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Nobel Peace Europe and Dynamic Far East:

Europe meets Asia: 2012 ASEM-Summit in Vientiane, Laos

By Dr Tilo Wagner

„The two regions ... have a historical responsibility to safeguard peace ... work together for prosperity and growth ... we all belong to the Eurasian continent“.

European Council President Herman Van Rompuy: People`s Daily (China), 6.11.2012

9th Asia-Europe Summit in Laos: Euro-zone crisis paramount

Themed “Friends for Peace, Partners for Prosperity” a round table of meanwhile 51 participants of heads of state/government and their representatives gathered 5-6 November 2012 in the Laotian capital Vientiane for the 9th Asia-Europe Meeting (ASEM). The summit is nowadays most significant East-West forum seen from an European perspective. Finally the “Vientiane Declaration for Strengthening the Partnership for Peace and Development”¹ was adopted. A number of important topics in the arena of international security being dealt with covered a broad spectrum such as: First and foremost economic cooperation, counter measures against weapons of mass destruction and terrorism, and maintaining stable supplies of energy and food resources. The summit was overshadowed by the latest developments around the euro-zone crisis and a cooling down economy in China.

¹ <http://www.japanportal.jp/11062012mofadeclaration.pdf>

Next to political and cultural cooperation, the economic dimension is to be understood the main pillar of three-dimensional Europe-Asia relations. Widely known as the ASEM partnership, since its inception in the mid-1990s it has steadily expanded. Consequently the analyst *Shada Islam* points out that the euro-zone crisis weighs heavily onto the relationship and is convinced: “Asia is being hit hard by the euro-zone`s problems and afraid of being infected”. More point-blank is *Cameron Fraser* when analyzing: “Asia`s leaders finally are going to ask Europeans: When will you clean up at home?”. For the speaker of Germany`s Foreign Office, *Martin Schaefer*, the need for Europe to win back trust in Asia is evident, but “events of the past two months gave us all, including the Asian partners, hope that we have been moving on a great deal in handling the challenges” in Europe. The huge ASEM event with hosts alternating each two years in Asia and Europe, this time was organized by ambitious, yet still poor Laos. The developing country for that purpose had built a gigantic conference hall and exclusively provided luxury huts for VIPs facing the Mekong River.

Beyond seeking ways out of Europe`s tricky currency/economic crisis and for a speed up of global growth, participants of the meanwhile densely interlinked Europe-Asia exchange expressed heightened concern over rising tensions in the South and East China Seas. For *Shada Islam* in order to catch up with the US Europe ought to be more committed in Asia-Pacific, a region to which Washington is starting out to rebalance its relations with. The tool of ASEM, to be made better use of and served with more attention, would indeed offer a suitable frame. While dominated by economic issues, ASEM consultations sideways urgently needed “to be backed up by a stronger dialogue on security and more serious consultation on political flashpoints such as the South and East China Seas, Iran and North Korea”. With regard to 21st century non-traditional security challenges such as climate change, piracy, cyber-crime, illegal immigration and human trafficking East and West should cooperate more systematically than it had been the case so far. With membership applications on an all time high turning it into a success story, however the rising number of members pose an increasing challenge to the forum. Critics doubt the summits` ability to come up with tangible results, for as they argue more and more the gathering resembles the United Nations (UN) in miniature generating rather cheap showmanship than communicating contents. For *David O`Sullivan*,

director of the newly created European Diplomatic Service, the event`s focus yet is on the long-term prospects: “These meetings are part of a process for mutual understanding. We deepen relations and intensify dialogue, which enables us to carry on through difficult times as such we are in by now”. ASEM was not designed to be an institution for legally binding decision making. Instead its value rather lies in a unique blend of informal, comprehensive and regular basis networking. It is supposed to lead to the maintenance of trust by diverse alliance building and brain storming pools between government and administrative leaders originating from fairly differing national and regional backgrounds, bridging cultural East-West gaps. In between the summits, specific ministries of the parties involved permanently stay in touch over significant international developments whilst preparing forthcoming Europe-Asia summits.

