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November 24, 2020

**China, Japan and the RCEP - Part II**

While the countries of the Far East and South East Asia have signed the RCEP, where does Pakistan stand? According to the IMF’s estimates, Nepal and Pakistan will be among the lowest performing countries. Not only Bangladesh but even Bhutan, Maldives, and Sri Lanka are performing better than Nepal and Pakistan.

After signing the RCEP, how is China expected to fare? First, due to the corona pandemic nearly all economies of the world are going through a recession, sparing China which is prospering. Just one month’s statistics of September 2020 show a remarkable rise of nearly 10 percent in Chinese exports with nearly 13 percent growth in imports. It is imperative to note that with the onset of the coronavirus, China imposed a strict lockdown for nearly three months facing tremendous losses to its economy before July 2020 when it started its rebound which is likely to accelerate after the signing of the RCEP.

Both America and India will deprive themselves of any possible benefits from the RCEP, whereas Japan will show a much better performance led by its able PM Suga who has already shown his mettle. He has already tried to capitalize off the soaring international demands of Japanese electronic and medical equipment that are considered among the best in the world. Even China is also catching up with Japan in this field. In August 2020, Japan had faced a reduced economic activity as a result of declining exports but now it is expected to bounce back.

ASEAN is a major trading partner of China and Japan followed by America and the EU, but after the initiation of the RCEP, it is going to play a leading role. Here we need to talk about the role of Pakistan because we have seen Arab countries and Israel sign agreements to change the regional economy. On the other side, partnerships such as the RCEP are bringing the countries of the Far East and South East Asian even closer. And here we are in South Asia stuck with a 70-year-old thought pattern that prevents any better relationships with neighbouring countries.

Be it with Afghanistan and Iran or Bangladesh and India, or trade relations within the South Asian Association for Regional Cooperation (Saarc), we have failed to alter our thinking at nearly all levels. We see in the Far East and in the Middle East that from Bahrain, Emirates, and Israel to Australia, China, and Japan all move forward by keeping their economic interest supreme. First, they improve their trade relations that result in better political relations. Bahrain, Emirates, and Israel have signed agreements to improve trade relations by removing impediments to business cooperation.

The same is happening with the RCEP in the Far East. Now trade routes are shrinking and to facilitate intercontinental and intracontinental trade, intelligent leadership is playing its role. While we are still repeating the mantra of ‘eternal enemies’. We have been reluctant to open land routes from Central Asia to South East Asia for which we need to give an open corridor.

Such a corridor would bring in hefty economic benefits and also help us resolve the military and political issues at hand. With the trade between the UAE and Israel, both countries will reap rewards worth billions of dollars and create thousands of new jobs. The same is expected in the RCEP countries; but we are nowhere to be seen in this game from the Middle East to the Far East, nor even in South Asia. All our hopes are pinned with CPEC, of which five years have already passed but our economy is still headed to the abyss. The only remedy is wider trade agreements.

From Bahrain, Israel and the UAE to Australia, China and Japan – all have compromised by a give and take process. And here we are trying to take all resulting in meagre gains. We have not been able to reform our foreign policy nor have we altered our military and political priorities. The way to modify these we can find through trade to which General Musharraf did take some major steps by opening bilateral trade via entry points in Kashmir. But then extremist lobbies on both sides thwarted such attempts. When Benazir Bhutto met Rajiv Gandhi and Vajpayee and Modi visited Nawaz Sharif in Pakistan, again all hell broke loose.

We have been coming back to square one time and again, or rather we have gone further back. We need to remember that while signing the RCEP document all ten member countries of ASEAN welcomed it and no one tried to spoil the deal. In ASEAN, from Brunei, Cambodia, and Indonesia to Laos, Malaysia, and Myanmar (Burma) all were unanimous in welcoming the five new non-ASEAN countries – Australia, China, Japan, New Zealand, and South Korea – to the new partnership. Australia and Japan did not try to invoke old enmities with China and South Korea, nor did the Philippines bring in the maritime dispute with China.

It shows remarkable sagacity to keep your military and political differences aside so that your economic and trade relations can flourish. What if the RCEP and Saarc countries try to sign a similar agreement? Ideally, for this region and for Asia at large the best option is to connect the RCEP with the SCO through Saarc, creating a trade bloc stretching from New Zealand to Russia. For this proposal, the CARs and Russia will be more than willing to join but the intractable problem lies with the Saarc countries and especially with India and Pakistan.

At the moment, both India and Pakistan have worsened their relationship to squander their resources on arms and bombs while neglecting the basic needs of their people. Just take India, for instance, which has strained relations not only with Pakistan but also with China. India objects to the Chinese railway project connecting Tibet with the rest of the country because the railway line is not far from Arunachal Pradesh, a state of India, which China still considers as part of South Tibet. So, China is also not above board in this matter.

China is building this nearly 50-billion-dollar project proving China’s superior economy and expertise that India cannot match. India is also trying to improve its infrastructure in this region but China is far ahead. India is consumed by worries that after the completion of the railway project China will be able to transport huge missiles closer to the border with India, reducing China’s reliance on nuclear weapons in case of a full-blown war. The BJP government in India – rather than trying to improve relations with China or RCEP – has been fanning Hindu chauvinism within India.

Whenever some governments fail to perform better economically, they try to use religion as a deflection from people’s problems. With the recent victory of the BJP alliance in Bihar, it has consolidated its position domestically and bullies the neighbouring countries. We also see countries such as China and Vietnam that have fought wars in the past – the 1979 war lasted for a whole month – but still they have managed to forget the bitter war memories and moved forward to extend hands of cooperation and friendship to each other. That is the spirit we need.

Or look at Cambodia and Vietnam which were in a state of war for nearly a decade from 1978, but now they are close friends. This spirit has facilitated first ASEAN and now RCEP, which has kept its doors open for other countries. Will we ever learn?

Concluded

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