

New Zealand and the Asia–Europe Meeting: three years on

Mathew Doidge finds New Zealand’s engagement with ASEM to still be tentative and calls for a more flexible approach.

New Zealand, alongside Australia and Russia, formally acceded to the Asia–Europe Meeting (ASEM) in October 2010. This followed fifteen years of drift, a period during which initial strong interest, derailed by the opposition of Malaysian Prime Minister Mahathir Mohamad, subsequently became less certain as views of the forum’s utility to New Zealand dimmed. In effect, by the turn of the millennium, the issue of ASEM membership had been kicked into the long grass, where the Ministry of Foreign Affairs and Trade was happy for it to remain until it became clear in mid-2008 that Australia was pushing strongly for entry and was likely to succeed. This move had wrong-footed MFAT, forcing a rapid rethink of a policy that had rested, among other elements, on a view that New Zealand’s non-membership was acceptable given Australia’s parallel exclusion. The final *volte face* and scramble for membership was therefore motivated in large part by a fear of marginalisation, a concern that Australian entry would leave New Zealand in the untenable situation of being the only regional state outside the forum.¹ Three years on, it is worth considering where New Zealand stands in relation to ASEM. Given its less than wholehearted accession, what benefits does it perceive in participation, and to what extent have these been achieved?

The Asia–Europe Meeting was launched in 1996 to strengthen links between Europe and Asia, and to balance those of each of these regions with the United States. While motivated largely by economic concerns — a European interest in benefitting from the Asian economic miracle, and corresponding Asian concerns with access to the European single market — political and cultural co-operation were also prioritised in the establishment of the forum. It was envisioned as a comprehensive partnership, one that was open, transparent and informal in nature, with no binding powers, but which would, nevertheless, pursue concrete results. Since its inception, ASEM’s breadth, both in terms of its membership (which has risen from 26 at the inaugural summit in 1996 to 51 member states and organisations) and of its dialogue framework, has increased significantly. At the apex of the structure, providing direction to the process, are the biennial summit of heads of state and government and the foreign ministers’ meet-



ing (FMM), below which the forum is divided into three pillars of co-operation:

- political
- economic
- social, cultural and educational.

Dialogue in each of these pillars occurs through a variety of regular and *ad hoc* ministerial meetings, officials’ meetings, working groups, experts’ groups and so on. In other words, ASEM is not a purely governmental forum, incorporating instead a range of Track 2 structures and processes alongside those of Track 1. It is this that gives ASEM its remarkable breadth of interaction, with on-going meetings and consultations occurring at a variety of levels on a daily basis. One of the most visible of these, and the only physical ASEM institution, is the third pillar’s Asia–Europe Foundation (ASEF), which focuses on intellectual, cultural, and people-to-people exchange, an element differentiating the Asia–Europe Meeting from other international fora and one which has been accorded particular significance by the forum’s membership. In short, while the leaders’ summit and the FMM remain the most visible tip of the iceberg, it is in the structures below the waterline (such as the ASEF) where the bulk of productive engagement is undertaken.

Wellington’s view

With limited resources for conducting external relations, New Zealand’s external policy has involved keeping a finger in as many pies as possible, while focusing efforts on those institutions and fora likely to deliver substantive results. Following early high expectations, particularly around the potential for trade liberalisation among its members, ASEM’s history in this respect has been

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Launched in 1996, the Asia–Europe Meeting (ASEM) brings together 51 members (49 states and two regional organisations) in an increasingly dense and expansive dialogue framework. New Zealand joined ASEM at its eighth Summit in 2010, fully fifteen years after its initial expression of interest. Three years on, New Zealand’s engagement with ASEM remains tentative. If the most is to be gained from its membership, a flexible approach is needed. There are a range of options open which together offer the possibility of achieving some of those benefits initially conceived, not the least of which is the demonstration of credibility and of commitment to the Asian space.

one of disappointment, with substantive engagement and concrete outcomes largely (though not completely) lacking. Instead, it has gained increasing value in the eyes of its participants as a political space, an ideational and discursive process, and an arena for dialogue without preconception. While this may be beneficial, for New Zealand it has been insufficient to elevate the Asia–Europe Meeting to the level of other regional fora in which it is engaged, notably APEC, the East Asian Summit, and the array of institutions associated with ASEAN. ASEM is, in other words, very much a ‘second order’ forum in the hierarchy of New Zealand’s external engagement.

