

CHAPTER I

EURASIA: THE GLIMPSE OF THE NEW GLOBAL ORDER

EURASIA OR THE CHALLENGE TO BUILD A NEW GLOBAL ORDER

SUMMARY: I. *Return to the silk route?* II. *Asia and the West or the debate on development.* III. *The struggle for the new global order.* IV. *Mexico and its circumstances.*

I. RETURN TO THE SILK ROUTE?

Asia in general, including East Asia,¹ was a forgotten category in time. As a product of Western success that from the end of the 15th Century, along with the maritime discoveries at the time (the discovery of America in 1492, the arrival of Vasco de Gama in India in 1498, etc.), was coinciding with the easy neglect of a region that during 90% of our era steadily possessed economic leadership of the world.²

The famines that East Asia suffered during the 19th and 20th Centuries, especially in China and India, together with the advance of a Western society that barely 500 years before had initiated its Renaissance and 250 years after that its Industrial Revolution, contributed to the idea of an all-embracing Western world where everything started and everything ended, and in which everything else was secondary or dispensable.

The end of the Cold War with the fall of the Berlin Wall in 1989, and with the dissolution of the then Soviet Union in 1991, augmented the idea

¹ For the purposes of this work, Asia Pacific means the composition of countries comprising the 10 economies that are members of the Association of Southeast Asian Nations (ASEAN), namely: Myanmar, Laos, Thailand, Vietnam, Cambodia, Malaysia, Indonesia, Singapore, the Philippines and Brunei. And East Asia will include both the nations belonging to ASEAN and Japan, South Korea, Taiwan, China, India and Russia for a total of 16 countries. The division of Asia by the West has always let to the arbitrary use of concepts. Middle East, Near East, Extreme Orient, Far East, East Asia and now Asia Pacific, are terms that confront specialists. From here, this arbitrary selection, that integrates East Asia and Asia Pacific, by reason of their economic and commercial synergy.

² From the year 1 to the year 1800 of our era, both India and China alternated representing the most important global economic power of the time.

of a Western authority that was celebrating, economically and politically, *the end of history*. At the same time, it ratified an era, or a predominance, in which in the long-term, the continuation of a Western hegemony headed by the United States was outlined.

A little more than 25 years after these events, the global world inhabitants, who are still accustomed to the *ways* of the West, need to recognize that this *reality* has changed, and to accept, consequently, that they no longer live in a Western era; but rather, in this reality that has transformed into a new political and economic geopolitics in the face of the strong emergence of the East Asian region, which already significantly affects the economic life of the majority of the 7.6 billion human beings that share the second decade of this century.

When Hobsbawm was asked about some of the visible lines of the West's decline, in a hesitant tone, he said, "This trend —*the West's success*— seems to come to a stop. I do not know if it has been inverted, but what is certain is that it has exhausted the impetus that drove it" (Hobsbawm, 2012, p.50). Glucksmann, for his part, on the deterioration of the West, says, "When in the tiny intimacy of a conscience, the West collides with the West, everything and nothing is at stake, the funeral tolling for the end of the story is suspended, the carillon of a new start holds its breath" (Glucksmann, 2004, p. 189).

A new beginning, the end of the story, the West defeated by the West, the loss of the hegemonic impetus, etc., are just some of the first interpretations of the weakening of a Western predominance; which has been translated at the same time into the strengthening of the East Asian region; which is inhabited by 16 nations, 5 billion people, and where five civilizations co-exist (Chinese, Russian, Indian, Japanese, and Muslim), having managed to survive throughout time until our days.

The global economy, the Western geopolitics and the surrounding world, as in the case of Mexico and Latin America, find it difficult to accept that they inhabit a new Eurasian era³ that demands the change or adaptation of the paradigms that gave direction and meaning to their public and private life, both because of the complete ignorance of what is new, and because of the easy mechanism of its denial.

