

# **Advancing ASEAN-EU Relations in the 21<sup>st</sup> Century<sup>1</sup>**

## *The panel I*

### **EU-ASEAN Relations: The State of Play**

#### **MC**

Good morning ladies and gentlemen. On behalf of Konrad-Adenauer-Stiftung and Centre for European Studies at Chulalongkorn University, I would like to welcome you all to the international seminar entitled “Advancing ASEAN-EU Relations in the 21<sup>st</sup> Century” This is a one-day seminar. Our distinguished speakers and chairs in all three panels will be discussing and sharing their insights of ASEAN-EU Relations throughout the day. Without any further ado, May I invite Dr. Canan Atilgan, representative of the Konrad-Adenauer-Stiftung to deliver welcome remark.

#### **Dr. Canan Atilgan**

##### **Representative of the Konrad-Adenauer-Stiftung in Thailand**

Your Excellencies, ladies and gentlemen. Good morning. It is my pleasure to welcome you today on behalf of Konrad-Adenauer Foundation to our conference. I would like to start by thanking the Center of European Studies of Chulalongkorn University for the excellent cooperation in organizing this event. However, my special thanks go to Klaus-Jurgen Hedrich who traveled from Germany to share with us his experience and political expertise. Thank you very much for coming. Allow me at this point to say few words on Konrad-Adenauer Foundation and its activities. Konrad-Adenauer Foundation, as a political foundation from Germany, currently hosts 200 projects in hundred twenty countries, four continents with more than eighty offices. The main objectives of the activities of the foundation and the projects are to contribute to international cooperation and understanding based on specific values. In Southeast Asia, our projects focus on the establishment and consolidation of democracy, strengthening civil society and interactive dialogue. In Thailand, we have been active since 1980 and this is almost 30 years. These activities are democratization, the rule of law and centralization. However, we also regard them as factors to facilitate dialogue between Thailand and Germany as well as between the respective regions EU and ASEAN.

The fact that Thailand is holding a chairmanship in ASEAN provides a good opportunity to reflect on common challenges and solutions. It is our hope that this conference will help to promote and expand ASEAN-EU relationships. As all of you know, last year ASEAN and the European Union marked their thirtieth anniversary of cooperating and signed Northumberg Declaration in Germany, which commits both organizations to step up in cooperation in the field of peace. Today, we want to focus on two challenges, which Europe and Asia have to grapple with. One is security question including regional stability fights against international

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terrorism and conflict prevention and the other one is globalization and its impact including economic interest as well as global interests such as protection of resources and climate change. Both fields require multilateral cooperation and we hope to contribute to stronger networking in both areas: economy and security.

So we hope very much that this conference provides a good opportunity for exchanging ideas and views and for a better understanding of the development and issues important to our respective region. So allow me at this point to conclude my remarks. Thank you very much for your participation in this conference and I hope that the session ahead will challenge your thinking and present you with new ideas. Thank you very much.

**MC**

May I now invite Assistant Professor Dr. Charit Tingsabadh, Director of Center for European Studies at Chulalongkorn University, to deliver opening remarks?

**Asst. Prof. Dr. Charit Tingsabadh  
Director of Centre for European Studies,  
Chulalongkorn University**

Good morning Klaus-Jurgen Hedrich, Deputy Director-General of Department of ASEAN Affairs, Ministry of Foreign Affairs, KAS, ladies and gentlemen. It is an honor and my pleasure to warmly welcome all of you to Chulalongkorn University and to the international seminar “Advancing ASEAN-EU Relations in the 21<sup>st</sup> Century” that we are hosting today in collaboration with Konrad-Adenauer-Stiftung. This is the first time that we organize the event with KAS in Thailand even though KAS has been in Thailand for a very long time and has played an important part in the development of democratic ideas and practices in this country. I myself benefit from the activities organized by KAS at the regional level. I remember last year going to Berlin for the first time to attend an occasion like this and also met some colleagues in Munich so that was a very nice trip. Now today we have the opportunity to work with you for the first time and I want to place this talk in literal context. You have mentioned the content of the program already. What seems important to me to think about is that we are in the middle of financial crisis starting in one country which threatens the world. Quote from the newspaper last week says “This is a new phase of capitalism that profits the privatized and loss at the socialized” I think Europe has shown the way of how the role of the states of the public is very important in managing the affairs of society. I send my best wished to the EU to limit the fall out of the rampant capitalism across the Atlantic.

ASEAN and the EU have shared many interests together. One is global security issue and this issue will be explored in today’s seminar. Also, another important issue is sustainable development in the context of globalization and I think this will be a joint mission and the issue will be explored further in ASEAN meeting later this month not only between ASEAN and EU but also between Europe and Asia as a whole.

We are happy to provide the good opportunity to share experiences and ideas today. Welcome again Mr. Hedrich and everybody and I hope you enjoy a full day of discussion. Thank you very much.

**MC**

Without any further due, may I invite the chair of panel 1, EU-ASEAN Relations: The State of Play, Dr. Pacharawalai Wongboonsin, Deputy Director for Research Affairs, Centre for European Studies at Chulalongkorn University, on stage?

**Dr. Pacharawalai Wongboonsin**  
**Deputy Director for Research Affairs,**  
**Centre for European Studies at Chulalongkorn University**

Good morning to you all. This is the first time panel the EU-ASEAN Relations: The State of Play. In this panel, we will have two distinguished speakers. One is Mr. Klaus-Jurgen Hedrich and the other one is Mr. Manasvi Srisodapol. This first panel would set aside all other perspectives in terms of security. This will lead to the focus on the relations of ASEAN-EU, particularly for the 21<sup>st</sup> century and we also focus on the key document: The European Constitution on one hand and also the ASEAN Charter on the other hand. May I invite distinguished speakers on the panel? Mr. Klaus-Jurgen hedrich and Mr. Manasvi, can you please join me in the panel?

