

Comment by Michael C H Jones
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Last Friday I attended the 192nd anniversary of the founding of Peru at the Intercontinental Hotel in Sydney. It was a wonderful evening, the local brew was as good as ever and not being a diplomat or politician I could indulge as much as I thought proper. It brought back memories of my days as the Joint Founding President of the Australia Argentina Chamber of Commerce for four years during the mid 1990s. In addition I remember the two very successful forums conducted by the "Southern Alliance Round Table" group of companies that brought together representatives from business, academia and government in the six countries - Argentina, Chile, New Zealand, Australia, Zimbabwe and South Africa to among other things review and appraise Chinese and Indian aspirations across Australia's Maritime Economic Region, namely Indauspac - the Indian Ocean, Australasia, and Pacific Ocean. For 10 to 15 years I worked closely with the pioneering business leaders of the Brazil and Chile Chambers of Commerce and the Australia Latin America Business Council.

However as with Southern Africa my capabilities in energy, time and money were directed elsewhere over the last decade and more, and thus South America only intermittently came into focus particularly with the rise of Brazil as a resources power and competitor for Australia in China specifically. But like Australia all the countries of South America have turned an increasing focus towards Asia. I say South America because Chamber has since the signing of NAFTA considered Mexico as part of the US/North American Economy and has designated such on the ACCCI Website since its launch in September 2001.

Mercosur has always been considered the principal regional economic grouping for South America:

<https://en.wikipedia.org/wiki/Mercosur>

Although I have made some comment over the years on the regional rivalries of the trans-continental groupings re Organisation of American States (OAS) and the 2008-11 Union of South American Nations (UNASUR), this has been mainly from a US perspective which means Australia, rightly or wrongly.

<http://www.miamiherald.com/2013/07/21/3511647/missed-opportunities-in-latin.html>

However the essentially geo-strategic Atlantic based Mercosur is now challenged by the new 2012 geo-strategic Pacific/Asian formation, the Pacific Alliance of Mexico, Colombia, Peru and Chile

http://en.wikipedia.org/wiki/Pacific_Alliance

Again the US watches to make sure no regional military-security challenge arises:

<http://www.andina.com.pe/Ingles/noticia-us-seeks-closer-cooperation-with-pacific-alliance-466949.aspx>

But interestingly so does Australia which according to the recent April 2013 Implementation programme for the "Australia in the Asian Century" Report has been invited to join the Pacific Alliance. Chamber has verbally recommended that the Australian Government move that way quickly for a range of reasons in our national interest.

Nevertheless as with all things Latin American there is ideological disputation which as usual revolves around the various national attitudes and relations with the United States, or more specifically the business interests of various domestic sectors. Political connections and business interests are no longer in cynic with the "coming" of the economic power of the Peoples Republic of China. As with Australia debate rages in South America as to possible choices:

<http://upsidedownworld.org/main/international-archives-60/4354-the-challenges-of-the-pacific-alliance-regional-sovereignty-in-latin-america-or-a-pampered-periphery>

In the medium term I would suggest the economic rise of India, Indonesia and ASEAN collectively (10-20 years), with perhaps significant developments long term (30-50 years) in West Asia from Turkey to Iran and including Egypt, will considerably lessen US influence in South America geo-strategically. In this context the "recovery" of Europe and perhaps at least a EU/Russia CER is vital for the maintenance of Human Rights and Democratic Forms in South America as throughout the world. The future role of the International Criminal Court (ICC) is but one global institution of interest, the alleged abuses in Venezuela and Colombia have been put on hold until those of Africa are determined.

Nevertheless the precedents will be applicable to all countries including the USA.

<http://iccforum.com/africa>

In our view the benefits of Global Free Trade derived from bilateral and multilateral trade and investment agreements and subsequently deeper economic relations between the South American nations and historical Asia will broaden the people-to-people contacts across business, academia and tourism such that social and cultural changes will inevitably eventuate and ironically strengthen the desire for closer fraternity if not structural unity on the continent.