

The European Union in Southeast Asia: Missing the Boom?
(Evaluation of a Rescue Attempt by the European Commission)

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Introduction:

Approaches to European Foreign Policy Making

The Commission of the European Communities published a first policy paper¹ "Towards a New Asia Strategy," in July 1994. The paper has since been approved by the Council in principle.² It is aimed at "strengthening the European economic presence in Asia in cooperation with the member states and the private sector but it also suggests "subjects for political discussion."

The publication of this paper is to be seen in the context of at least three important developments. First, the rapid economic growth in Asia, termed "miracle" in a recent World Bank Report³; second the general mood that Europe is missing out on this "boom," being surpassed by Japan and the U.S. as major influences in the region; and third the ratification of the Treaty of European Union (TEU) with its new potential for the development of a Common Foreign and Security Policy (CFSP).

Under these conditions, the European Commission threw its hat in the ring by proposing a "New Asia Strategy." The proposal was published on July 13, just two weeks before the Post-Ministerial Conferences (PMC), the meeting of ASEAN ministers with their dialogue partners, in Bangkok on July 26. This paper is aimed at evaluating the Commission's strategy and its prospects for implementation by taking a look at the institutions and decision making procedures at hand to carry out this policy.

Foreign policy actions of the European Union, and before the European Community, so far have been somewhat of a puzzle and now certainly warrant further scholarly attention to include the changes brought about by the Maastricht Treaty. Ginsberg⁴, in his very comprehensive study of EC foreign policy actions between 1958 and 1985, in addition to demonstrating the mere existence of EC foreign policy actions as well as their increase in number over time, is mostly concerned with the question what caused or triggered these actions. He suggests to distinguish between actions related to "internal" European integration, "external" global interdependence, and "self-styled" actions. The new Asia strategy, which is a whole policy package rather than a single action⁵, probably falls into the "self-styled" category as an attempt by the European Union to assert itself in the Asia-Pacific region, combined with some elements drawing on the progress of internal integration (ratification of the Maastricht Treaty) and the impact of some global interdependence factors (the economic emergence of Asia and its impact on the respective trading partners; the EU "competing" with the U.S. and Japan in Asia).

However, the main questions for this paper here does not evolve around the causes of and triggers for a new Asia strategy. The paper is rather aimed at evaluating the prospects for implementing a "common" European Asia strategy and the role the most important institutions, namely the Commission and the Council will assume in implementing this process. That is to say that, having established the EU as a foreign policy actor, we want to see how these policies fare--just like in the analysis of other "common" (internal) policies.

The success or influence of Europe in Asia very much rests on the assumption of a "common" European approach. Given the strong influence of the U.S and Japan, as outlined briefly below, probably none of the individual member states can build up a equally significant presence in the Asia-Pacific region alone. All member states in one way or the other benefit from an "economy of scale" rather than struggling for their luck on their own in this arena.

Interestingly enough the Europe's feared competitors, Japan and the U.S., are blamed to "lack a comprehensive strategy in regard to relations with Southeast Asia"⁶ However, their respective influences are undisputed and they have a shared interest in sustained economic growth and political stability in Asia and Southeast Asia in particular. Japan, on the one hand, has taken on the role of the "banker," providing foreign direct investment and increasingly exporting its manufacturing sites to countries with labour cost advantages; the U.S., on the other hand, has provided a security umbrella but is now in the process of shifting its emphasis to trade after the end of the cold war. The U.S. is the largest export market for many Asian countries. Through the APEC initiative, the U.S. has recently again manifested its strong interest in the Asia Pacific region.

This is the background against which a common European approach is to develop. An effective common approach of the Community and the EU has often been associated with supranational characteristics: strong community institutions, a body of European law superseding national law, majority voting in the Council rather than unanimous decision making. Foreign policy making in the EC however, the European Political Cooperation (EPC) in particular, has mostly been characterized by intergovernmental procedures. In spite of these strong intergovernmental features, the Commission, as a (supranational?) institution which represents "Community" interests, has kept a hand in the foreign policy arena⁷.