Before we start, may I introduce Mr. Klau-Jurgen Hedrich. He is currently a member of the Planning Committee of the Konrad-Adenauer Foundation and a board member of German-African Foundation. He was also a former secretary state of Germany. Then on my left hand side, he is currently a Deputy Director-General of Department of ASEAN Affairs, Ministry of Foreign Affairs of Thailand and he has been with the Ministry of Foreign Affairs since 1995. He has lots of experiences and he would like to share with us his perspectives on the EU-ASEAN relations and the implication for the 21 century and the challenges and also we will also focus on the ASEAN Charter. First we start with our guest from Germany Mr. Klaus.

**Klaus-Jürgen Hedrich**  
**Former Secretary of State, Germany**

For me, it is a great pleasure to be in Bangkok again, interesting time in this country. We hope that there might be some solutions in development in the country in the days to come. Of course, for me to start with that, I have to thank Konrad-Adenauer Foundation and of course I am very happy to see my old friend Dr. Charit once again. Thank you very much for this opportunity. After thirty one years in Parliament, my oldest son asked me “Daddy, don’t you believe enough is enough before they kick you out?” What really relates me to the region is my chairmanship of the ASEAN Committee more than 11 years which was most interesting time I every could go through and I had the chance to meet a lot of people in the region. Another point was that I had the opportunity to chair the board of governors of Asian Development Bank in the time of Asian crisis and I suppose one has to come back to that at least few comments as well.

Once again, thank you very much for having this opportunity. Several aspects of EU-ASEAN relations are unique. The EU consists only of democratic states though some of them are lagging behind. As a politician, I can tell you the truth. ASEAN, as all of you know has a vast variety of political systems, as I can see it from the military regime to absolute monarchy. It is an interesting association. Nevertheless, both entities have broader forms of cooperation. One even could say the two and the only functioning associations. I myself participated in the twenty-year celebration and I had the experience with the tenth anniversary so that means the relationships with Europe and ASEAN have been carefully followed by the Europeans and that includes the German Parliament not only European Parliament. Of course, if you talk about ASEAN, then you have to put it in a broader context: The EU and Asia.

The EU-Asia relations are expanding rapidly and the EU is seeking an increasingly closed relationship with Asia going beyond traditional cooperation to economic integration and deepening of political cooperation. This is so important as our activities and interests in Africa and Latin America have started much earlier; nevertheless; we are now switching over to the establishment similar so to speak the relationships with Asia. Home to some two-third of humanity, Asia is characterized by tremendous diversity in terms political, economic, security and social systems. Moreover, Asia features the most diverse physical environment on earth. Though Asia is well on the way towards meeting the millennium development goals, poverty remains a significant challenge as the region is still home to two-third that is still poor just to tell Asia the number of poor people in India alone is bigger than the number of poor people in Africa as a whole. So far that demonstrated the importance of poverty in Asia. Asia has recently surpassed NAFTA to become Europe's main trading partner accounting for two-third of Europe's trade flow. Moreover, European FDI in Asia amounts to a third of European investment abroad and it's growing.

The level of interdependence is now at unprecedented level and strengthening EU-Asia relations as one of the EU's external policy priorities. The EU is consequently fostering the dialogue and cooperation with all of our Asian partner countries. You know all the mechanism, one has been referred already the EU-Asia meeting: ASEM, ASEAN Regional Forum (ARF), and South Asian Association for Regional Cooperation (SAAR). To further strengthen in particular the economic relations, summits take place in individual countries in the ASEAN framework. Regular political dialogues are vital so that we can constructively engage in the issues of mutual interests. Furthermore, the European Commission is moving to negotiate free trade agreement with South Korea, India and ASEAN as well as partnership and cooperation agreements with Asian partners.

To meet the development challenges lie ahead and further deepen EU-Asia relations, the European Commission has adopted 18 individual country strategies, regional strategies covering cooperation with Asia for a period 2007-2013 for which an amount of some 5.2 billion euros have been earmarked. One comment should be made here, you may all know, the biggest recipient by far is at the moment Afghanistan. However, in my eyes, is understandable. If you refer to the European Union alone, average annual allocation alone is around 147 euros. Afghanistan is Germany's biggest development aid partner. As far as EU concerned are Indonesia, India, Pakistan, Bangladesh and Vietnam. If you follow the plan of action (POA), you can easily realize that the support for regional cooperation has placed an important role. That means it is not only the cooperation with individual partner but especially the regional cooperation as of definite importance.

You can refer to the encouragement of participation of ASEAN countries in European security defense policy operation (ESDP) or to support the implementation of ASEAN conventional counter terrorism to deepen the EU-ASEAN cooperation against clans' national organized crimes in line with UN's convention. Of course, you can't speak of EU-ASEAN relations without referring to economic cooperation. If you look at the document and I quote 'to negotiate and conclude the ASEAN-EU FTA aiming at mutually beneficial FTA while taking into account the different levels of development capacity of the individual ASEAN member countries carry out comprehensive trade and investment liberalization and facilitation.'

I suppose it is very important that the stand out of the level of development in the ASEAN community is as far as individual member countries are concerned is much bigger than that of Europe. For example, you have Bulgaria, the net income of individual people is less than 1,000 euros and you have one of the richest countries in the world such as Ireland. The last country mentioned is a real success story. It especially demonstrates what the EU is heading for: to help countries who are on a lower level to reach a higher one. The net income of Ireland is higher than that of Germany. When we started the whole process, when I traveled to Ireland in 70s for the first time, it was a real poor country. They were very successful in using the support, not only the financial support of Ireland and very successful was Spain. Spain was very successful too. I am referring to these nations and the point we have in common with ASEAN. You know Singapore is one of the richest countries in the world and Myanmar is one of the poorest. The standard of the development of Burma had been much higher in the past but today it is deteriorating, mainly political reason. I have heard of a former Thai ambassador that when he was a young kid, his grandparents took him to Ragoon for medical treatment because it was the day when Ragoon was one of medical centers. Think of today, today people come to Bangkok or Singapore so things have changed dramatically. It demonstrates that you can always give the same answer. What is the reason of positive development? It is always the same answer: good governance. If you have people who are committed to the development of Asia and who are committed to let the poor ones and the handicapped ones participate, then the country is going to develop.

