Comment by Michael C H Jones 14th July 2016

Shastri Ramachandran, an Indian journalist writing for a Chinese publication re <u>china.org.cn</u> on the subject of Sino-Russian Relations, obviously either has acceptable views or is holding views back. Nevertheless he makes some interesting points concerning the China/Russia agreement to protect each others "core interests" - do these include the South China Sea and Crimea - and raises the question of possible future competition/tension between China's OBOR and Russia's EEU? Both are members of the SCO which has just admitted to full membership India, Pakistan and Iran, whilst India hosts this year's meeting of BRICS?

Global Economic Relations, or the non-military rivalries and competition between national Economies or regional economic groupings, is now fast evolving into static structural mechanisms undermining free trade and reminiscent of the 19th century European Empires. Moreover political and cultural factors, both internal and external, are placing severe strain on these newly emerged cooperative economic arrangements.

China attempts to extend the reach of the SCO by invitations for membership to South Korea and Japan. Would this be possible given both countries perspective membership of the US led TPP, even in the era of participation in multiple economic organisations. Afterall a country can be a member of both the Asian Deveopment Bank and th AIIB.

This question/concept of "core interests" overlaps with historical ideas of spheres of influence re Central and South America for the USA, Eastern Europe for Russia, China Seas for China, Northern Indian Ocean for India, the Eastern Atlantic for the UK, and arguably the near three oceans for Australia. For the less powerful smaller countries it is their littoral 200-mile exclusive economic zones beyond the 12-mile territorial seas re the Philippines and the Scarborough Shoal and Indonesia and the Natuna Islands as examples. Overlapping all these considerations/pretensions is the claim of International Commons and freedom of the seas according to international law.

In East Asia what are the core interests of North and South Korea, and how do these claims interface with those of adjacent nations Russia, Japan and China, let alone Pacific far neighbours such as in North America, ASEAN and Australasia in the nuclear age? Similarly with nuclear India and Pakistan and aspiring Iran and perhaps already nuclear Israel in West Asia. In Europe a new age of core interests emerges with nuclear UK out of the EU leaving sole nuclear France inside but economically beholden to Germany with nuclear Russia banging on the door.

Clearly the USA is over-extended in its alliances/guarantees to Japan, South Korea, Taiwan, Philippines and Vietnam, Afghanistan, Iraq, Ukraine, Poland and Baltic countries, its military stretch cannot contain up to six simultaneous outbreaks of "adventurism" from whomever. Anglosphere cultural allies will not provide much military weight, and in the case of China may already be trade and investment dependent if only pschologically.

Which of course raises the most important event in 2016, namely the outcome of the US Presidential election and resultant foreign/defence policies - the Old Left Clinton of the

Democrats against the New Right Trump of the Republicans. My next Observations will address this question in the context of the beginning of an ACCCI Narrative for Australia where Prime Minister Malcolm Turnbull has been a terrible disappointment, Tony Abbott completely inadequate for the job and Bill Shorten burdened with the scars of disloyalty. So far a vacuum of leadership has been evident with a lame-duck US President Barack Obama and political lethargy/turmoil in Europe with a days old new Prime Minister and Cabinet in the UK. On the other hand Chinese leadership appears to be in the ascendant advancing the country's economic interests throughout Central and West Asia into Europe as well as Africa and South America. Vladimir Putin of Russia remains a wildcard, certainly until 2022 when due to again retire, with his EEU pitching to Europe and across the Asias including ASEAN and the South West Pacific.

The Brexit decision to leave the EU and resultant new inexperienced UK Conservative Party leadership, the Chilcot Iraq Inquiry findings of at the very least leadership implosion if not malfeasance in the UK Labour Party Cabinet, and the 497-page ruling of the Permanent Court of Arbitration in the Hague totally rejecting PRC/CPC China's "nine-dash line" Kuomintang ROC 1947 American supported demarcation claim, all further undermines peoples' confidence in their democratic traditional post World War 11 institutions, both domestic and international, throughout the old Western World. Disillusionment and alienation is all the go, and not a good omen for medium term fortitude and resilience in the face of multiple global challenges to our way of life.