This paper argues that the new Asia strategy, under the umbrella of the Maastricht Treaty with its new provisions for a common foreign policy, is yet another push of the Commission towards a "common" European approach. For the foreign policy arena and in this Asian case in particular, the Commission is not only demonstrating its right to propose policy but also claiming some aspects of implementation, although the Commission's means are limited compared with those of the member states.

Given the novelty of the Asia strategy, what follows is a very preliminary collection of observations, which I hope to develop further into a contribution to both the understanding of Asian-European relations and the underlying institutional conditions for the making of European foreign policy. Beyond the debate of supranational vs. intergovernmental, an analysis of how the European institutions work might shed some light on the prospects for Europe as a collective actor on the foreign policy stage.

The remainder of the paper is divided into three parts, namely, first, an review of the policies proposed; second an exploration into the institutions charged with its implementation; and third, by way of conclusion, a shaky hypothesis for the prospects of Europe's "New Asia Strategy" will be constructed.

The New Asia Strategy

Turning to the first part, a review of the policies proposed: It is to be noted that the "New Asia Strategy" covers all of Asia, except the five Central Asian Republics which are dealt with in the context of CIS; the Commission then proposes in fact a strategy for 26 very diverse countries,

including the ten countries of Southeast Asia⁸, the eight countries of East Asia⁹ and the eight countries of South Asia¹⁰. Economic growth in these countries has been very rapid, as evident in the average GNP growth of 44% for Asia from 1990 until 1995, compared with only 16% in Latin America for the same period, 11% in Africa and -32% in Eastern Europe and CIS¹¹. As the Commission paper notes: "Not the least significant aspect of the ongoing Asian transformation is that it represents the first achievement of sustained economic growth by a major area of the world outside of Europe or regions of European settlement."¹²

According to 1993 figures, the EU is the second largest market for Asian exports after the U.S., absorbing a share of about 27%; European exports to Asia have increased from 7% in 1980 to 20% in 1993. However, the Commission paper points out that "The growth of intra-Asian trade has led to a decline in dependence upon developed country markets in North American and Europe to a degree never before seen."¹³

Most worrisome is the result for Foreign Direct Investment (FDI) in Asia, which shows only a 10 % share from the EU; EU investment in Asia was in fact declining between 1986 and 1992.¹⁴

The Commission paper reviews the existing policy instruments, namely trade and cooperation agreements, bilateral political dialogue as well as the dialogue with ASEAN. Given the limitation of the European Communities before the ratification of the Maastricht Treaty to mostly economic matters, the policy towards Asia concentrated on trade liberalization, trade promotion and development aid. Recently, economic cooperation has been emphasized over mere poverty alleviation projects, including concessions granted under the Generalized System of Preferences (GSP) and investment projects for non-member countries coordinated by the European Investment Bank (EIB).

So far the "old" European strategy towards Asia. The "new" strategy, after Maastricht, is twofold as it emphasizes both political and economic aspects. As far as the political side is concerned, which is a relatively new chapter altogether, the Commission describes Europe's stand in the following way:

In the aftermath of World War II, Europe's former Asian colonies gained their independence leading to the almost complete withdrawal of European forces from the region. Hongkong and Macau will revert to China in 1997 and 1999, respectively. As a result, the European influence on developments in Asia has for many years been exerted mainly through the medium of trade and investment, as well as development co-operation and cultural exchanges. It is to be noted, however, that some Member States still have wider interests in the region and maintain relationships that include a security component..."¹⁵

The recommendation of the paper, then, is to acknowledge Asia's increasing importance on the global stage and focus the political dialogue on three topics, namely the growing military expenditure in East Asia (and consequently on arms control and non-proliferation), on human rights issues and on policies to combat drugs. The fora suggested for these discussions include the ASEAN Regional Forum (ARF) as well as new "topical" troika meetings with the partners which would focus on one specific issue in particular.

For the economic side, the paper stipulates that "the EU's existing relations [with Asia]... must be adapted to reflect the fact that we are all now partners in a global economy"¹⁶. Focal points include "market opening" by lobbying for standards and quality control, observance of intellectual property rights and the mutual recognition of agreements. The Commission identifies banking, energy, environmental technology, transport equipment and telecommunications as priority sectors for economic cooperation; it is also intend on integrating China, India, Vietnam and Pakistan as emerging market economies.

Attention should be drawn to two points on this economic side of the new Asia program in particular: The Commission marks a strong commitment to "raising Europe's profile in Asia" via educational programs; it also wants to promote business cooperation by establishing European Business Information Centres (EBICs).

So what is new about this "New Strategy towards Asia?" I would argue, first, that the innovation mainly lies in the mere fact that European attention is drawn and paid to Asia; second in the fact that the Commission ventures in to the new area of security and foreign policy action; and third, and most important: that a common approach, spearheaded by the Commission for all the member states of the European Union is suggested. Both these assertions "common approach" and "spearheaded by the Commission" carry heavy question marks.

Implementing the New Asia Strategy

After this brief review of the New Asia Policy, let me turn to the second part, the question of the EU's institutional capacity to implement this new common approach towards Asia. As suggested in the introduction, an effective "common" approach is often associated with strong supranational elements, such as a determined European Commission to push this policy versus and, if necessary, against the member states. I therefore want to point out some of the European elements at hand to carry out the policy but also point to some reactions from the member states as well. Certainly, by putting forth a strong proposal, the Commission had already made a first and important "supranational" step towards a common Asia policy; what, then, are the prospects for carrying it further?

I want to approach this question in two parts, first with respect to the implementation of the political dialogue, second with respect to the economic measures suggested. However, both political and economic approaches are related.

Observation No. 1: Institutions in the Foreign Policy Process--or the Commission is Gaining Ground

For the political part: One of the more interesting passages of the Commission document actually appears under the headline "Characteristics of the new Political Approach towards Asia." The Commission there states:

The political dialogue must gain its legitimacy from the Council and from the European Parliament with the Commission playing the special role conferred upon it.¹⁷

The paper of the Commission admits that, via the Council, different historic relations between member states and the region will be reflected as well as the various present interests of these same member states to strengthen their respective relationships with the region.

What in fact are the powers and the roles "conferred upon" these three players, the Commission, the Council and the European Parliament by the TEU for external relations?

The Maastricht Treaty¹⁸ brought some improvement in the role of the Commission in external political matters over the existing arrangements for the European Political Cooperation (EPC), as specified in the Single European Act (SEA). The Commission received the right to initiate policies, although it is not the exclusive right of initiation the Commission enjoys for other matters of the European Community.

In response to this increased role in the external political matters, the Commission, in addition to the existing Directorate General for External Economic Relations, installed D.G. Ia for External Political Relations and created a respective portfolio for a commissioner. In the new Commission, both president Jacques Santer and the former Dutch foreign minister Hans van den Broek share the responsibility for the Common foreign and security policy. As detailed below, responsibilities for

external economic relations are shared among even more commissioners, so that altogether 5 out of 20 have a say in external matters.

However, the main responsibility for developing the CFSP clearly rests with the Council: The European Council is given a formal role in defining principles and general guidelines of the policy. The General Council, composed of the Foreign Ministers of the member states, acts as main decision making body. It can both issue common positions as well as decide on joint actions, theoretically even on the basis of qualified majority voting¹⁹. The rotating Council presidency is given special responsibility for representing the Union in foreign policy matters and for the implementation of common measures. To ensure a smooth transition between the six months' rounds of duty among the member states, the former, present and future president often work closely together and even appear together in meetings in the so-called "troika" formation.

The work of the Council in external political relations, just as it has become customary in other areas, is supported and prepared by a host of committees, including COREPER, the political committee, the correspondents' group, a number of working groups and the general secretariat. The political committee, composed of the political directors from the foreign ministries of the member states, and with the Director General of D.G. Ia represented, is the most important of the preparatory committees.