The second point as far as the economic cooperation concerned is to implement the existing trans-regional EU-ASEAN trade initiatives: using these initiatives as a framework for promoting dialogue and cooperation to improve two-way trade and investment flows between EEC and ASEAN. I suppose that point from our perspectives of political and economic assessment is very important. It's two-way mechanism. The days are over that the European and the generous approach give support to some countries in the world. If it is really a foot work, it only can work on two-way mechanism. So far, I suppose, this agreement is the understanding between ASEAN and the EU laid down in the plan of action and in my eyes it is very important.

In the light of the latest development of financial crisis, in my eyes, is worth discussing carefully the impact on the so-called ordinary man on the street. What we can learn from the current situation is to strengthen consumption but not at the expense of higher indebtedness. I suppose this is the main problem of America but not of America alone. If you follow some of the ASEAN countries and some EU countries as well, the individual indebtedness is very high. In Europe, Portugal is such an example not to speak of Italy. Once more again, if you really want to push consumption, then always take into consideration what consequences this might have if it is finance still a cause of indebtedness. Earlier or later such system is going to collapse and that's not only for America but America is of course a very dangerous issue.

Countries which have suffered from the Asian crisis will perhaps have greater understanding for establishing monetary regime than others and Thailand is one of the countries which have suffered most. This context is sometimes forgotten or not taken adequately into consideration that is the role of China. China behaves and is behaving very adequately and very reasonable. If you go back to the Asian crisis, it would have been very easy for Chinese to devalue their currency but they didn't. Among others, this contributed to the comparatively quick establishment of situation as to the Asian crisis. If you refer to the currency situation, you know that China is very nervous about what is going in America because it has direct impact on the Chinese situation. In Europe, sometimes we are joking that half of America is owned by the Bank of China, but as you know the Bank of China runs a lot of assets of American origin. Again, the plan of action covers all spheres of activities and mutual interests.

In order not to make it too long, I would like to end with one of the most successful intervention between the EU and ASEAN: Ashe monitoring mission. I myself had the opportunity to travel to Ashe and the experience of that mission demonstrates potential for political cooperation and opened new avenues for the EU-ASEAN partnership. We discussed with the Philippines that situation in the south as well and Malaysia has played a substantial role. If we had the change to discuss before, East Timor might have been an issue. Once more again, I believe this is a very interesting example of bilateral cooperation between our two associations, but again there is something to learn from Ashe. Peaceful solution could only be implemented if both sides were involved and interested. Here, we have to give credit to the Indonesian government and still it is a long way to go, but the chance is higher than it is for both the Europeans and the ASEAN community. Thank you very much indeed.

**Dr. Pacharawalai Wongboonsin**

Thank you very much Mr. Klaus-Jurgen. He has given us the overview of the EU-ASEAN relations from the European perspective. He has provided the overview on the difference and commonality between the European Union and the ASEAN. He has also touched on economic cooperation and also security cooperation. He has provided us some concerns on the EU's side in terms of how we can develop in terms of the new avenues of EU-ASEAN partnership. He also mentioned China in the EU-ASEAN relations. Now, may I turn the floor to Mr. Manasvi to talk from the ASEAN perspective?

**Mr. Manasvi Srisodapol**  
**Deputy Director-General of Department of ASEAN Affairs,**  
**Ministry of Foreign Affairs, Kingdom of Thailand**

Good morning ladies and gentlemen. I want to thank Konrad-Adenauer Stiftung and the Center for European Studies for hosting this seminar. I think it is useful for us to review where we stand after last year when the EU celebrated the fiftieth anniversary and ASEAN celebrated fortieth anniversary. The EU leaders signed the Lisbon Treaty and the ASEAN leaders signed ASEAN Charter. It seems that we're moving along the same line but probably at different pace, but moving into some sort of common direction that is closer integration within our own respective region. How do I perceive the EU-ASEAN relations? I took note of Ambassador Klaus-Jurgen's quote that he sees us in the EU-ASEAN relations as an interesting association. I would think that is an understatement because ASEAN-EU relations

are unique in many ways. I would consider it to be the most challenging perhaps the most passionate relations that we have with the other dialogue partners.

Why is this the case? First of all, the meeting of these two organizations are bigger than the meeting of ARF because you have 27 members from the EU and 10 members from ASEAN side and that makes it 37, but in the ARF, it is only 27. It is such a challenge if you try to get some sort of consensus and common view on issues. Secondly, the EU or its members has been long entrenched in the history of this region. You have strong cultural and historical ties. Economically and commercially, you are deeply embedded and you have strong presence in this region. I would say that the EU and its members are in the best position to understand this region and its peculiarity and Dr. Canan mentioned that the purpose of Konrad-Adenauer is to promote understanding based on specific values. I think that gives good tone for this seminar and the ASEAN-EU relations. We often ask whether we look at ASEAN or whether we look at the EU and see it as a model for ASEAN integration. What we usually give back to the EU side or any other interested countries is that the EU has set inspiration not as a model. Perhaps, it is different way in which we established integration or community building or different way we look at integration.

In the EU side, your focus is more on institutional building that has been an emphasis of the EU from the beginning. You have countless documents. You have sizable bureaucracy and many layers of meetings. However, from the ASEAN side, we started out from the functional cooperation. It is more cooperation or CBM type of approach compared to institutional building from the EU side. For us, to use the EU as a model would be slightly difficult so our approach is to see the EU and to use it as inspiration and perhaps to draw lessons from the EU experience.

