



Lessons and Reflections on Regionalisation *A European Perspective*

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Asia-Europe Foundation Lecture Tour

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Regionalisation as part of globalisation

- Globalisation transforms our societies
- Both Asia and Europe are deeply involved
- Regionalisation may strengthen our role
- Asia and Europe share common interests

Europe's Way towards Regional Integration

- Greek mythology: Europa, the princess from Asia Minor
- Migration, cultural exchange and mobility
- Birth of Nation States with the beginning of the Renaissance
- Pan-European concepts in the 19th century
- 20th century: The big European “Civil Wars”
- After WW II: Council of Europe, Charter of Human Rights
- ECCS, (European Defence Community), WEU
- Euratom, EEC, EFTA,
- Since 1986: Four Intergovernmental Conferences: Single Act, Maastricht, Amsterdam, Nice
- EC, EEA, EU, Monetary Union
- European Constitution ?

The Emergence of a New International Order

- Regionalisation and Multilateralism transform traditional diplomacy
- The European Union: A concept between a New Nation State and State to State Cooperation
- 27 Sovereign and Independent Democracies merge to a new Form of Statehood
- The EU as Benchmark for Interstate Relation in the Era of globalisation

The EU: A Concept “sui generis”

- ✓ Mix of integration and different levels of cooperation
 - = “communitarised”, integrated policy
 - = mixed competence (Commission and Member States)
 - = legal commitments for cooperation
 - = political commitments
 - = open method of cooperation

- ✓ Institutional structure following substance (bottom up, not top down)

The European Union Today

- 493 million People; 27 Countries; 4 324 000 sq. km
- Now 30% of World GNP (US: 28%, Japan: 10,2 %, China: 5%)
- A Budget of more than 100 billion Euro per year
- 35 000 Staff in Key Institutions
- 23 recognised “official” languages
- 19% of World Trade
- Free movement of goods, services, capital, persons
- 13 Countries belonging to the Euro-Group
- For “Schengen”-Countries no border controls for persons any more

Fundamental Principles of the EU

- Democracy and the Rule of Law
- Common values and well defined shared interests
- A new division of power:
 - = The role of the Council
 - = The role of the Commission
 - = Democratic Control: The role of the European Parliament
 - = Specific Voting Procedures
- Solidarity
- Subsidiarity and Proportionality
- Federal Nature of the EU
- Define and Develop European Identity

Key issues: The Single Market

- Adoption of the Single Act in 1986: A Roadmap towards Completion
- Goals of the Single Market:
 - = to bring down barriers and to enhance market opportunities
 - = to simplify existing rules and legislation
 - = to guaranty four freedoms (free movement of goods, services, capital, persons)
 - = to improve consumer protection
 - = to foster market dynamism
 - = to protect Intellectual Property Rights
- Completing the Single Market is still an ongoing process
- External dimension: Important opportunities for other Regions like Asia

Key-Issues: The Euro

- With Slovenia joining on January 2007, the Euro-Group includes now 13 Members
- UK and Denmark have opted out; Sweden failed its referendum; New Members must accept strict rules
- The Euro:
 - = has substantially strengthened the international economic role of the EU
 - = creates additional liquidity,
 - = reduces unilateral dependence on domestic investor markets
 - = lowers the costs in case of favourable swap opportunities
- The Euro still plays a predominantly regional role
- But offers increasing opportunities also to our Asian Partners

Key-Issues: The Common Trade Policy

- By uniting, the EU has become a powerful player in WTO and bilaterally
- Apart from massively increased internal trade, the EU-share of world trade is 19%
- Direct investments abroad 2005: 152,5 billion Euro
- Procedures:
 - = EU to conduct negotiations on behalf of 27 Member States
 - = EU-Council to decide negotiation mandate on the basis of a Commission proposal
 - = EU-Council agrees on results by Qualified Majority
 - = EP ratifies agreements, if they include also other issues than trade (mixed agreements)
- EU-goal: Keep WTO in the centre of international trade liberalisation
- Develop a new generation of free trade agreements
- Conclude a more balanced Doha Round

The European Union as Global Player

- CFSP still intergovernmental, coherence difficult to achieve
- Visibility insufficient
- Security and Defense: an important new dimension
- Institutional improvements through the Draft Constitution
- EU enlargement: Political Stability in Europe
- EU neighbourhood policy: no new dividing lines in Europe
- Relations with DC: Colonial legacy
- Strategic partnership concept
- more attention towards Asia required

Challenges Ahead

- Future of the European Constitution
- Further enlargement : Where does the EU end?
- Foreign and Security Policy; Defence: the concept of a EU-Foreign Minister
- Develop European Identity
- Simplification and efficiency
- Better involvement of the Civil Society

The European Union and Asia

- A relationship which requires more attention and efforts
- Asia came late on the EU-agenda but becomes priority now
- Asian process of regionalisation (ASEAN, SAARC etc.) important and should be promoted
- Asia a winner of globalisation
- A Continent of tremendous opportunities
- but also of potential instabilities and conflicts
- Why Europe wants and will do more

Regionalisation: Where Asia and the EU should compare notes

- On both sides no blueprints for regionalisation
- But both sides can learn from each other (method on how to proceed)
- Issues must come first, institutions have to follow
- Confidence Building Measures: Address the Legacy of the Past
- Regionalisation must come step by step (trial and error)
- It has to demonstrate clear Added Value
- Equality of Partners and Countries must be respected