With substantive outcomes seemingly off the cards, MFAT aspirations for ASEM have rested on issues of access and positioning.² Increased potential for dialogue and access as a function of the expansiveness of the process (in terms both of membership and of scope) is perhaps the clearest point of attraction, be this utilising the forum as a mechanism for generating a greater understanding of regional perspectives on an array of topics, for addressing specific issues of priority to New Zealand, or for facilitating access to regional leaders and decision-takers. ASEM is seen to provide, in other words, a means to deepen engagement with key Asian and European leaders. Alongside this lies an interest in reinforcing New Zealand’s regional presence in Asia, contributing to the symbolism of being a part of the Asian caucus while not specifically an Asian state. In this respect, membership of ASEM is seen to contribute to the layering of fora in which New Zealand engages and integrates with its Asian partners, further demonstrating that its interests and those of the Asian states are intertwined. This is an element that has been particularly prominent in New Zealand’s Asia strategy since the 2007 Asia white paper.³

Underwhelming performance

Underpinning each of these elements is the acknowledged importance of participation and engagement, as a means both of delivering dialogue and access, and of demonstrating credibility and commitment to a position in Asia. And yet with nearly three years having elapsed since accession, performance in this respect has been noticeably underwhelming, a situation shaped both by the resource constraint and the relative level of importance accorded ASEM. With limited resourcing allocated to ASEM engagement, the focus has been on the apex structures — the leaders’ summit and the FMM — though, as a second order forum, participation even in these structures has been at the low end of the spectrum, doing little to demonstrate any real commitment to the process in the eyes of the other participants.⁴

The decision for John Key not to attend the eighth ASEM Summit in 2010, for example, the first to which New Zealand was invited, raised eyebrows among the forum membership. Indeed, such a dim view of this absence was taken, particularly among the Asian states, that the prospect of a new rule was raised, requiring acceding members to attend their first summit at the head of state or government level or potentially have membership placed on hold. Despite the view taken of such absences by its Asian partners, New Zealand has continued on this line, with John Key again a no-show at the ninth Summit in 2012, and with Murray McCully’s non-attendance at the most recent Foreign Ministers’ Meeting in 2011.⁵ This stands in stark contrast to the approach of Australia, which has used such opportunities to strengthen external relationships, engaging in bilateral discussions at the highest levels and pursuing its own economic and foreign policy agenda

through active engagement in various other ASEM fora.

Concomitant with the focus on apex structures has been the low level of New Zealand’s engagement in the various sub-summit and sub-ministerial ASEM fora. The bread and butter of ASEM co-operation lies in the formulation of initiatives at this lower level, and the organisation of



Murray McCully

meetings and working groups on issues of priority to member states. Such elements contribute to the high density of on-going ASEM dialogue. New Zealand’s involvement in these structures has again, however, been extremely light,⁶ a matter noted by other ASEM partners as an area where improved performance would be particularly welcome, especially around proposing and driving initiatives.

Group positioning

Where MFAT’s ASEM aspirations have most clearly been achieved is in relation to group positioning. Initially undermined through relegation to a ‘Temporary Third Grouping’ alongside Australia and Russia — a consequence essentially of disagreement as to whether the latter should join ASEM on the European or Asian side — New Zealand’s inclusion into Asia was achieved in March 2012 when a solution to the Russia problem was found. Seen as symbolically significant by MFAT in reinforcing an asserted identity, this also had the practical impact of allowing New Zealand representatives to sit alongside their Asian counterparts in exercising group co-ordination functions. Importantly, however, even as part of the Temporary Third Grouping, New Zealand had adopted strategies to align itself more closely with the Asian grouping, approaching its inclusion as a virtual *fait accompli*. The decision to move responsibility for ASEM from the Asia to the Europe Division of MFAT, in effect calibrating the administration of the forum with the Asian states, is one such example. Alongside this stood the decision by New Zealand’s ASEM governor to caucus with the Asian states, in practice inviting himself to take part in their meetings so as to allow no assumption to emerge other than that New Zealand should be integrated into the Asian grouping.

If, as has been recognised within MFAT and among New Zealand’s ASEM partners, participation and engagement is the key to drawing benefit from the Asia–Europe Meeting, then there remains some room for improvement. Setting aside the issue of the apex structures, New Zealand’s ‘under-representation’ at which is unlikely soon to be rectified, there remains significant space to increase participation as the basis for a future ASEM strategy. This must involve a recognition of the body of the iceberg below the waterline, and not least of pillar three (the ASEM pillar), a particular feature of ASEM under which a great weight of on-going interaction takes place. It must also involve an emphasis on the role of institutions beyond MFAT, be this in the form of Track 2 structures or, where appropriate, the participation of ministries and agencies beyond Foreign Affairs. Doing so may

facilitate the deepening of New Zealand's engagement with the process without increasing the burden on MFAT itself. In this respect, a couple of potential paths are identifiable.

Structured framework

The Asia–Europe Foundation, as a forum for intellectual and cultural exchange, provides a structured framework through which, for example, the people-to-people engagement highlighted in the 2007 Asia white paper can be pursued. New Zealand is already an active participant in the ASEF at the board of governors level, and punches above its weight in terms of its funding, but has done little to build upon this.⁷ Successful extension of engagement within the framework of the foundation requires encouraging the participation in ASEF programmes of, in particular, secondary and tertiary education institutions and other relevant civil society organisations. The aim should be the establishment of workshops, programmes and processes reflecting a New Zealand influenced agenda.