When ASEAN drafted the ASEAN Charter, we had the EU experience with your constitution and that's why we didn't put into the Charter the need for national referendum in all ASEAN member countries otherwise we would probably be stuck the same way that the EU is stuck right now with the constitution and now with the Lisbon Treaty. It took perhaps more practical and more expedient approach. The EU is focusing on institutional building and for ASEAN, more or less, the functional cooperation. We are also moving in the direction that has been set by the EU, the ASEAN Charter would make ASEAN for the first time a legal entity. It would try to establish all these organs that would help in community-building effort: the political, economic and social communities.

So I think both ASEAN and the EU for the past have focused on developing itself, moving integration, but at the same time we have our outward looking approach and that is why the EU and ASEAN relations have been progressed this far. The EU, of course, the ASEAN's major trading partner, trade over 100 billion euros and the EU is our top investor. We welcome Northumburg Declaration which has placed ASEAN-EU relations as an enhanced partnership compared to other dialogue partners. With the EU, I guess, both sides are comfortable with the concept of enhanced partnership, but in the near future or in the longer term future, we might have to see whether it can be upgraded to more strategic partnership.

What are some of the challenges that we face within ASEAN or within the global level? I know that this afternoon, you'll be talking about the security cooperation and globalization. I might not touch too much on that. In terms of ASEAN itself, the key challenge is the integration part and our leaders set 2015 as the goals for ASEAN integration along the three communities that I mentioned. This will be a big challenge because in this community

building, we are not really sure how much people are on board in support this community building effort so that's why my DG is convening a seminar with civil society and organizations as well as with foreign committee of the Parliament to try to raise the awareness of ASEAN, but also because of the Article of 190 of the Thai Constitution which requires that we might have to interact more with the public to solicit their views in order to develop various agreements and documents. We are headed in that direction.

The more we can assist and support in their economic development, the better it is for Thailand and for the rest of ASEAN and for the success of ASEAN economic community. What other goals do we have for this community building? For economic field, I think it is the easiest to understand, single market and production base and then the rest is followed. As for the social and security communities, what would be freshing out of these communities? How would it look like? The approach that we're taking right now is to try to define political, social and security communities. We are using the term 'shaping and sharing of norm and values.' This is something that I think goes well with the expectation of people in the region and the international communities. Basically, what we try to do is to try to develop norm and values in a progressive manner and not to remain static from where we are.

Also, the other challenge is this political and security community is to make ASEAN more rule-based which we are inspired by the EU. Probably not all the way because we don't like to read so many documents, we don't like to be tied down by so many rules and regulations, but we are headed in that direction. By 2015, you see a lot of more rules and regulations emerging. From the social and cultural community, what we try to achieve is caring and sharing community where we try to cooperate to improve the lives of people especially the marginalized as well as helping each other out so we try to define the various community pillars in a more understandable manner. However, how do we try to undertake the activities? The measures we use to achieve the rule-based the shaping and sharing of norm and values and the caring and sharing community will be the effort that will take place in the next few years.

Another key challenge for ASEAN is the threat from non-traditional security issue: avian flu, human trafficking, drug trafficking issues that we've confronted at least people confront it on the daily basis and this is the area with international communities is a must. In the case of avian flu, it took less than a year for avian flu to travel from East Asia to Southeast Asia across to Europe and then to America. The sooner we can control such disease, the better it will be. You can that once the disease breaks out, it is somehow embedded in that region. It is a challenge to try to make sure that this type of disease does not resurface again and cause the threat to people in the region.

You mentioned the financial crisis. I think the financial crisis of 1997 was one of the key catalysts for ASEAN plus three relations and that is ASEAN relations with East Asian countries: China, Korea and Japan. Once again, we are now confronted with the new financial crisis perhaps because of the US sub-prime mortgage. There is a strong sense that we might have to underscore or emphasize ASEAN plus three relations even more in the financial sector. Right now, we are talking about multilateralization of the Chiang Mai Initiative so you probably heard this last week from our financial minister. I think this month there will be a finance ministers' meeting which will take place in the Middle East because there is a seminar that the finance ministers have to attend to promote ASEAN investment in this region. The financial crisis this time may help to strengthen ASEAN plus three or East Asian cooperation even more. At the same time, we also have FTA with the three countries I

mentioned: China, Japan, and Korea. We are also pursuing FTA negotiation with India, Australia and New Zealand and most lately with the EU.

As ASEAN tries to integrate, we realize that intra-ASEAN trades represents only 25% of our total trade and the other 75% is outside the region so it is important for ASEAN own economic survival to ensure that we have strong economic links with the rest of the world. At the same time, we try to develop community building in this part of the region and integration as well. We're also looking at a broader community building process in this region through the emerging regional building architecture. We started it out with the ASEAN plus three that I mentioned before. Now, we are developing East Asian summit whose participants include the countries we are negotiating FTA with except for the EU, of course. In the EU case, there are issues that we have to address and I'll talk about that later.

What is the way forward? How do we look at ASEAN-EU relations? How can ASEAN-EU enhanced partnership help ASEAN to deal with some of the challenges of the 21<sup>st</sup> century? I think it is very important for ASEAN and EU to have a longer term perspective on its relation. It should not be blocked down by the current issues. It should try to avoid becoming too inward looking as a separate entity and try to look at each other more and see how we can further cooperate. The enhanced partnership will obviously work or succeed when we confront global issues such as climate change, sustainable development, and natural disaster. These are the areas where the enhanced partnership can certainly boost our effort to overcome global issues. Realizing ASEAN-EU FTA also is a major challenge. I think there is some hope for that because we already had five meetings of the joint committees to negotiate the ASEAN-EU FTA. Only within two year, there have already been five meetings. The sixth meeting will be held some time in this month in Vietnam. From what I understand, there are a lot of common grounds that have already been achieved during these five meetings. We can expect that the EU-ASEAN FTA in the future will be more or less comprehensive. It will cover trade, services as well as investment. The ASEAN-EU FTA will certainly make the EU-ASEAN relations substantive and that is one of the criteria for the East Asia summit participation. The other is the accession to the treaty of amity and cooperation and the EU has already expressed its intention to accede to the treaty of amity. Now, Thailand has taken over the chairmanship of ASEAN and we already inherited the task of advancing EU's succession to the treaty from Singapore, the previous chair.