The ASEM partnership comprises the European Commission, 27 EU (European Union) and 10 ASEAN (Association of Southeast Asian Nations) member states, the ASEAN-Secretariat, China, Japan, South Korea, Mongolia, India and Pakistan. At the Brussels summit in 2010, Australia, New Zealand and Russia, on the occasion of the 2012 Vientiane summit Bangladesh, and the non-EU members Norway and Switzerland joined in. Since its inauguration 1996 in Bangkok the number of ASEM participants has risen to 51. Seen from a European Commission point of view, ASEM in its function as a dialogue forum had by transcontinental scope been established with the objective to consolidate and maintain peace and stability and to contribute in a sustainable manner to the promotion of economic and social development.



Europe strategic partner for Asia: German business leading

Based upon four pillars, the EU`s numerous relations with Asia (i.e. with the (sub-) regions Northeast, Southeast and South Asia) rely on:

- 1) Multilateral cooperation (e.g. ASEM summits as flagship),
- 2) Strategic partnerships (e.g. with Japan since 1991),
- 3) Partnership and cooperation agreements (e.g. with Nepal) and
- 4) Free trade agreements (e.g. with South Korea, the first time with Asia).

ASEM represents about 50% of global GDP and 60% of both, the world`s population and overall trade volumes, illustrating according to *Jose Manuel Barroso*, President of the European Commission, the “centrality of Europe-Asia relations in today's world”. Since 2006 EU trade with the Asian ASEM partners (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar (Burma), the Philippines, Singapore, Thailand, Vietnam, Japan, South Korea, China, Mongolia, Russia, India and Pakistan) has risen remarkable 50%. In 2011, the EU exported to Asia goods and services worth € 330 billion, the Asian side to Europe worth € 532 billion. In fact, in the first half of 2012 nearly 25 % of the EU`s entire exports were shipped to Asia, and even 42% of all of Asia`s exports were delivered into the EU single market. Evidence enough for *Jose Manuel Barroso* to judge: “Our interdependence means that geographical distance is becoming less and less important”. Referring to ASEAN being the crucial engine of regional integration in Asia coupled with the welcomed effect of simplifying region-to-region relations between Europe and Asia, the Commission President stressed: “We were reminded by the Nobel Peace Prize that beyond the current difficulties, the transformative power of regional integration is a huge achievement for our citizens”.

However for *Shada Islam* it is obvious that Europe must struggle hard to maintain its privileged position in Asia: “We need to be realistic: Europe no more is Asia`s top priority. Asia increasingly turns toward the US and itself. With a view to Asia`s strong growth rates, in the meantime it has almost become self-sufficient. That is why Europe really must go in for strong efforts”. In doing so, Germany as Europe`s economic lead nation took on an outstanding position within emerging Asia: “Amongst Asian partners Germany enjoys a superb reputation. The Germans have been committed over a long

period of time and are said to be highly reliable. Therefore within Europe-Asia relations Berlin has taken on a key role". For the news service "Deutsche Welle" (Germany) the country is second to none when it comes to far-reaching business contacts with Asia. In the first half of 2012, German-Asian trade stood for 35% of exports and 20% of imports between the EU and Asia. As a consequence German policies and positions are always followed up with heightened attention. On the sidelines of the ASEM summit, the German Foreign Minister, *Guido Westerwelle*, stressed that in times ahead Europe and Asia would not only be willing to intensify cooperation in the field of economics, but also in terms of politics. Relations between both continents would have "significantly intensified". Furthermore it should be understood an undeniable fact that beyond key countries such as China and India, a number of countries so far "ranking second have become ever more important". *Guido Westerwelle* advocated once again free trade agreements and combating trade barriers: "Free trade is an engine of growth free of charge". In his opinion the euro-zone countries this time had made good use of the ASEM summit by advertising appropriately Europe`s single currency: "Certainly we took on here the chance to generate some more trust in Europe".