The West forgets East Asia, and the oversight has proven to be costly. However, most importantly, as noted by Glucksmann, the West forgets it-

³ Arbitrary denomination to show the blending that, since the past decade of the sixties, is staged by the trade, economy and politics of the 16 nations of East Asia with the main economic players of Europe and the United States, as well as with the world in general

self; it fights with itself and is distracted from listening to the forward-looking voices that warned of a general fatigue that was reflected in the thinning economy and political and social instability. Regarding these symptoms Ferguson comments: “Western civilization seems to have lost confidence in itself”... “Beginning with Stanford in 1963, an entire series of major universities is no longer offering the classic history course on Western Civilization to its students”. Adding conclusively, after getting in touch with the Chinese success, “I think that perhaps it was only then when I really understood that it was what defined the first decade of the 21st Century...” “...the fact that we are living the end of five hundred years of Western supremacy” (Ferguson, 2012, pp. 59 and 19). Later forward-looking voices, such as Huntington’s, starting in the nineties, were already denouncing the Asian dynamism in the face of Western weakening, “The non-Western societies...” said Huntington, “...particularly in East Asia, are developing their economic wealth and laying the foundations for a greater military power and political influence”. To which he added in a premonitory way, “The era that began with the Western impingements of 1840 and 1850 is coming to an end. China is again assuming its place as a regional hegemon and the East is taking possession of what rightly belongs to it” (Huntington, 2001, pp. 22 y 285).

The doubts of the West, its callousness, the loss of direction that it has been suffering since the last part of the last century, the end of a postwar inertia that accompanied its best economic and political successes, contrast with an Eastern certainty that clearly stated that the 21st Century will be the century of China and the return of the Asian hegemonies. Mahbubani lays the foundations for the foregoing when he states, “Among the new Asian minds, the conviction and genuine certainty that the day of East Asia has come is popular, even if the area should stumble one or two times more before it rises....” Adding, not with a little conviction, that, “Having already awakened, the Asian intelligence is not willing to sleep in the near future. The successful revival of the development of the Asian societies will give rise to a new discourse between the East and the West” (Mahbubani, 2002; p. 18).

The contrast of the positions reflects, on one hand, the fatigue and the lack of interest of a West composed of Europe and the United States,⁴ which for more than three decades has suffered from a progressive economic de-

⁴ Hobsbawm comments that “There are internal reasons for which the American empire cannot last, and the most immediate is that the majority of Americans are not interested in imperialism nor in world domination in the sense of governing the world” (Hobsbawm, 2007, p. 82).

cay, which coexists with a political confusion that as a whole already shows, as a result, the erosion of their welfare policies, each one within the framework of its circumstances. On the other hand, the dynamic Asian discourse, fueled by the strength of the economic growth of most of the countries of East Asia, generates an inertia that has been growing with time. This has generated the grounds to be able to speak of a new order between the Atlantic and the Pacific, which at the same time, has been giving the project credibility.

The synthesis of these positions becomes even clearer when Tony Judt diagnoses, without taking shortcuts, that “Something is wrong”, in Europe, that the West in its helpless course has even lost its discursive capacity; that it simply no longer knows how to talk about all *this*, with an honest spirit that provokes the discussion of a future that rescues the future (Judt, 2013, p. 45). On the other hand, an empowered Mahbubani, together with the East Asian region, communicates to the world that “the century (21st) will be distinguished by the fact that East Asia will rise as a global center of power”... (Mahbubani, 2002, p. 143).

The history of civilizations, as well as of hegemonies, has never been linear. It cannot be because the path of their success or failure obeys multiple factors that depend in turn on countless circumstances. However, on the discursive debate of yesterday, on whether China will occupy a dominant position in the 21st Century or on whether the East Asian countries will consolidate a trend that will allow us to speak of a new Pacific Era, the controversy has left the world of ideas to be placed in the world of the economic results, the world of figures, which shows that the all-embracing Western world has changed.