My question and The ASEAN department in Thailand's question is who do we negotiate with? Do we negotiate with the EU members? Or do we negotiate with the European Commission? Who has the final say on how to refer to the EU in the treaty of amity and cooperation? Because the treaty right now is open to states so if we could consider the EU as a group of states, it would be covered already but I am led to understand that this is not the case and from the EU side you want to be referred to another manner. We will have to try to develop the best key to open this door for EU's succession. I hope to pursue it during Thailand's chairmanship as soon as possible because we're getting more and more interests from other countries to accede to the treaty. I think the latest country is Turkey where they have handed the letter of intent to my new foreign minister, Khun Sompong during his meeting in New York last week. There are many more countries interested to accede. The more countries there are, the more countries we have to ask in order to amend the treaty of amity to take on board the EU's succession. That is a big challenge for us and I hope Thailand can carry that task through.

Another task that Thailand is working on with the other ASEAN partners and that is the AF vision statement. During the meeting in Singapore among the AF ministers this year in July, they had a comprehensive review of the AF and it is drawn in the security cooperation in this region. One of the decisions that they made is to try to develop AF vision statement because the AF has been in existence for 15 years and right now we want to see how we can make it more relevant to security challenges of the region. We would obviously welcome the EU's contribution with this exercise and I'll be going to Singapore for one of the AF meetings where I hope we can solicit the ideas from the AF participants. Anyway, those are some of the key challenges ahead and in which ASEAN-EU relations can help support what ASEAN is trying to achieve in this region. Of course, What Dr. Canan mentioned 'understanding based on specific values' and mutual respect would be a major key success factor to ASEAN-EU relations in the future. Thank you.

### **Dr. Pacharawalai Wongboonsin**

Thank you very much Mr. Manasvi. He has talked in terms of the difference between the EU and ASEAN. ASEAN looks at the EU in terms of the inspiration rather than the model. The EU is based on institutional building while ASEAN is based on community building. Anyway, we are moving together along the same line in terms of closer integration, but at different pace. He has also touched on the challenges for ASEAN in the 21 century not only the global issues, but also the ASEAN way forward along the ASEAN Charter line that is people-centered and also rule-based. He has also mentioned about the key questions towards the EU in terms of the accession to the treaty of amity and cooperation of ASEAN so I would like to go back to Mr. Klau-Jurgen of how you would respond to Mr. Manasvi's comments or ideas, particularly from the perspective of the constitution of the European Union and the implication of the further plan and also will there be any implications in terms of the accession of the treaty of amity and cooperation of ASEAN?

### **Klaus-Jürgen Hedrich**

First of all, I would like to congratulate on your excellent statement. I have to confess that I've learned a lot of details again. Thank you very much for constructive statement. Well, as far as the European process of ratifying the Lisbon treaty, indeed there should be another separate seminar here. I think many Europeans do not understand the process and then you can't expect people from abroad to follow the whole development. I suppose the first point is if you see the whole process from political assessment, then we have to state that Europe is overstretching its capacity. I don't want to compare but I don't know if you have read an interesting book by Paul Kennedy 'The Rise and Fall of Empire' and his main theory is the following one. The Empire is in a danger to collapse if it is overstretching its capacity and activities. So far, because of the democratic control, the only empire in the world which has been possible to avoid the danger of overstretching is the US. Whenever they are in a danger of overstretching its capacity, the elected will tell the legislator or executive "Common, stop it" But if you compare the situation to the European Community, then you can see sometimes we are ignoring our own criteria and then people who are interested in are asking the people in the Commission and in the Parliament and then national representatives "What is going on there?" For example, I don't want to open up different discussion, but if you follow the criteria the European Union has organized or has laid down themselves.

The European Commission should never have been allowed to open discussion with Turkey. Romania and Bulgaria should have never been allowed to be members of the European Union because they haven't implemented the pre-conditions. It's not a joking issue but corruption is an important issue. In comparison to Romania, Thailand is corruption free so it's a delicate issue. The most delicate issue that we are violating our own mechanism is Cyprus, for example. Cyprus should never have been allowed to join the so-called the northern-Turkish aspect has been solved. The Turks of the north are the members of the European Union as the southern Greece, but the southern Greece rejected positive votes of the northern citizens and the northern part of Cyprus voted in a positive way; nevertheless, by the negative vote of the south, they were not allowed to enter the Union. That was one of the biggest violations the European Commission was to blame for that especially. It also violated our regulations and so on and so on.

If you have such a process as the European Union: the Parliament and the Commission and the institutions violated their pre-own conditions, you can wonder the Europeans are asking questions. If you come to the current situation of Ireland, it is quite clear that there should be a second referendum and Irish people feel that the European Union or people in Brussels only accept result if they are in favor of what the people in Brussels think is right not for the people of Europe feel is right. So far, that is a typical example of arrogance of the Parliament and of the Commission that they don't accept the interest, the feelings and even the political voting of national member states. If you sum that up, you can wonder that there is a certain adversity against the European Union. Not to be understood, there is not alternative for Europe, but there are alternatives to the Commission and to the Parliament. That is completely different issue. Sometimes, the European Parliament and Commission think they are Europe, but they aren't. They are parts of Europe, but the member states have to play an important role. So far, the current Lisbon Treaty is very reasonable to add an article where the national parliaments have a greater say in the whole process. I believe that is essential if the European Community wants to survive.

The second point is it's not only the issue of overstretching its capacity, Brussels is interfering and messing many aspects where they don't have a say. I will give you German example and that is special truth if you refer the financial crisis and all its implications and one of them is to refer to the role of the state. We have to learn at the moment that the role of the state is much more important than what people felt in the past. Have you ever thought of the idea that the Republican government in the White House would nationalize banks in America? Have you ever thought such an idea? But it happened. The problem is that we have, especially after the collapse of communist system, we have learned that market could not solve all the problems. Of course, the market plays a very substantial role in order to set the forces of individual knowledge free, to give entrepreneurship a free possibility of operating and that is not a problem. You have to put that into a framework.