The European Parliament has been up-graded in foreign policy matters and now enjoys the right to be consulted and to receive information from the Council in this area. Also, its assent is required when it comes the concluding agreements between the EU and foreign countries.

This institutional lay out assigned by the Maastricht Treaty clearly gives the Council and the member states the leading role plus, in the form of committees, a big entourage on the foreign policy stage, while the Commission with its non-exclusive right to initiate policies is little more than a supporting actor and the European Parliament relegated to the status of the chorus, allowed to observe and comment but not to take action by itself.

However, the competency of the Commission has increased in foreign policy matters with the right to take initiative and the Commission has made internal adjustments to cope with this area.

As for the representation of these foreign policy interests abroad, the EU has more than 100 delegations around the world which are technically delegations of the Commission. They are led by the "Head of Delegation" with the title and--theoretically--rank of ambassador. In the region of 26 Asian countries under consideration here, the Commission has 10 offices and representations at the moment.²⁰ The delegation in Japan, established in 1974, is the oldest in the region, followed by the delegation in Bangkok, Thailand, operating since 1978. Some new delegations in the region, like in Vietnam, are in the process of being opened.

The delegation in Bangkok, for example, serves altogether six countries, Malaysia, Cambodia, Laos, Vietnam, and Myanmar in addition to Thailand itself. Needless to say, that all member states, except for Luxembourg, have substantial and well-equipped embassies or representations in Bangkok, which mostly take care of Thailand only. In comparison, the staff at the delegation of the European Commission is limited to mostly development experts who stretch themselves and their resources to cover six countries, among them dynamic places like Vietnam and Cambodia where dramatic political and economic changes are underway.

Abroad as at home the Commission seems besieged by the forces of the member states surrounding it--but it is worth noting that its network of delegations in Asia has expanded from zero to ten over the course of only twenty years and that new delegations are being established. However, coordination efforts by the delegations of the Commission among the diplomatic corps of the member states abroad certainly involve high transaction costs. The embassies of the member states want to deter any development of the Delegation into a European "super-embassy." At times it seems that the head of

delegation of the European Commission cannot even make a public appearance without the ambassador from the respective country holding the presidency following closely on his heels.

By way of conclusion: the Commission's human resources and decision making capacities to be applied to EU external relations both in Brussels and abroad are limited but the Commission is trying hard to gain ground and expand.

Observation No. 2: The Budget for External Action--Little Money for Big Plans

After this discussions of the institutions involved both in Brussels and abroad, it is also useful to take a brief look at the budgetary appropriation available for "European" external action. This will confirm our impression that the Commission, in spite of its declared determination to play a role in external relations has limited means at hand indeed.

We know that the budget of the Union overall represents only a small fraction of the resources of the member states--the 1993 budget of about 65 billion ECU amounted to 1.11% of the member states' combined GNP.²¹ It is an equally well known fact that the lion's share of this budget is spent on the Common Agricultural Policy--for 1993 this share amounted to about 54%. Only 4.2% of the EU budget was spent on external action. From this share appropriated for "external action," again the bulk of more than one third went to "Cooperation with Central and East European Countries and the Independent States of the former Soviet Union;" only about 15 percent, less than half of the appropriation for Eastern Europe, was spent on, cooperation with Latin American and Asian developing countries together.

The budget for 1995 however, which was passed by the European Parliament on December 15, 1994, shows some increases for external action²². It includes a new line item for the Common Foreign and Security Policy in the amount of 80 million ECU or 0.1% of the total budget of about 77 billion ECU. The appropriations for cooperation with developing countries and other third countries seemed to have risen in comparison with the 1993 budget to 5.4%.

As limited as these resources may seem, the Commission is able to fund some projects of potential strategic importance, like the establishment of European Business Information Centers (discussed below) and other educational programs which support the mission of the Commission and might ultimately lend support to a "common" European approach abroad.

Observation No. 3: The Commission and Member States in Diplomatic Action--not Necessarily United and Member States always First

We have seen so far that the Commission is making the most of its still limited foreign policy role, by taking advantage of its right to propose, by opening new delegations, by financing strategic projects out of a limited budget for external actions, while the member states watch closely over every step. This is especially apparent when it comes to representing the EU in multilateral meetings. An analysis of both the Commission as well as the Council's stance in such meetings further contributes to our understanding of the possibilities of a "common" European approach. The most recent ASEAN PMC meeting, held right after the publication of the Commission's Asia strategy paper during the German presidency serves as a specific example after a brief review of the overall framework of EU-ASEAN relations²³.

The fora recommended in the Commission paper for the political dialogue with Asian countries are meetings in the context of ASEAN and of the new ASEAN Regional Forum, which was inaugurated in July 1994 in Bangkok. ASEAN so far includes the six countries Thailand, Singapore, the Philippines, Brunei, Malaysia and Indonesia with Vietnam applying for membership and Laos and Cambodia

considering it; the new ASEAN Regional Forum (ARF), in addition to the ASEAN countries, brings representatives from the U.S., the EU, Japan, Australia, New Zealand, Canada, South Korea, Russia, China and Vietnam to the roundtable of discussions.

Since the British entry into the EC in 1973, relations with ASEAN (which goes back to the Bangkok Declaration of 1967 with five original member states and Brunei joining in 1984) have been fostered, among other reasons, as an entree for Europe into the Asia Pacific region. They also provided an opportunity for the EC to promote the idea of regional integration in an arena other than Europe itself.²⁴ The relationship was formalized with the cooperation agreement of 1980, including declarations on political and economic issues.

Foreign Ministers of both regional groupings have met since 1978 in intervals of about 18 months within the framework of the EC-ASEAN Ministerial Meeting or EAMM. The most recent of these meetings, number eleven altogether, took place in September 1994 in Karlsruhe, Germany. The Commission is also represented at these meetings. The EAMM in Karlsruhe was followed by a first EU-ASEAN Business Conference in Stuttgart.

The other important forum for discussion among the two regional groupings are the Post-Ministerial Conferences (PMC) in the context of the annual ASEAN Ministerial Meetings. At these so-called "6+7" meetings, the ministers from the six ASEAN countries meet with their colleagues from their "dialogue partners," namely from the EU, the U.S., Japan, Australia, New Zealand, Canada, South Korea. The 27th ASEAN PMC took place in Bangkok in July 1994. It was on the eve of this meeting that the ARF was inaugurated. The EU is usually represented by the troika of ministers from the past, present and future member state holding the presidency of the Council as well as by a commissioner for external affairs. It is to be noted that the EU's dialogue partners not always understand that a European troika would involve actually four representatives (three from the member states plus one from the Commission) and that the Commission at times had to stand up for its right to attend a meeting.

The most recent ASEAN PMC in Bangkok fell within the Germany presidency, hence the German foreign minister, Klaus Kinkel, delivered an introductory statement. The Commission was represented by Hans van den Broek, who then--during the last half year of the Delors Commission--held the portfolio for external political relations, the Common foreign and security policy as well as for enlargement negotiations.

The two opening statements of the representative of the Council and the Commission²⁵ showed a clear division of labor: van den Broek, although endowed with the portfolio of external political relations, was clearly relegated to stay within the realm of economic matters while Minister Kinkel elaborated on political issues. He put the very sensitive human rights issues in Myanmar and Cambodia first and then continued to outline at length the political responsibilities of the German presidency ranging from ensuring security and stability in Europe to EU enlargement by EFTA countries to the problems in Eastern Europe, Russia and the former Yugoslavia.

The commissioner, in a shorter speech, drew attention to the Asia strategy paper and the need for a coordinated EU presence in Asia, he mentioned the need to increase the political dialogue with Asia, the ARF, ASEAN's enlargement and EU relations of Vietnam. He also gave considerable space to the relationship of EU and ASEAN within the context of the new World Trade Organization.

Since both the Minister and the commissioner mentioned Cambodia, the respective passages in their speeches are good examples for the difference in approach:

Klaus Kinkel: In an impressive move in the face of massive intimidation attempts by the Khmers Rouges, one of the signatories to the Paris agreement, the people of Cambodia placed responsibility for the nation's affairs in the hands of a democratically legitimized government. The government has

quickly addressed itself to its difficult tasks. But the process of reconstruction is being jeopardized by the Khmers Rouges. The EU will continue to give Cambodia substantial reconstruction assistance. Cambodia's neighbours are particularly called upon to support the country. A peaceful Cambodia must be at the core of our joint endeavours in keeping with the spirit of the Paris accords.

Hans van den Broek: Mr. Chairman, I am pleased to note that the EU is taking its full responsibility and its full share in working for the rehabilitation of Cambodia. This commitment is reflected in our financial contribution.

This example from the political arena shows that the representative from the Council is clearly the dominating figure who can use his moment on the stage not only to promote the EU but also to emphasize the contributions from the member state he is representing. The Commission is reduced to economic topics. However, this conclusion probably should be tested under different conditions, with another member state holding the presidency. Given Germany's emerging new role in global politics, Kinkel was bound to take a stronger stance, than, for example a representative from Luxembourg or the Netherlands probably would have taken.

One final point aside with respect to the Bangkok PMC: The Commission's statement seems the more appropriate for the occasion. The way the Cambodian problem was treated, for example, showed respect and consideration for the Asian hosts who have made it clear on a number of occasions that "Asian values" differ--especially when it comes to human rights--and that they prefer to treat these problems their way.²⁶

For the political side, then, we can conclude that the Commission takes full advantage of its right to propose policies and that it is also trying to adjust its human resources both in the headquarters in Brussels as well as in the overseas delegations to take on the new tasks in the foreign policy area. However, the example of the high level meeting with the Asian and other partners show that the Commission is not given much room for maneuver and is clearly overplayed by the member states, in this case the representative of the country holding the presidency.

This might affect the capacity to bring about a "common" European approach as the respective representative from the Council does not have many constraints which keep him or her from promoting the position of his own member state. To put it more bluntly: What keeps Minister Kinkel from being German rather than European in Bangkok? Which constraints would keep any given member state from using the European stage for their own purposes? These questions can serve as basis for further research as the new Asia strategy is put to work and the CFSP in general develops.

If these are the results for the political side, how does it look, then for the economic side?²⁷

Observation No. 4: Many Cooks Among the Commissioners for External Economic Relations

For the economics side, the strategy paper of the Commission demanded policies of "market opening" and identified some sectors, like environmental technology, transport equipment and telecommunications for economic cooperation. The establishment of European Business Information Centres (EBIC) are also recommended. The paper urges the cooperation between the Union and its member states and encourages the participation of the European private sector. What are the prospects of having the Commission's policy proposals implemented?

Again, the same budget constraints and limits of human resources apply, which were pointed out above for the Commission's activities in the new area of CFSP. The responsibilities for external relations are scattered indeed among the commissioners: In the new Santer Commission, the president himself takes care of the CFSP and human rights; Vice-President Sir Leon Brittan is assigned to North America and some Asian countries including China, among other regions; Vice-President Manuel Marin takes care of the Southern Mediterranean countries, the Middle East, Latin America and the rest

of Asia; Hans van den Broek is in charge of relations with Eastern Europe and shares some responsibilities for the CFSC with the president of the Commission; Joao Pinheiro is assigned to Africa and the Caribbean and Pacific countries. That makes five commissioners out of 20 with responsibilities for external affairs or 25 percent of the man power for an area where only about five percent of the EU's budget is spent.²⁸ (Four of the five, for example, were present at the 1806th meeting of the General Affairs Council in Brussels on November 28 1994, only Commissioner Pinheiro was missing).

