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SOFT POWER

Divide and Conquer

BY JOSEF BRAML

Guest commentator Josef Braml outlines the United States' practice of wielding trade agreements as diplomacy by other means.

WHY IT MATTERS

Lines are drawn through exclusion and inclusion in large trade agreements. With the United States and China using partnerships to exert influence, trade agreements like the TTIP and TPP

are more critical than ever on the geopolitical stage.

FACTS

The Trans-Pacific Partnership trade agreement with Asia did not include China.

The Regional Comprehensive Economic Partnership launched by China did not include the United States.

South Korea, Japan and Australia were convinced to eschew the Chinese trade agreement in favor of the American one.

The United States is trying to prevent China from gaining more influence through its monetary and trade policy.

The Trans-Atlantic Trade and Investment Partnership (TTIP) and the Trans-Pacific Partnership (TPP) -

which is much more important for the United States - ought not only to be regarded as free trade agreements but rather understood through the lens of geopolitics, because it will only benefit the participants at the expense of excluded countries.

With the Trans-Pacific Partnership, to which China was explicitly not invited, the United States responded to efforts to integrate the Asia region into an economic community.

China responded in its turn by excluding the United States from the forma-

tion of the Regional Comprehensive Economic Partnership (RCEP), which comprises the 10 ASEAN countries and Australia, China, India, Japan, South Korea and New Zealand.

The strongest argument of the United States, which enabled them to persuade countries like Japan to forgo their economic interests with China and to join the American initiative, was the protective shield of the United States.

But the Pax Americana has its price. In particular for South Korea, Japan and Australia, which accept the military protection of the United States from China, and have to pay tribute by sacrificing good relations with China and being obliged to buy American arms in exchange.

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The geo-economics of the United States is the major driver of a new global arms race that is increasingly being waged in Asia and the Pacific region. Friends of the United States in Asia and the Pacific are being upgraded with new security arrangements and arms deliveries against the possible aggression from China.

China's economic rise, its ensuing military growth and its martial behavior in the region once again confirmed the assumptions of geo-strategists in the United States that China is up to no good and that the “transformation” and modernization of the American military must be pushed forward. Conventional wisdom is that only through the superiority of the United States can its rival be deterred.

Europe, and above all its leading power Germany, should set their own policies with regards to what seems to be the United States' ever-clearer concept of an enemy. It is particularly dangerous for the United

States when Chinese and Europeans continue to weaken the dominance of the dollar through their economic, trade and monetary policies, and thus weaken the economic model of world power, on which the United States' military strength is also based.

If it were any other country, then this wouldn't be important to the Europeans. But with the United States as a global superpower, and the primary security ally of Europe, it will continue to use all its might, both soft and hard, to try to shape the world according to its own interests.

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