In Europe, for example, not to be too arrogant again, we try to combine that with the social aspect. We speak of the social system of the market economy which I have to confess was created on German soil based on more different Christian denominations. Today, it's a special issue in Europe. Today, we have established the market economy in Europe with a very large social responsibility. What we have learned in the last year was that many entrepreneurs, especially the young ones, have forgotten social aspect. Many of them have been trained in America coming back with the idea that market could solve all the problems. I can only repeat it can't.

I believe the interaction between ASEAN and the EU. I suppose it is very important. Why are we organizing a closer cooperation between our two entities? If it takes into consideration the normal problems of ordinary women and men on the street which you referred as the marginalized, what does poverty alleviation mean? If it is not earlier or later has some impact on poverty alleviation. If the richer ones are getting richer, it can't solve the problems. If you don't take the interests of the marginalized into consideration, they can respond to that and all the problems that we have to do with security has something to do with neglecting the interests of the marginalized. To sum it up, there is no alternative to Europe. Once more again, it sounds a bit pathetic; nevertheless, it is true. The European integration is Europe's contribution to world peace. There have been wars all over the world in the last millennium, but if you want to stop that, the best thing indeed is to try to integrate the interests of people. So far, we have to go through two wars in Europe before we learned that war is not the answer to solving mankind problems. Now, we have tried the other way and that is to use integration of the interests, but again taking the interests of the weaker ones into consideration.

I could present you the long list as far as Europe's experience is concerned in the process of integration, but if there are some lessons to learn: Europe can only function if it takes the interests of the less important ones, then Europe can work. The stronger ones will always find their ways in pushing through the interests. Only the entity like Europe is taking the interests of the weaker ones into consideration, then Europe has the chance to survive, but again I suppose so far we are on a very good track. If the Irish rejects again in the second referendum, I have my deep doubt because the outcome of the second one will have higher no than the first one, then you have to find your way not to blame. If you talk to my people in my district, in the pub, or in the rural area about what they think about Europe, there are lots of misunderstandings of what is going in Brussels. In adversity of what is happening in Brussels is growing. Fortunately, the number of people who have realized that in Brussels including the Parliament and the Commission is increasing too.

I am very positive as far as Europe's future is concerned, if you have rejection of the treaty. What does that mean in the history of Europe? We can't convince the Irish, then people in the community have to present our proposal which might be accepted by the European people. Once more again, the European Commission and the European Parliament have to take the interests, the feelings, the motives of the adversity of the European citizens much more into consideration as they have done in the past. If they do so, then Europe will be a success story in the years to come as it has been in the last fifty years.

### **Dr. Pacharawalai Wongboonsin**

Mr. Manasvi, would you like to respond to his comments in terms of the implications of ASEAN and also the plan for ASEAN enlargement? Perhaps, the brief response.

### **Mr. Manasvi Srisodapol**

I suppose that what you mean by enlargement is the increase in membership. Right now ASEAN is defined according to the Charter by geography partly and the other part is by the consensus of the member countries. There have been talks off and on from Thailand point of view, we do support the interest of East Timor to join ASEAN in the future. We have the

chapter in the ASEAN Charter that would allow for East Timor to become a member once they are ready. Like what ambassador mentioned, in the EU, you have pre-conditions. For ASEAN, it is not really pre-conditions, it is just being prepared to participate, and that is a key challenge for any new members to participate in some seven hundred meetings per year: to have enough budget to send your people to all these meetings, to try to liberalize in the manner that you have never liberalized before, to provide conducive environment in terms of the software of the country in promoting investment. I think the challenge for East Timor is that the actual membership, but it has become a member whether it can take all those responsibilities and obligations. Right now, this is the only country that we are looking at in terms of membership in the future. Who knows in five to ten years East Asia community building will become so pronounced that ASEAN community may have to elevate itself or enlarge itself to include East Asia community as well.

Right now we are trying to determine the pace of East Asia community's building process, but that is because we are given that authority or we've been allowed by the major countries. Once the major countries can join hands faster and if their relationships are intensified in the future, pretty soon it may be the major countries that determine that pace of East Asia community. That picture is there, but we don't know how large East Asia community is supposed to be. Some countries would say that without India, Australia and New Zealand, you cannot have East Asia. Others say that India, Australia, and New Zealand do not belong geographically to East Asia so it is a question of how you define East Asia and whether you want to change the name in the future to accommodate the expansion of the cooperation in the region. The other point I was asked to talk about is the initiative for ASEAN integration that is a scheme that ASEAN has for trying to help new members to integrate into the ASEAN community. The focus in the past has been on Cambodia, Laos, Myanmar and Vietnam, but now there is a question mark arising because some old members feel that they also need added support in terms of integration. Now, the initiative for ASEAN integration not only covers new member countries, but it will also cover some old member countries as well. Thank you.

### **Dr. Pacharawalai Wongboonsin**

Thank you very much Mr. Manasvi. This panel has given us lots of ideas and food for thought before we go to lunch. Anyway, can I have one or two questions from the floor? The floor is open

### **Asst. Prof. Dr. Charit Tingsabadh**

I do not want to use the time of lunch. I was wondering how Klaus-Jürgen would respond to Khun Manasvi's question about if the EU signs the treaty of amity and cooperation. On what basis would it be? Would it be the European Commission? Would it be the European Union? Or would it be some sort of presidency arrangement where some countries become active members for the treaty for the moment? It reminds me of the remark by Kissinger that at one time he said, "When you talk to the Europeans, who is at the end of the telephone line? Can you respond a little bit on that?"

