



Royal United Services Institute
for Defence and Security Studies

Conference Report

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Prepared by Peter Roberts



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RUSI CONVENED a conference on 22 March 2017 to consider what part Europe might play in Crisis Management in the Asia-Pacific region. The event, at the Institute's Whitehall building, brought together more than 65 attendees from academia, industry, the military and various parliamentarians. Speakers from across Europe, Asia and the US examined whether Europe had an appetite to become embroiled in Asian security, and if so in what way.

Europe's Dilemma: Economics or Security

The conference began by covering the discussion in both the EU in Brussels and separately in various European capitals over whether to view China through a security prism or an economic one. The concept for the conference followed other discussions with EU leaders and European policymakers (as well as those from the Pacific region) and proposed that the EU had neither a voice nor interest in the Asia-Pacific region in terms of crisis management. Contrary to this, the economic interests and trade dependency of the EU on China was clear. For the EU, therefore, economics trumps values.

The trade figures are stark. China is the third-largest economy in the world (after the US and the EU), as well as the largest manufacturing state and consumer. It is the biggest export destination for 43 countries, the top EU trade destination, accounting for goods and services exchanges valued at more than €1 billion per day, and 20% of European goods. Individual states are equally dependent on China for continuing prosperity. According to the Office for National Statistics, China is Britain's sixth-largest trading partner in financial flows, while for France it accounts for \$21 billion of exports (as well as \$52 billion of imports).

Such a trade imbalance is common across Europe, but for the UK this represents a net outflow of £22.1 billion per year, although significantly behind Germany.¹ It should be said that Asia does not dominate the UK export market – its exports to Asia represent less than half of the volume and value exported to the EU, and only a little ahead of North America. However, of the UK's trade with Asia, just over half is with China. Other states are critically important (perhaps more so) than the single Chinese market, yet see far less political capital invested.

Basic business rules say that market diversification is critical to reduce risk to investment. Diversification also helps to neutralise dependencies that have an adverse impact on markets and skew supply and demand figures. The conference was told that the Brexit vote and election of US President Donald Trump might require a view of alliances and cooperation de-latched from simple financial calculations. However, the perception remained that trade and economics simply had a higher priority for Europeans than principles and values.

This appears to go against the grain, since in trading Europe advocates the rule of law, which includes the promotion of global free trade, freedom of maritime navigation, advancing the climate change agenda, human rights, security and ecological resource management.

1. World Bank, World Integrated Trade Solution, 'United Kingdom Trade Summary 2015 Data', <<http://wits.worldbank.org/CountryProfile/en/Country/GBR/Year/LTST/Summary>>, accessed 9 May 2017.

China, on the other hand, has a different view of the meaning of internationally recognised norms. It has refused to acknowledge The Hague ruling on South China Sea sovereignty, its poor human rights record, an active policy of damaging the ecology of reefs and wildlife at sea, industrial scale overfishing, and a militarisation and destabilisation of regional security in the Asia-Pacific and the Indian Ocean. Therefore, the key question was: how does Europe reconcile the two views?

French and British Approaches to the Region

Although no European government official was willing to brief the conference, it heard from academics and think tanks from France, Germany and the UK on different approaches to China and the Asia-Pacific.

While France has a colonial history in the region, and despite statements since 2005 opposing Chinese expansionism, it was not until 2016 that Paris made a stronger military commitment. This came as DCNS, the French government-owned shipyard, signed a \$41 billion agreement with the Australian government to build twelve of the world's largest diesel-electric submarines in Adelaide. Meanwhile, French politicians have spoken of deploying the aircraft carrier, FS *Charles de Gaulle*, to the region, along with an increased level of presence from French navy warships. In February 2017, the French amphibious assault ship, FS *Mistral*, was deployed to the South China Sea to conduct exercises, along with regional partners. French political appetite for intervention appears, on the surface at least, to be leading within Europe.

In London, however, the British defence obligations to the Five Power Defence Agreement (FPDA) have been exercised annually, albeit with increasingly fewer military platforms. This presence East of Suez was exacerbated by both the withdrawal from Hong Kong (1996), and then operations in Afghanistan and Iraq (2001–15), which required a careful prioritisation of defence activity away from Asia. This might be changing. In 2015, the UK and Japan signed a defence industrial partnership, and in 2016 Britain deployed Typhoon fighter aircraft to Japan as a signal of the more active bilateral cooperation on defence and security. There is speculation that the first deployment of the Royal Navy's new aircraft carrier, HMS *Queen Elizabeth*, might be to the South China Sea in 2021. But continuing commitment to the region appears to be less whole-hearted, with a meagre showing of two helicopters and some marines embarked in the current *Mistral* deployment from France.

And there are other reasons why Britain, specifically, might be a more active participant in Asia-Pacific security affairs in future. The legacy of national moral obligations to Australia, India and South Korea alongside a formal FPDA commitment could be reason enough, but there has been a stark change in policy since Theresa May became prime minister. This might be further expanded as the UK seeks leadership roles and a new global reputation post-Brexit. The opportunities for Britain and France to take a more active role in regional crisis management are clear. They would, however, require a trigger to become more than gestures.

Potential Triggers

The conference limited discussions largely to events that might trigger deployment of military platforms, personnel and capabilities to the region from European states. Diplomatic protests or economic sanctions were discussed briefly, but largely discounted because of the trade imbalances and the lack of impact from such policies on China or North Korea.

Within this restricted discussion, a variety of triggers in the region were discussed. There was less focus on the South China Sea than had been expected. Neither North Korea nor the East China Sea were highlighted as areas of concern. However, two areas did appear to cross the threshold for European state intervention at a military level: an invasion of Taiwan by China, and a request for support from the US. The former was self-explanatory, but the latter was more contentious as it became clear that any request from the Trump administration would not be met with the same reception as one made by its predecessor.

The outline for an intervention on the basis of a US request had a mixed reaction, with consideration being given as to whether European states (notably France and the UK) would prefer to backfill US military commitments in the Mediterranean, Indian Ocean and the Gulf rather than become embroiled in the Pacific. Participants debated whether a broader military intervention in the Pacific would be by states that possessed high-quality naval and air forces rather than simply releasing US forces from roles elsewhere. In either case, participants agreed that such a request from the US would most likely be fulfilled by Britain and probably France, although there was no consensus on this point.

Conclusions

The conference did not come to any clear conclusions regarding an EU approach to China, but noted that individual states had an appetite to undertake interventions in the Pacific, and that some key triggers would result in militarised response. However, several questions emerged from the conference.

- What does militarisation mean to China and to the West? What level of militarisation might decision-makers in London and Paris regard as stepping over a line of acceptable behaviour regarding international norms?
- What was the role of alliances within the context of the Asia-Pacific? NATO has four associate members in the region, with increasing social, economic and military ties. Would this make European intervention more likely, or not?
- Would India ever align itself with Japan (or Australia or South Korea) in requesting assistance from Europe? If India did approach European states (particularly the UK) for assistance in the Asia-Pacific, would that have significantly greater impact on any decision by European states?

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