As Germany`s key partner in Europe, France expects Asians to contribute in a sustainable manner when it comes to help solving the (in essence structurally and mentally induced) euro-crisis. At home confronted with shrinking popularity due to a tendency of de-industrialization and steadily growing unemployment, the French President *Francois Hollande* demanded in Asia: "The Asians have so far substantially benefitted from our economic growth ..., now it is time for them to kick-start our demand". Also in favor of an intensified partnership is *David O`Sullivan*: "We strive for an even broader cooperation". Such alike is supposed to comprise not only economic cooperation, but to include security and foreign policy issues, too. "We have taken on a pivotal role within the future and the successful development of Asia, which we are determined to continue to contribute to". In an article for the "New Straits Times" (Malaysia) the Presidents of the European Commission and the European Council, *Jose Manuel Barroso* and *Herman Van Rompuy*, addressed to the billion populations of Asia`s emerging countries, both EU leaders a day before the official ASEM opening offered a tour d`horizon:

“Sixteen years after the launch in 1996 of this successful forum of dialogue and cooperation, Europe, Asia and the world have changed significantly. Asian nations have become strong economic players, lifting hundred of millions of people out of poverty, and gaining self-confidence on the world stage. In Europe, countries from the east and west have joined forces in an enlarged European Union turning it into the most ambitious and developed political expression of our continent in its history. Globalization, inter-dependence, redistribution of power, pressure over natural resources are among the key trends shaping the 21st century. Against this scenario, European-Asian relations are, therefore, today more relevant than ever. It is not surprising that five of the EU’s strategic partners (India, Japan, South Korea, China, Russia) are Asem participants, with which we meet regularly and at the highest levels, and that on the occasion of the Vientiane Summit we will be visiting Cambodia, Indonesia, Myanmar, Thailand and Vietnam“.

Listing up free trade agreements concluded with South Korea, and being negotiated with India, Vietnam, Singapore, Malaysia and since 29 November 2012 also with Japan, both top representatives of Europe advocated sustainable criss-cross growth:

“The world economy has undergone its most testing time since the 1930s, following the outbreak of the financial crisis in 2007. The economic and financial pressures in Europe are only one part of a wider set of problems worldwide. The EU is taking steps needed to reduce public debt, ensure a healthy banking system and lay the foundations for sustained growth and a stable common currency. But, also others need to do their part. In particular, we look to Asian countries to consolidate their public finance, to rebalance their growth model as appropriate and work with us to support a sustained global recovery”.

Back in June 2012, the Council of the EU had published its “Guidelines on the EU`s Foreign and Security Policy in East Asia”². Against the background of nationalistic-minded resource disputes in the South and East China Seas between democratic and authoritarian governed regional powers, *Jose Manuel Barroso* and *Herman Van Rompuy* pointed out the recently awarded Nobel Peace Prize to the EU. The EU`s rich expertise and experience with regional integration and foreign and security policies would embrace the promotion of wealth, peace and stability by means of a governmental system based on the respect for the rule of law and human rights:

² http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/en/misc/97842.pdf

“While (in Europe-Asia relations) the economic aspects of our relations have been dominant in the past, the political and security dimension has steadily grown in importance. The EU is developing broad security dialogues with many Asian countries focusing on issues like combating piracy, terrorism and cybercrime ... we need stability and security and the best way to achieve it is through negotiated solutions and common institutions. Asia would benefit from stronger institutions to prevent conflict and to tackle non-traditional security threats effectively at the regional and global levels”.

The EU as the world`s largest single market, most important partner for trade and investment as well as biggest foreign aid donor to Asia:

“...commend(s) Asean for steering the development of wider cooperation initiatives in East Asia in fora, such as the Asean Regional Forum (ARF, East Asian security cooperation) and the East Asia Summit. Being a committed Asian partner, the EU has just acceded this year (2012) to the Asean Treaty of Amity and Cooperation (TAC) and is already an active member of ARF. We look forward to making a positive contribution to the regional debates and we stand ready to share our own experiences in areas like crisis management, conflict resolution and preventive diplomacy”.

