

Comment by Michael C H Jones

Lets look at Australia's world.

This means both global institutions/governance as well as the individual nations of the region

http://en.wikipedia.org/wiki/List_of_countries_by_GDP_%28PPP%29

In my view the key global institutions are about seven (7):

- United Nations (UN) Security Council
- G20
- East Asia Summit (EAS)
- International Monetary Fund (IMF)
- World Bank
- World Trade Organisation (WTO)
- UN International Labour Organisation (ILO)

The only regional grouping is the EAS - arguably already the most powerful, politically and economically, and likely to be more so with the so-called Asia Pacific Century.

The EAS on Saturday 19th November convenes in forum the USA, PRC, Japan, India, Russia, South Korea, Australia and the ASEAN countries including Indonesia, Thailand, Malaysia, Philippines and Vietnam amongst other smaller states.

Its writ covers actual and potential global flashpoints across Indauspac - Taiwan and the East China Sea; the region of the South China Sea; North Korea bordering the Sea of Japan and Bohai Sea; and the maritime trade and energy resources routes between the Indian and Pacific Oceans.

The four great land masses are China (North), Australia (South), India (West) and USA (East) with Indonesia as a sort of pivotal center. Indonesia to ASEAN is akin to Germany in the EU.

What then are the competing geo-political and geo-economic strategies of the respective countries of the EAS ?

History is important because China still has grievances and fears encirclement, and American leaders still think their society 'exceptional' even if 'manifest destiny' died with the Vietnam War defeat. In some ways China contests economically the Monroe Doctrine in South America whilst the USA denies China its own maritime Monroe Doctrine in East Asia. Japanese imperialist excesses are remembered even if that country might presently appear to be a stagnant economy. The long time Korean peninsular insecurity neutralises South Korean economic clout. Russia since the collapse of the Soviet Union does not bring genuine muscle, political or economic, to the region.

Hence ASEAN, India and Australia are the diplomatic battlegrounds for USA/PRC rivalries. The New Great Game of Global Economic Relations is China's mechanism for global mastery. Whereas the US still relies for its regional hegemony on a web of political alliances. China's BRICS verses America's TPP. The US military agreements with Japan, South Korea, Thailand, Philippines and Australia and strenuous courting of India and Indonesia threatens China's sea routes access to energy and food resources. A new massive submarine fleet, and likely future Blue Water navy, as well as an aggressive cyber espionage strategy is China's response.

What is a possible outcome, short term and long term ? As Mao once said, ultimately power comes out of the barrel of a gun. Can the US contain or perhaps cripple the Chinese Economy? Can China 'wedge' greedy corporates and their business leaders throughout the region? Where are the weak points in each nation's defences ? Over the last three decades China has studied and copied the US and EU in every area of human endeavour. Their precedents will be China's guidelines. Social stability will be of paramount importance for both societies - and that means jobs and standards of living, China to maintain its rate of economic growth and the US to maintain the confidence of its people.

In this context the respective qualities of leadership are front and central in the contest, and 2012 a critical year with the US Presidential Election, could Barack Obama be a one term President?, and change in China's leaders - CCP, PRC and possibly the Central Military Commission.

This year's EAS is therefore a sparing session, a warm-up for the future main events - the Ali-Frazer 15 round contests. Whether this will be akin to the three Carthaginian/Punic Wars or alternatively the more than 1000 years of the Byzantine war diplomacy, who knows.