### **Klaus-Jürgen Hedrich**

I should say, fortunately, that situation is over. Ten years ago, no American senator went to Brussels if he traveled to Europe. Today, it is completely different. Normally, they start in Brussels and then come to different countries. That demonstrates that foreign countries have learned their lessons and they have realized that Brussels is no address. Things have changed and Kissinger has realized it as well. He was a foreign minister and he made a lot of mistakes and after being an expert on foreign policy, his assessments were not always right. However, as far as the treaty of amity is concerned, I have to confess that I have no idea really because as far as I know, so far, no final statement has been made. I believe you are right if it comes to the special character of that treaty. In my eyes, it is much more reasonable that the states joined the treaty.

On the other hand, you have been referring to a very interesting point. If Europe wants to be represented in that treaty, I believe, it could be a good idea that the European Union again is speaking of its 27 members because when you were referring to East Timor, some of the European states have the same problem. On the other hand, I have some doubts as far as international organizations are concerned, if you sum them up, we have MERCUSOR, NAFTA and we have ACP and South African Community and so on and so on, even the European Union as an entity has problem. If you refer to individual member, they will have problem. To be quite frank, what the hell Slovenia wants to be a member of that treaty? Here, we have the European mechanism. Sometimes, we might have dual approach to be a bit more flexible.

We have another example, the EU is representing the entity and some of the member states have the possibility to be represented. It might be a possibility, but I can't see a mechanism where all the European states as individual states will enter that treaty. I can't really see it. I might be wrong, but I always wonder if you always take again the individual national interests of member states into consideration and indeed for that we have some mechanism of the European Union. My advice is perhaps the treaty of amity could be a chance or a possibility where you could open more flexible approach for the European Union and individual member states if it is really in line with the current constitution of the European Union. I have no idea really, but greater flexibility should be a possibility.

### **Mr. Manasvi Srisodapol**

With the permission of the chairperson, could I also ask does this mean that we have to wait until the Lisbon Treaty is put into force before we proceed with the EU's accession so we are clearer what is going on?

### **Audience**

I think the Lisbon Treaty is something in process so I would advise not to wait for that. At this point of time, let us be clear, we do not know what is going to happen because we have to wait until 15 of October for member states to decide the way to go so we do not know at this stage. It might take longer than we thought. I would advise that we go ahead with the current situation. Thank you.

## **Audience**

My name is Kittisak from Thammasat University. I congratulated all the speakers who gave me a lot of information and wisdom on the issue. However, I still wonder how would you evaluate the realization of normal citizens on the EU-ASEAN relations? I think for the Europeans, they are well-aware of this, but on ASEAN side, how does ASEAN evaluate this kind of realization on the cooperation between the European Union and ASEAN? For example, if we look at the Tsunami event, we saw a lot happening, but we compare it to what happened in Myanmar, it would have another picture. Does it depend on the country, is it because of media, or is it because of the lack of realization on the cooperation of these problems especially in the case of Myanmar?

## **Mr. Manasvi Srisodapol**

Thank you very much for that question. I think the point was answered by Dr. Charit when he mentioned ASEAN and the EU have many contact points. We have contact points at bilateral level and at ASEAN-EU level and through the international organization such as the UN and so on and so forth. Also, we have contact point at civil society level. From my understanding for the situation in Myanmar, there was a lot of civil society support from the European side and from the rest of international communities going into Myanmar. In the case of Tsunami, there were several countries that were affected and it was both levels: the level of state as well as the level of civil society. Whatever the case either may be, I think, the presence of the EU at civil society or at the state level has been pronounced in both events. That is one of the key challenges for EU-ASEAN relations as well: how to promote this civil society interaction and how to promote people-to-people contact. I think you have many good programs from the EU side where you try to engage the younger generation in the EU's activities. It would help through EU's generosity. We also can get ASEAN youth to participate in the type of the program. I forgot the name.

## **Dr. Pacharawalai Wongboonsin**

Before I go to another comment from the floor, Mr. Klaus-Jurgen has a brief comment.

## **Klaus-Jürgen Hedrich**

I have my own experience as I am heading an NGO and we are especially involved with helping catastrophes, something like that. Not so much in the development cooperation. We are still operating in Myanmar. Of course, sometimes it's a bit difficult. The authorities in Myanmar are as they are. By having said that, I am interested in to refer to one of the European approaches, I believe all the measures of sanction on Myanmar are still crazy because it does not work and it only hurts the wrong ones. If it hurt the right ones, I surely will be in line with that. Personally, I am never in favor of sanction at all, but to put sanction on the country where none of the neighboring countries participates in is politically non-sense and this has something to do with the leaders of opposition in Rangoon. He has a close relation with Britain. Now, we are discussing how to be more flexible as far as the sanctions on Myanmar are concerned.

What I am interested to tell you is that the EU and their member states are very flexible when it comes to civil society. I believe that ASEAN, NGOs, civil society's activities and the rest of Asia, wherever you have a chance to establish contact with the so-called civil society and that really punishes country and we should do it because there will be a day and time and I am convinced and to prepare parts of society is a very good approach. Last comment, in politics, we are not always consistent. Human rights violation in China as big as they are in Myanmar and nobody in this world would come across the idea to put sanction on China as a member of Security Council. We have two definitions. Who could be punished by sanction? It is those who are not so important. As far as Europe and America are concerned, nobody is interested in what is going on in Myanmar. The point is we are not consistent with our policy. For a moment or for a certain period, sanction might be helpful, but they are not helpful in the end in Myanmar. Actually, it is one of the worst examples where sanction does not work. It is just hurting the poor of the poor. The German Parliament is also definitely against sanction on Myanmar.

### **Audience**

My name is Daniel Cruise. I am from the Embassy of the United Kingdom. I just want to pick up with one point that comes up from the very interesting discussion that we had this morning. I've only been here in Thailand for a month. Prior I was working in the foreign ministry in the UK and it was part of being responsible for the ratification of the Lisbon Treaty in the UK. I am pleased to say that we really succeeded in ratifying this treaty. I think underneath that is why question of successful engagement with civil society both in the UK and of course across the European Union on issues related to the EU and what it delivers and what it achieves and the direction of travel that defines us too.