“Deutsche Welle” however reported that recently it have in particular been the countries of Southeast Asia, which by majority would be dissatisfied with what they call a “lack of interest from the side of Europe” in Asia. *Nicola Casarini* commented on the phenomenon: “Southeast Asians want `more Europe`. They seek an alternative voice from the West, so to be enabled to stir up the duo-pole USA-China which threatens with help of the big powers to substantially weaken the smaller and weaker countries (of the region)”. Unlike the new grand strategy of the US, *Jonathan Holslag* understands Europe to lack basic unity keeping it out of reach from a robust commitment in Asia-Pacific. Missing military capacities would indeed cause an inability to enter the sphere of security related policies: “Europe ought to be aware of its limits and interests and should not become an object of ridicule by declaring itself a `want to be`-power in Asia ... Europe in Asia rather ought to defend its business interests and enhance its trade relations. Our commercial focus is far too much on China”. *Cameron Fraser* does agree: “In their Asia policies the EU and the US do share a lot, but also much keeps us apart. The EU must be cautious and carefully sort out, where and how to be perceived by others”. Yet the analyst *Howard Loewen* is

convinced: “Beyond navel-gazing, for the Europeans it would be beneficial to, in a self-confident manner, increase their stakes in Asia ... they should make better use of platforms such as ASEM in order to exert their influence”.

Meanwhile the ASEAN member Myanmar, which until recently due to human rights abuses had been a “no-go country” and subject of sanctions imposed by Europe (the US and others), more than symbolizes a kind of gold rush mood across Southeast Asia. The country`s economic and political opening up rather is to be understood a brilliant chance for Europe to participate in the continuous economic boom of the entire Far East, soon to include North Korea, too ? And indeed, the past two decades witnessed the Asia-Pacific region`s share in global GDP triple rise from 6% to 18% prompting *Jose Manuel Barroso* to compare it with a “win-win-situation for Europe and Asia” alike. Hence not long ago, he had visited Myanmar and noticed significant changes taking root. The EU would now offer assistance for the sake of consolidating peace, national reconciliation and economic development. It was in April/May 2012, when a delegation made up of the EU Foreign Affairs Representative (who also is the Commission Vice-President), *Catherine Ashton*, coupled with her Foreign Minister colleagues of the single EU member countries travelled Myanmar, Thailand and Brunei in an attempt to foster region-to-region dialogue and cooperation. On that occasion in Brunei with Sultan *Hassanal Bolkiah* the start for negotiations of an “agreement for partnership and cooperation” with the EU was signed. Celebrating 35 years of successful cooperation within the EU`s longest standing Asia relationship (since 1978), the EU delegation also was scheduled to hold talks in Brunei with respective Foreign Ministers and the Secretary General of ASEAN, *Surin Pitsuwan*, finally adopting the “EU-ASEAN action plan 2013- 2017”³. *Catherine Ashton* with a view to economic cooperation announced:

“The EU has a strong stake in the success of ASEAN, a dynamic region of 600 million people situated across the world’s major trading routes ... As a whole, ASEAN represents the EU’s 5th largest trading partner, with €206 billion of trade in goods and services. The EU is ASEAN’s 3rd largest trading partner after China and Japan, accounting for 11% of ASEAN trade. The EU is by far the largest investor in ASEAN countries, with EU companies accounting for an average of 20.6% of FDI in the past three years”.

³ http://eeas.europa.eu/asean/docs/plan_of_action_en.pdf

In the context of comprehensive, strategic security cooperation with East Asia, and based on the expired “EU-ASEAN action plan 2007-2012”⁴, backed by its very own nature the EU by tradition has always been a staunch supporter of the ASEAN integration process. Numerous EU sponsored assistance programs aiming at the promotion of regionalization in the Far East serve as evidence. Also Europe`s security policy marks, left during the past 20 years in the region, are easy to detect when taking a closer look onto the EU`s active participation in the ASEAN Regional Forum (ARF) and in various other peace-building activities: Currently in : 1) Mindanao (Philippines), 2) Southern Thailand, and formerly in 3) Aceh (Indonesia, incl. post-tsunami 2004/05 reconstruction), 4) East Timor, 5) the Korean peninsula, and 6) Cambodia.

