



by **Marco Pondrelli**

The Italian press spent little attention to the agreement signed on 15 November but the Regional Comprehensive Economic Partnership (Rcep) deserves in-depth reflection, not only for the practical consequences it will have but also for what it represents for China and Asia. This agreement was compared to the Trans Pacific Partnership (TPP) that the US had proposed and which would have included many Asian countries in addition to Washington but excluding China. As soon as Trump was elected he backed out and abandoned the project. In the case of the Rcep not only is China not excluded but it has played a central role in the management of the route.

The RCEP agreement does not provide for the abolition of tariffs but eliminates many existing ones and makes it easier to increase the share of regional trade. Many observers believe that the signing of the RCEP is an indication of the decline in US influence internationally, while at the same time highlighting the growing power of East Asia in world economic affairs.[1]

The agreement was signed by 15 countries representing 2.2 billion people and one third of world GDP[2], the world's largest trading area. Of the 15 signatories, 10 are members of ASEAN (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam). ASEAN was founded in 1967 to counter the communist danger of Southeast Asia. Over time this international organisation has changed, not only with the entry of countries not suspected of anti-communist sympathies (e.g. Vietnam) but also because relations with China have intensified.

With ASEAN and China there are 4 other countries involved: Australia, Japan, New Zealand and South Korea. The importance of this agreement is underlined by the words of Deborah Elms, executive director of the Asia Trade Center think tank in Singapore, who recalls that the

signatories are the main producers of goods and services for the United States and Europe, this agreement aims to reverse the trend by boosting Asian trade in its territory[3].

Although ratification by all parliaments is still needed, we can already speak of a turning point, and not only for the reasons just described. The agreement helps to change the geo-strategic balance, strengthening China's role and contributing to a reassuring international environment.

For example let us think of the difficult relations between China and Australia. Canberra not only hosts the US Marines in Darwin but also fight a low-intensity war going on in an attempt to stop what is seen by some as a silent invasion by Beijing[4]. The Australian government has blocked 5G on its territory and is also trying to prevent Beijing from helping building infrastructure in neighbouring countries. In addition, Australia is trying to ban the presence and support of Chinese associations, parliamentarians of Chinese origin have been attacked and investigated[5] on charges of having had relations with the Chinese government. On the other hand, this attitude, which often borders on real racism, has to reckon with an increasingly important economic role for Beijing compared to Australia.

A similar discourse can also be made for Japan. Former Prime Minister Abe Shinzō has been the protagonist of a strong nationalist and militarist turn, showing that he is ready to play the role of the American bastion in the area in anti-Chinese function, but also in this case the tensions are accompanied by an increasingly important trade relationship with China.

We are facing a war that China and the United States are fighting with different weapons. The USA is shifting the confrontation to the military level, the Okinawa base, the base in Darwin, the THAAD in South Korea and the military presence in the waters off the Chinese coast are just a few cases that show the strong militarization that the USA is deploying. The US empire, however, is no longer the one that emerged victorious from the Cold War and is asking its allies to pay to be defended. The bill for these countries is both direct (by increasing defence expenses) and indirect (by giving up part of the Chinese investments), it is a cost that is more and more difficult to bear in a moment of strong crisis like the present one.

The Chinese rules of engagement are different. While not rejecting the military instrument, Beijing focuses on trade and economic relations. In this way China is becoming a central element in the Asian quadrant. After 2008 when the crisis, born in the United States, destabilized the entire globe, China has been an element of stabilization. The same can be said for the picture that will emerge from the global pandemic crisis. Beijing is leading the global recovery, while other states are proving incapable of ensuring the security of their citizens. The not always effective health response has led to a sharp economic downturn. In a condition where a choice has to be made between health and work (risking losing both) it is normal to look at who can help, both in terms of health (vaccine and best practice) and in economic terms. The crisis confirms itself as a powerful accelerator of the current global dynamics. The reason why this war can be defined as asymmetrical is this: on the one hand there is military force, on the other economic force.

Now it is necessary to understand what China's objectives are. At this stage, Beijing looks to its own continent and is no longer afraid to think of an Asia (and an Oceania) without the presence

of the United States. The clash for global hegemony in the 21st century is being fought in the Indo-Pacific: from the South China Sea to the African coast, passing through the Strait of Malacca.

Trump, continuing Obama's Pivot to Asia policy, has achieved the QUAD, the alliance between the United States, Australia, India and Japan. There is no reason to think that Biden will change strategy. This shows how the clash in the Indo-Pacific is fundamental, so China is not only strengthening itself militarily but wedging itself within the opposing alliance. The RCEP agreement is a piece of this policy. India, which is absent from the agreement (but it is not necessarily a definitive absence) and which is moving more and more like a regional power, sensitive to the US sirens but also able to maintain a good relationship with Moscow, deserves a separate speech.

It is probable that another important test for China will soon arrive in the Asian quadrant: the Korean one. Biden's policy towards the DPRK will close with Trump's openings and return to a position similar to Obama's 'strategic patience', if Pyongyang were to harden its position the tension would rise. The US would take advantage of this to increase its presence and military pressure towards the DPRK and China. Together with the US, Japan and South Korea could also be tempted by an escalation, with Tokyo ready to consider the nuclear hypothesis, not only for civil purposes. In this framework, an assertive China at diplomatic level could play an important role, convincing all actors that its role could be that of guarantor of stability and security in the area. A few years ago this would have been a political fantasy today is one of the possibilities in the field.

Notes:

1. Horowitz, Amiad; RCEP creates world's largest free trade zone, but where does U.S. Stand?, <https://peoplesworld.org/article/rcep-creates-worlds-largest-free-trade-zone-but-where-does-u-s-stand/>, 23 novembre 2020.
2. Rampini, Federico; La globalizzazione riparte dall'Asia Pechino sfida Biden sul libero scambio
3. Vidal Liy, Macarena; Ambizioso acuerdo en Asia, El Pais, 18 novembre 2020.
4. Hamilton, Clive; Silent invasion. China's Influence in Australia, Hardie Grant Books, Melbourne Australia, 2018
5. Pompili, Giulia; La cultura del sospetto applicata alla Cina. Il caso australiano di Gladys Liu, il foglio, 21 settembre 2019.