If the Commission were the cabinet of an executive government, this would amount to having five ministers of foreign affairs, one for each continent or world region assigned to him. It is noteworthy that the area under consideration in the strategy paper of the Commission is shared by two commissioners, namely Sir Leon Brittan, who is responsible for Japan, China, Korea, Hong Kong, Macao and Taiwan, while Manuel Marin is responsible for the remaining Asian countries covered by the strategy paper.

These commissioners with portfolios for external relations split the Directorate General I (with about eleven directorates) and Ia among them. This split of external responsibilities among commissioners might lead to the conclusion that a "common approach" is difficult to find even within the Commission itself; however, given the fact that the Commission has to decide jointly, as a collegiate body anyway, we cannot make a strong case for "lack of coherence" based on this evidence. As far as the Asia policy is concerned, let us just conclude that two commissioners responsible for an area which is as diverse as the 26 Asian countries under consideration cannot hurt as long as the cooperation between these commissioners works.

Observation No. 5: European Community Business Associations--or the Commission's Attempt to Unite European Business Interests Abroad

Given the limits of the Commission's institutional capacity in implementing policy in general and the specific constraints in the foreign policy area outlined above, the Commission has taken to contracting out development projects funded from the EU budget, or, as in the context of the New Asia Policy, projects to promote "Europe" in Asia. One such attempt is the establishment of European Communities Business Associations and related European Business Information Centers (EBIC), which are underway, for example, in Manila, Bangkok, Kuala Lumpur and Singapore²⁹.

The institutional structure of the EBICs is such that the Commission will coordinate and finance the office for the first five years, including the position of an executive director. The EBICs is governed by a board of representatives from the member states and an executive committee consisting of the directors of the bilateral chambers of commerce of the member states (or other representatives from the member states). The executive committee includes a member of the Commission.

Hence, the coordinating and decision making dilemmas familiar from other EU institutions have been exported here, maybe for the first time, to a) an expatriate setting and b) the business community or at least the chambers of commerce representing the business community. The very tasks of EBICs are yet to be defined as the member states and the Commission develop different expectations towards them. EBICs should provide information on market access for the Asian and European businesses, respectively. The Asian side in particular is hoping for easy access to information on EU regulations. In addition, the Commission very much puts the emphasis on an aggressive approach of promoting European business in Asia in order to develop a firm stance against the "competitors," Japan and the U.S.

Yet another function is the coordination between the existing bilateral chambers of commerce, in charge of promoting business relations between, e.g. Germany or France and the respective Asian

country. As with other EU institutions, it remains to be seen how strong these EBICs will be allowed to develop with respect to, for example, a very powerful German business presence in the respective Asian country and to what extent the Commission will be allowed to play its envisaged role. This leads to the bigger question of how effective EBICs will be in promoting Europe in Asia over Japan and the U.S.³⁰

As with the opening of new delegations, the Commission here again has created a potential instrument to push for a "common" European approach abroad.

Conclusion

In view of the U.S. and Japanese influence over Southeast Asia, the European partners feel underrepresented and now, with the dynamic economic development of the region, fear missing out on the "boom." This trend might be reversed by developing a strong, coherent and common European approach. The European Commission has accordingly proposed a "New Asia Strategy," which was in principle accepted by the member states.

The implementation of this strategy very much rests on the Commission's stance vs. the interests of the member states. We have seen that in the realm of external relations in particular, the Commission has made slow but steady inroads to preserve and expand its role as a player: With the Maastricht Treaty, it received the right to put forth proposals in this area also, it has build up and is expanding a network of delegations abroad and is in the process of creating new institutions, like the European Community Business Associations, to defend European interests.

However, this progress of the Commission in the foreign policy arena notwithstanding, it is the Council and the representatives of the member states, and the country holding the presidency in particular, which decide on and set the tone in foreign relations. This leaves the "common" European approach in danger of being ultimately reduced to the approach of one member state, namely of the member state holding the presidency only. For the joint representation of European interest in Asia this could mean that the Commission's efforts are, if not already too late, too little.

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