Underlining its stabilization efforts in the Far East region by its 12 July 2012 accession to the ASEAN Treaty for Amity and Cooperation⁵ (TAC, Phnom Penh, Cambodia), the block`s key document, Europe in the future will find itself in the privileged position to join the East Asia Summits (EAS, likewise e.g. India, Russia and the US) after having submitted its application some 6 years ago (the issue had been pending since 7 December 2006). By tradition both, the key player of regional integration and balancer between big power politics in East Asia, ASEAN`s significance in security terms was described by *Catherine Ashton* from an European angle:

“By taking the initiative of forming new regional fora, such as the East Asia Summit and most recently the ASEAN Defense Ministers’ Meeting Plus (ADMM+), ASEAN has confirmed its central role in the new East-Asian regional architecture”.



⁴ http://eeas.europa.eu/asean/docs/action_plan07.pdf

⁵ <http://www.mofa.go.jp/region/asia-paci/asean/treaty.html>

2012 ASEAN Summit: Super economic zone and resource disputes

Unlike the EU a loose confederation, but meanwhile reaching out far beyond East Asia as the crucial hub of regionalization, the 21st ASEAN Summit together with the 7th East Asia Summit -simultaneously carried out by means of various fora- took place 18-20 November 2012 in the Cambodian capital. Its host, Prime Minister *Hun Sen* welcomed in the “palace of peace” the ten heads of state and government of the ASEAN grouping and of its eight dialogue partners. This time ASEAN additionally to its core assembly debates offered one more time the following derivatives an excellent stage:

- 1) ASEAN + 1 group (e.g. ASEAN and dialogue partner China negotiating inter alia resource conflicts in the South China Sea),
- 2) ASEAN + 3 group (ASEAN and dialogue partners Japan, South Korea and China : attempted sub-regional policy coordination in East Asia, i.e. North- and Southeast Asia, inter alia on Korean peninsula peace and unification),
- 3) ASEAN + 8 group (forming the East Asia Summit comprising ASEAN`s core members plus its dialogue partners Japan, South Korea, China, Australia, New Zealand, India, Russia and USA – By means of TAC accession, the EU is likely to join in the future).

Quoted in “Xinhua“ (China) newswire analyst *Chheang Vannarith* explains the summit fora first and foremost were about topics linked to business and trade relations. However, also the region`s fragile security situation would have been focused. Finally not only had the ASEAN human rights declaration been adopted⁶ (which yet by many observers is characterized to be a toothless tiger), but moreover current regional hotspots such as the evolving peace process in the Philippines, ethnic-religious tensions in Myanmar, North Korean rocket tests, and frictions in the South and East China Seas were being discussed.

With a view to economic collaboration, the summit was busy to address comprehensive plans for free trade and regional economic integration leaving the journalist *Urs Walterlin* of “Der Standard” (Austria) wondering: “A new economic giant is about taking shape in Southeast Asia - and almost nobody is taking notice of. Still infatuated with China and India, Europe so far scarcely recognized that a new and powerful free trade zone is being created over there:

⁶ <http://www.asean.org/news/asean-statement-communiqués/item/asean-human-rights-declaration>

The Asean Economic Community, in brief AEC. Until 2015 Thailand, Vietnam, Indonesia, Laos, Malaysia, Myanmar, Singapore, Brunei, Cambodia and the Philippines seek to jointly dismantle most of their trade barriers. Ten countries of together 600 million people with a combined GDP already today well exceeding India`s” (US \$ 1.5 trillion as of 1/2011). When comparing in relative terms poor Myanmar with rich Singapore, the pursuit of such an endeavor with a track record dating back right into the 1970s, due to given huge differences in developing levels, societies and political systems in the region proves to be truly difficult indeed. Sponsored by Thailand, one of the region`s strategic partners of the US, an US \$ 500 million ASEAN infrastructure fund is about to be established and supposed to kick-start change with financial aid injected by the wealthy dialogue partners of the ASEAN + 3 group, namely Japan, South Korea and China, if finally implemented.