Beyond Track 2 involvement, ASEM has been utilised by its members as a framework through which to address specific policy issues with relevant partner states, something increasingly seen as providing added value to the process. Again, this is an area where New Zealand could usefully do more, potentially identifying a small number of areas where engagement would prove beneficial — be this as a consequence of the precise constellation of partners in ASEM or of the lack of appropriate fora elsewhere — and encouraging the involvement of agencies beyond MFAT. One such example is in the field of education. In 2011, New Zealand played host to more than 97,000 foreign secondary and tertiary students, generating more than NZ\$730 million for the education sector.⁸ Of these, 70 per cent were drawn from Asian and 9 per cent from European ASEM members, with the forum, therefore, offering an opportunity to engage collectively with countries accounting for more than three-quarters of foreign student numbers.

Education focus

Education matters have become increasingly prominent within ASEM in recent years, with an education ministers' meeting being held four times since 2008,⁹ and the regular convening of meetings and working groups on such diverse issues as university–business collaboration, quality assurance in higher education, the functioning of university credits systems, curriculum development and so on. Given the importance of foreign fee paying students to the New Zealand education sector, issues such as quality assurance are clearly of significance, be this in terms of the qualifications earned in feeder states or of the recognition of those earned in New Zealand, particularly from private education providers such as language schools. Further, with the increased provision of offshore education services a key aspiration in the Ministry of Education's international strategy,¹⁰ ASEM provides a potentially useful framework for dialogue with target states or indeed for sharing best practice with other 'exporter states'.

Beyond engaging more with existing structures, the comprehensive nature of ASEM (with no *a priori* exclusions) provides space for the establishment of dialogues on matters of interest to New Zealand. Development, for example, remains a relatively under-considered issue in the ASEM process, standing therefore as a significant opportunity for New Zealand to exercise leadership. With the Asia–Europe Meeting including six of the seven top donors to the region, Pacific development may be one area where

this can be exercised, with potential for discussion of regional priorities and donor co-ordination, and indeed for addressing issues of concern (for example, those centred on the role of China).

Three years on, New Zealand's engagement with the Asia–Europe Meeting remains tentative. If the most is to be gained from its membership, a flexible approach is needed, emphasising the participation of agencies beyond MFAT (including those at the Track 2 level). Such an approach offers the opportunity to move beyond the current light touch scenario, which is the consequence of limits imposed both by resourcing and by the second order relevance of the process in MFAT's hierarchy of external engagement, to strengthen New Zealand's place in the process without correspondingly increasing the demands placed on MFAT itself. From a base level of fostering people-to-people engagement through the ASEF to the more complex process of identifying priority issues and facilitating the participation of relevant agencies, there are a range of options open which together offer the possibility of achieving some of those benefits initially conceived, not the least of which is the demonstration of credibility and of commitment to the Asian space.

NOTES

1. A fuller consideration of the calculus of New Zealand's accession to the Asia–Europe Meeting may be found in Mathew Doidge, 'New Zealand and the Asia–Europe Meeting', *Asia Europe Journal*, vol 11, no 2 (2013), pp.147–62.
2. These identified benefits are drawn from a series of interviews undertaken in 2012 with current and former MFAT officials.
3. Ministry of Foreign Affairs and Trade, *Our Future with Asia, White Paper* (Wellington, 2007). Available online at: www.mfat.govt.nz/downloads/foreign-relations/asia/asiawhitepaper.pdf (acc 18 Jul 2013).
4. Views on New Zealand's performance were drawn from a series of interviews conducted in 2011–12 with Foreign Affairs officials from ASEM partners.
5. On each of these occasions, lower level delegates have represented New Zealand. At the 2010 Summit, John Key's place was taken by Deputy Prime Minister Bill English assisted by Foreign Minister Murray McCully, and at the 2012 Summit by McCully. At the 2011 Foreign Ministers' Meeting, Ambassador to Germany Peter Rider represented New Zealand.
6. Examples of participation can be found, the comptroller of New Zealand Customs having, for example, attended the biennial ASEM Customs Directors-General and Commissioners Meeting in 2011. They remain, however, a relative rarity.
7. Since 2010, New Zealand has provided SG\$100,000 per annum to ASEF — the 16th highest amount among the ASEM membership. This compares with Australia, for example, which has contributed SG\$76,615 per annum (ranking it 23rd) beginning in 2011.
8. Ministry of Education, *Export education levy full year 2003–2011* (Wellington, 2012). Available online at: www.educationcounts.govt.nz/_data/assets/excel_doc/0019/102592/Export-Education-Levy-Full-Year-2003-to-2011.xls (acc 18 Jul 2013).
9. A New Zealand representative attended the third meeting in 2011, the first for which it was eligible, though was absent from the fourth meeting in 2013.
10. Ministry of Education, *Leadership Statement for International Education* (Wellington, 2011). Available online at: www.minedu.govt.nz/-/media/MinEdu/Files/EducationSectors/InternationalEducation/PolicyStrategy/LeadershipStatement2011.pdf (acc 18 Jul 2013). 