Perhaps I would like to get a sense perhaps Mr. Manasvi first of all of bearing in mind what you said about how the EU and ASEAN can learn from each other. As you said about your effort to engage in civil society on ASEAN future development, you mentioned there are meeting happening today, I think. What do you take away from your experience of the EU effort to engage in the civil society? Those things that have worked and those things that have been less successful and let's get a sense of your intention for ASEAN would be very interesting. To Mr. Hedrich you played very clearly some of the problems that have existed within the EU. These issues are democratic deficit, recent history of the European Union has been a possible one, two referendum on the Netherlands and France on Constitution which failed, and more recently you mentioned the Lisbon Treaty in Ireland and that treaty was also rejected. Do you think therefore in the spirit of learning from each other there might be some lessons that the European Union can draw from its partners in ASEAN? Thank you.

### **Mr. Manasvi Srisodapol**

I think as you mentioned what we learned from the EU in terms of the engagement in civil society is the support that we have been given when ASEAN tried to develop the ASEAN Charter and we were able to at the invitation of the European side go to Brussels, the eminent person group was able to go to Brussels, and subsequently when the actual drafting took place, the drafters were also invited and also had the opportunity to go to Brussels. They were able to interact. In the case of ASEAN, I think you would have to say that this is something relatively new. Thailand was in favor of closer interaction with civil society because we knew

this community would not be given the support and civil society would not engage and we leave it to political leaders.

ASEAN only represents just another platform so how do we engage the leaders in a way to ensure that they give enough effort and time and thought to the ASEAN community building process? So we had to go out and engage more with civil society and civil societies in ASEAN don't know much about ASEAN so that where support have come from the non-ASEAN societies who helped to organize seminars among civil societies. They also organized like this one where the government can interact with people from various shades. That is where non-ASEAN society can help support the ASEAN civil society to get them more engaged and to understand more about ASEAN and its community and ramification towards people and to get them more interested to contribute more and to express their voice on various issues. We heard a lot on human rights body but there are other issues that ASEAN is engaged in such as the environment of cost labor in the near future. Right now, ASEAN is also developing some cooperation on migrant labor so these are issues that we're getting feedback from civil society in the past few years.

### **Klaus-Jürgen Hedrich**

It is interesting and what we can learn from ASEAN is only what could be really integrated. Strength and cooperation were possible and be careful where you are violating your own rules and the different interests of European nations. Example: in all treaties including the last one, there is a reference to strengthen the local and regional ones but nothing happened. As long as the European Union is going on with this process, it would earlier or later face the intensive danger. The principles of Europe are very simple: leave to the local level, states and regional level and leave to the national level what could be solved there and solve only on the European level on what is necessary to solve there. This is a very simple principle and it is definitely violated by the European Union. I have to confess that there is a consensus of the national governments and then they wonder their own electorate is getting nervous.

When the country is facing next election, they make it very clear if the Lisbon Treaty has not been passed then the process will be stopped officially so let's wait and see and that's what a lot of people are very nervous. The Irish have some moment, as far as the process is concerned alone, look to the Czech. The Czech is a very difficult issue and they are very special people. For the last century, the Czech has always failed as underdog, not treated equally by their neighbors, mistreated by Austrian, by German and so on and in the meantime, this is part of the Czech character that they are very skeptical. It is the moment they have discussion with the High Court and then even the High Court said, "I don't know" that it might be a problem if it is passed by the Czech Parliament. At least it is critical.

My advice to European policy decision makers is again if you realize like the country like the Czech Republic has problems, then you should be careful in pushing the process of integration through. I do not believe it is a good idea to expect from the Irish government to present a proposal next week. They cannot and if they do, they will present something. They present something substantial then they forget of being in power. They will be voted out. That is the situation of the Irish population. Having said that, nevertheless, I believe the roles of civil societies in Europe is greater or more substantial than ASEAN as far as I can access it. Many of the ASEAN countries are limited. Even the civil societies want to operate, they

don't have opportunity and again the importance of civil society is increasing so the political parties have to take that in increasing consideration.

Just to give you the last example. I do not know anyone in the room has followed the state election in Bavaria. The state party, as we refer to the Christian Democrat or the Christian Social Union lost substantially, many reasons. What was really interesting or dangerous for the political system in Germany was that the traditional opposition party, the Social Democrat, did not profit from that. They lost too. Other political parties profited from this loss. What is the reason for that? You have an undercurrent all over Europe. The populist elements in Europe are increasing and then again have reasons and the main reason for that is the traditional political parties are not regarded as those who could solve all the problems people have. A lot of people feel that the traditional parties couldn't respond to that any longer and it leads to the situation that the populism in Europe is increasing and that will of course reach earlier or later the truth of the European level.

The more populism you have, the more difficulty we will have in Europe, push even the Lisbon Treaty through. For example, the Socialist in Austria lost tremendously, but still they are the strongest party in Austria and together with the right party who makes the biggest gain in the election and it is around 60% of population who has great adversity against the European Union and that could be neglected and has to be taken into consideration. Here again, if the traditional political parties are not able to respond the wished or to the dreams or hopes of ordinary people, then they will look for other ways. They wouldn't do that in Europe alone. They will do it in the ASEAN and it could be all over the world. You can follow the undercurrent of populism and it is a very dangerous element when it combines with the fundamentalism. I don't want to make it too far because it is not our real subject.

### **Dr. Pacharawalai Wongboonsin**

Thank you very much. I think all agree with me that we have joy and food for thought. Our distinguished speakers have delivered their insightful thoughts. I ask you to join with me to give them a big applause for their excellent discussion. Therefore, I call this first panel adjourned.

### **MC**

Thank you very much. You all can proceed to room 108 where the lunch will be served in an air-conditioned room and I assure you that the air-conditioned room works well. In the meantime, we will try to fix the system over here and we hope that in the afternoon the room will be comfortable. Once again, thank you. If any participant cannot join us in the afternoon session, it will be highly appreciated if you can fill in the evaluation form and return it the registration table before leaving the venue.