In the opinion of *Rajiv Biswas* “the strong economic performance ... has turned ASEAN into a key priority for the US-administration and US-corporations and their related commitments” in the international arena. The engine behind is a dynamic rise of new middle classes made up of millions of additional consumers. According to the analyst they successfully have found a way out of poverty, representing a fresh demand for goods and services. Within a mere two decades, the ASEAN region hence has been able to prosper into “one of the world`s largest consumer markets”. If forecasts of annual growth rates of up to 10% prove correct, the ASEAN block could draw even with China`s average economic buildup during the past 20 years, challenging Peking`s still leading position⁷. According to *Rajiv Biswas* it is especially Indonesia, where a rapidly growing, happily money spending middle class has been launching the Muslim 240 million nation (with a current annual GDP of € 706 billion or some US \$ 900 billion) into the driving-force position of ASEAN`s economic boom. A

⁷ Peking`s new party and (designate) state leadership under *Xi Jinping*, elected at the 18th congress of the Communist Party of China in early November 2012, already has announced strict reforms in an attempt “to prevent the party and the state from collapsing”. The intention is, amongst others, to strengthen domestic consumption, to tackle corruption and to fill a deepening gap between the rich and the poor. In order to beef up the traditionally fragile scheme of “social harmony”, China inevitably must maintain permanently a high growth rate. In the driver`s seat, *Xi Jinping* now chairs the party as Secretary General and assumed the authoritarian country`s uppermost crucial power position, namely heading China`s mighty military commission as Commander-in-Chief (the topmost career step, which was never possible for the about to resign President *Hu Jintao*). In March 2013, *Xi Jinping* is likely to be also elected the new President by the people`s congress (China`s de facto parliament), *Li Keqiang* is set to be lifted into the Prime Minister position.

GDP able to have grown four-fold by the year 2030, Indonesia according to the “Forbes” magazine (USA) harbors already more billionaires today (2011-2012: from 26 to 32) than Japan (28). It has even taken over China (over 100) and India (over 50), if calculated per capita citizens.

Next to plans for the creation of an ASEAN Economic Community (AEC), in parallel run preparations to establish the pan-Asian „Regional Comprehensive Economic Partnership“ (RCEP), a gigantic Asian free trade area shaping around the ASEAN + 6 group linking the ten ASEAN members with its dialogue partners China, South Korea, Japan, Australia, New Zealand and India. Countries such as Thailand of ASEAN at the summit were keen to advocate RCEP, which according to “Deutsche Welle” unites some 3.5 billion consumers and stands for an integrated market of no less than a third of global GDP. Facilitated by combining already existing bilateral free trade agreements between ASEAN and each of its six dialogue partners, RCEP negotiations are scheduled to be completed by the year 2015. Notwithstanding its ambitious plans for regional free trade, *Urs Wälterlin* illustrates that due to partly enormously differing national interests, ASEAN so far had been little able to present itself as a homogeneous entity. Indonesia and Singapore, as example, would contrast sharply with countries like Cambodia, Vietnam and Myanmar, which “just have entered the path toward modern economies”. Despite recent festivities with regard to its 45th inauguration anniversary, it would be in particular gaps of economic, political and also cultural nature, which in the past had ASEAN kept away from establishing itself “on the stage of international affairs ... as a potential player”.

