

15 Asian Nations Sign Huge China-backed RCEP Trade Pact, The US is Excluded

By [The Economic Times](#)

Global Research, November 16, 2020

[The Economic Times](#)

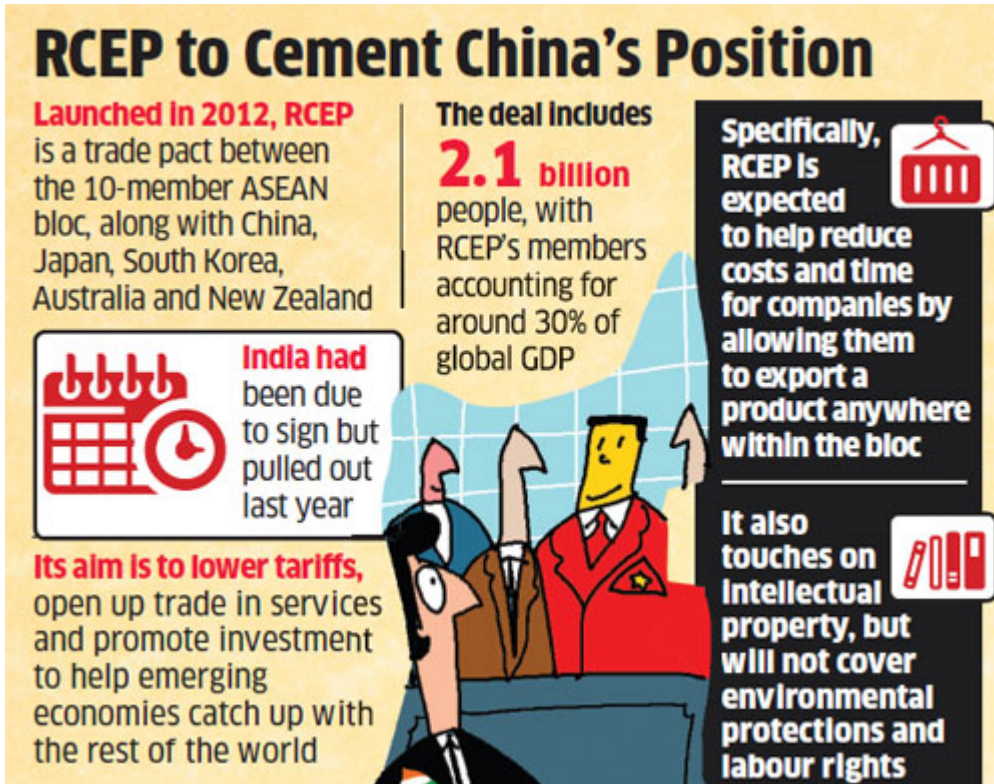
Region: [Asia](#)

Theme: [Global Economy](#)

*Fifteen Asia-Pacific economies formed the world's largest free trade bloc on Sunday, a China-backed deal that excludes the United States, which had left a rival Asia-Pacific grouping under **President Donald Trump**.*

The signing of the Regional Comprehensive Economic Partnership (RCEP) at a regional summit in Hanoi, is a further blow to the group pushed by former U.S. president Barack Obama, which his successor Trump exited in 2017.

Amid questions over Washington's engagement in Asia, RCEP may cement China's position more firmly as an economic partner with Southeast Asia, Japan and Korea, putting the world's second-biggest economy in a better position to shape the region's trade rules.



RCEP to Cement China's Position

Launched in 2012, RCEP is a trade pact between the 10-member ASEAN bloc, along with China, Japan, South Korea, Australia and New Zealand

The deal includes 2.1 billion people, with RCEP's members accounting for around 30% of global GDP

Specifically, RCEP is expected to help reduce costs and time for companies by allowing them to export a product anywhere within the bloc

It also touches on intellectual property, but will not cover environmental protections and labour rights

India had been due to sign but pulled out last year

Its aim is to lower tariffs, open up trade in services and promote investment to help emerging economies catch up with the rest of the world

The infographic features a central illustration of three stylized figures in business suits (one in a blue suit, one in a red suit, and one in a black suit) standing in front of a blue grid background. Various icons are used to represent different aspects: a calendar and clock for the India-related text, a shopping cart for the cost reduction text, and a document with a pencil for the intellectual property text.

The United States is absent from both RCEP and the successor to the Obama-led Trans-Pacific Partnership (TPP), leaving the world's biggest economy out of two trade groups that span the fastest-growing region on earth.

By contrast, RCEP could help Beijing cut its dependence on overseas markets and technology, a shift accelerated by a deepening rift with Washington, said Iris Pang, ING chief

economist for Greater China.

RCEP groups the 10-member Association of Southeast Asian Nations (ASEAN), China, Japan, South Korea, Australia and New Zealand. It aims in coming years to progressively lower tariffs across many areas.

The deal was signed on the sidelines of an online ASEAN summit held as Asian leaders address tensions in the South China Sea and tackle plans for a post-pandemic economic recovery in a region where U.S.-China rivalry has been rising.

RCEP will account for 30% of the global economy, 30% of the global population and reach 2.2 billion consumers, Vietnam said.

[To Read Complete Article, click here](#)

*

Note to readers: please click the share buttons above or below. Forward this article to your email lists. Crosspost on your blog site, internet forums. etc.

Featured image is from InfoBrics

The original source of this article is [The Economic Times](#)
Copyright © [The Economic Times](#), [The Economic Times](#), 2020

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [The Economic Times](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca
www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca