adopt the right measures when responding to their 1997/1998 financial crisis? Were these policies effective?

Region	I have a more positive evaluation	I have a more negative evaluation	I have no opinion
<i>ASEAN adopted the right measures</i>			
<i>ASEAN measures were effective</i>			

Q 5 In your opinion, has the EU adopted the right policies in responding to the ongoing financial and economic crisis? Are these policies effective?

Region	<i>I have a more positive evaluation</i>	<i>I have a more negative evaluation</i>	<i>I have no opinion</i>
<i>European Union adopted right measures</i>			
<i>EU measures were effective</i>			

Q 6 When thinking of the economic crisis in the ASEAN region in 1997/1998, what measure(s) taken by the ASEAN come to your mind?

<i>Proposed list of measures</i>	<i>Select maximum 3 measures</i>
<i>Implementing fiscal cooperation</i>	
<i>Progressive removal of internal trade barriers</i>	
<i>Creation of monetary union</i>	
<i>Creation of single market</i>	
<i>Cooperation beyond ASEAN in currency swaps</i>	
<i>Harmonising tax</i>	

Q 7 When thinking of the current financial and economic crisis in the EU, what measure(s) taken by the EU come to your mind?

<i>Proposed list of the measures</i>	<i>Select maximum 3 measures</i>
<i>Strengthening fiscal surveillance</i>	
<i>Progressive removal of trade barriers</i>	
<i>Providing financial assistance to stressed members</i>	
<i>Creation of single market</i>	
<i>Creation of political union</i>	
<i>Strengthening cooperation to enhance competitiveness</i>	



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