A prominent example of nationalistic egoisms predominant in East Asia (i.e. Northeast and Southeast Asia combined) are rows over fishing areas in the South China Sea, which also rich of other natural resources (crude oil, gas, precious metals) are located at strategically important international trading routes. To date, ASEAN has found itself unable to at least agree on a jointly backed summit statement, most recently blocked by Cambodia in summer 2012. As in the deadlocked cases of various East China Sea islet groups claimed by China, Taiwan, South Korea and Japan (in particular the Senkaku/Diaoyu and Takeshima/Dokdo) alike, also with a view to Myanmar it is not only geo-strategy and prestige, but first and foremost crude oil and other strategic resources being the bone of contention. The given stocks account for mounting

greediness coupled with nationalistic rhetoric and a high potential of violence, as analyzed by *Beginda Pakpahan*. According to him Myanmar offers, as it is about to take on change toward democracy and economic development, ASEAN the opportunity “to present itself in unity and to acquire reputation”. No less does the analyst *Shankaran Nambiar* understand Myanmar to visibly embody the vital principle of ASEAN members, to cut short strictly any kind of neighborhood interference regarding individual domestic affairs. In his opinion, any intention of deepening ASEAN integration in consequence “compulsorily must include principles of civil liberties and the rule of law amongst all member countries”. In that context, especially a strengthening of the status of the General-Secretariat and a clear-cut mandate for its Secretary General should abolish political inefficiency, so far the rule and not the exception. However, such a step would require ASEAN members “not to defend their respective national interests by sidelining regional ones”. A strategy likely to remind readers of EU related complexities, when it comes to national and pan-regional lobby-wrestling.

Reiterated in summer 2012, Chinese claims comprising almost the entire South China Sea area appear to be comprehensive. Ever since, and dating back a long time, tensions between China and the ASEAN members Vietnam, the Philippines, Malaysia and Brunei have been top on the agenda in respective relations. With all of them staking their very own territorial claims. In terms of achieving a “code of conduct”, *Benigno Aquino*, the President of the Philippines argues that ASEAN should seek to speak with a single voice when addressing China in the looming, but lucrative territory and resource conflict. Meanwhile the 21st ASEAN summit disclosed a Chinese diplomatic position that seems in general to be in favor of a code of conduct. However, obviously based on the “rule and divide”-principle, in negotiations Peking made the case in addressing each and every single ASEAN member allegedly to keep the block`s united lobbying power limited ... and its new and dynamic sponsor Washington right off from gaining more influence in the region. As reported by “Deutsche Welle”, with little success for a decade China and ASEAN have been struggling on ministry working levels to find common grounds for a South China Sea code of conduct: “Whatever the outcome of the diplomatic contest, it would not solve the underlying basic conflict ... even though China were to agree with the code ...

Peking by doing so would not give up its sovereignty claims in the South China Sea”.

The 18th congress of the Communist Party of China (11/2012) firmly reiterated such claims as President *Hu Jintao* advocated a “more assertive role in international affairs” and explained in his speech, broadcasted by live coverage across the country, that the “middle kingdom” would need to resume its status of a mighty sea power determined to pursue its national interests. Tokyo responded by reminding Peking to exert its increase in influence in a peaceful manner and in line with international laws. With regard to China, which after some two centuries seems to regain its traditional position as East Asia’s natural leading power, Malaysia’s Prime Minister *Najib Razak* is quoted as saying in “The Wall Street Journal”: “Countries must come to grips with China's growing influence in Asia and around the world ... China also can be a positive force”. It recently overtook Japan’s economy to be the world’s second biggest.

A few weeks earlier and once again triggered by competing interests counter-claiming territory and natural resources, the ASEM summit (5-6.11. 2012) had nearly been rocked off by a verbal beauty contest. China’s Foreign Minister *Yang Jiechi* in a heated manner had challenged the Prime Minister of Japan. In the course of exchange of words, *Yoshihiko Noda* in a cool way defended his country’s position on the group of islets located in the East China Sea, known in Japan as the Senkakus and in China as Diaoyus. Yet the bitterness of mutual disapproval combined with an explosive nature prompted the 18 participants of the following ASEAN and East Asia Summit later the same month (18-20.11. 2012) to “harmonize” affairs by simply sparing the controversial issue. A hot potato in traditionally tense China-Japan relations, the issue for longer has been under negotiation, for example during bilateral consultations on ministry levels in central China’s Wuhan (11/2012).

Prior to the worst case of an armed confrontation around the islets backed by the security treaty alliance with its long-term military ally USA (as confirmed by the US senate 11/2012), Japan is inclined to focus on treaties of international law, peaceful diplomatic solutions and measures of de-escalation. China on the contrary, it appears, does not miss a single chance to send out stern warnings of a potential shift to the right in Japan’s public understanding and foreign affairs allegedly jeopardizing stability in the region. Leaving China’s very own brutal

colonial expansion of the past and still highly oppressive rule, such as in Tibet, comfortably unmentioned, Vice-Foreign Minister *Zhang Zhijun* at the ASEM summit described the origins of his country's claims on the islets: "In 1895, Japan illegally occupied the Diaoyu Islands following the Qing government's defeat in the First Sino-Japanese War and forced the Qing government to sign an unequal treaty, which ceded to Japan the islands and other territories".

Japan's "new type of patriotism" has also closely been analyzed by *Joseph Nye*. The top-analyst holds it, after the Japanese government had decided to buy some of the Senkaku (Diaoyu) islets in summer 2012, accountable for what he calls a one-sided cancellation of a peace-conserving Sino-Japanese agreement as of May 1972⁸. Back then, it had been agreed upon by Japan's Prime Minister *Kakuei Tanaka* and his Chinese counterpart *Zhou Enlai* in the wake of that time US-foreign policy paradigm shift away from Taiwan and in favor of Peking as the sole, legitimate and internationally recognized representative of China. Serving the noble goal of normalizing bilateral relations poisoned by Nippon's bloody East Asian colonization linked to the horrors of World War II, 40 years ago the leaders of both for centuries bitterly rivaling countries came to conclude temporary common grounds: The diplomatic minefield of maritime

⁸ However important to know is that the (former) coalition government led by *Yoshihiko Noda* (Democratic Party of Japan) had bought three out of the five islets from a Saitama prefecture based private owner (northward border lining Tokyo) for the Japanese central state in order to prevent the Tokyo Governor *Shintaro Ishihara* from doing so beforehand (one of the islets was already owned by the City of Tokyo, the remaining one is believed to be still in possession of the real estate owner from Saitama-City). In his 80s and by confession a nationalist, *Shintaro Ishihara* even had planned to equip the islet rocks with infrastructure including harbors for fisher boats and lighthouses. The (former) Japanese government instead and on purpose was willing to keep the rocks untouched. Yet geo-strategic appetite is likely to grow with the US energy agency EIA estimating a tenth, or at least 16 trillion liters, of the world's crude oil reserves hidden in the East China Sea. Meanwhile *Shintaro Ishihara* has founded the Sunrise Party (Taiyo no To), which merged with the Japan Restoration Party (Nippon Ishin no Kai) of the ambitious Mayor of Osaka-City *Toru Hashimoto*, but now is run by the charismatic Tokyo Governor in return. Lower House elections pre-scheduled for 16 December 2012 witnessed a landslide victory of the conservative camp as forecasted correctly by the "Yomiuri"-newspaper. While the ruling Democratic Party of Japan was voted out of office (suffering with only 57 seats a smashing punch compared to its 300 seats when voted into office in 2009), the Liberal Democratic Party, with its leader *Shinzo Abe* (Prime Minister 2006-07), straight filled the vacuum with 294 seats in the Lower House. Coupled with 31 seats of the Buddhist party New Komeito led by *Natsuo Yamaguchi*, both conservative parties are likely to form on 26 December 2012 a new coalition government. A total of 325 seats will back up the new combination (unlike in the Upper House, where it forms part of the opposition awaiting elections later in summer 2013). As forecasted by "Yomiuri", the (conservative-nationalistic) Japan Restoration Party with 54 seats turned out to be the third-largest power in Japan's Lower House.

claims ought to be finally solved by the following generations. For the sake of a peaceful, cooperative and prosperous future!



Sources:

- 1) *ASEM : EU Asia inches closer in Laos*, New Europe 5.11.2012 by Shada Islam
- 2) *Euro-Krise dominiert Asia Europe Meeting*, Deutsche Welle 5.11.2012
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