Since the last century, the West has not been an innocent bystander to the progressive strengthening of East Asia or of how this push has resulted in the displacement of world wealth and the economy’s center of gravity. As an example of the foregoing, it may be mentioned that during the period 1991-1995, the developed countries still generated 50% of global growth, while from 2011 to 2015 they only influenced 28%, making a fall of 22 points in a period of 25 years. On the contrary, China and India, two relevant representatives of East Asia, during the 1991-1995 period contributed only 11% and 5% of global growth, respectively. During the second period from 2011-2015, China alone contributed 30% of global growth, that is to say, two points more than the total from the developed countries, and India rose to 10% in order to reach a total of 40% between the two countries (CEPAL, 2015).

As a further example of the inertia of these trends, it can also be observed that during the period 1992-2015, the G-7 composed of the United States, Germany, the United Kingdom, France, Italy, Canada, and Japan lost 20 points of participation in the global GDP, while during the same period, China, India, Russia, and Brazil obtained 20 more points of participation.

Based on these trends, some authors such as Ferguson, Sachs, Summers, etc., indicate that the West, as a relevant hegemony, is going back in time to the economic, demographic, and territorial levels that it held half a millennium ago, or the year 1500, where it held 43% of the world GDP, 16% of its population, and 10% of its territory. Since having reached its peak in 1913 with 79% of the global GDP, 57% of the population, and 58% of the world territory, it is predicted that by 2020 the West will have only 35% of the world wealth, 25% of its population, and 12% of the world territory (Oropeza, 2013, p. 176); while in 2050, 60% of global GDP will be Asian (Sachs, 2013, p. 44).

Huntington, on the Asian renaissance with regard to the West weakening, says in a simpler way: “Two hundred years of—fleeting parentheses— of the West in the world economy will have ended” (Huntington, 2001, p. 103).

II. ASIA AND THE WEST OR THE DEBATE ON DEVELOPMENT

There are many reasons that explain the causes of the Western weakness and the Asian resurgence. Furthermore, there are many positions that analyze an open matter that is far from being settled. The global society of the 21st Century will have to remain very attentive in order to see how a world overwhelmed for unprecedented reasons, solves the governance of the first half of the century in a reasonable manner.

However, among the reasons that stand out during the first interpretations of the clash, meeting, competition, fight, etc., between the West and East Asia, the issue of development models stands out due to its depth and consequences. On the one hand, and speaking in general terms without being able to take into account the particularities of each case, there is an Asian or *Market Socialism* model which is vertical, statist, heterodox and *low-cost*; and on the other hand, a democratic, and *orthodox* neo-liberal Capitalism.

The Asian economic model is not new, it began being built during the 19th Century, in the face of the arrival of the first maritime hegemonies to the Pacific Zone of East Asia, with the invasion of England in China in 1839 during the Opium Wars and the first of the North-American combats

against Japan in 1853 (India had been controlled since the 17th Century under an English domain which kept growing until its independence in 1947). Before the presence of these powers, as was noted, India surrenders from the beginning to the English hegemony; China never capitulates despite the multiple multinational impingements, and Japan resorts to a strategy of Western assimilation without losing its identity. As part of this assimilation, the first economic lines of a model arise, which today, in its more polished version, is known as Market Socialism, and which has been implemented by China.

On the transformation of Japan, from 1870 to 1884, and the first lines of the *Asian model*, Anguiano comments, “The Meiji Restoration was a period in Japan’s history in which social, economic, and political reforms of great importance were undertaken, which after a little more than four decades transformed that country into a capitalist-industrial one under the auspices and control of the State, which went from being dependent on the colonial powers to having full control over its national sovereignty, enjoying equal legal status with other countries of the world, and it began to awaken as a regional power” (Anguiano, CECHIMEX, 2014, p. 9). The industry, or the technological know-how, as a spearhead of the economic transformation, and the control of the State, as the commitment to making the economic development occur, as Mazzucato said, are two of the main lines through which Japan became a world power in the first half of the 20th Century and implemented its economic recovery after its military defeat in 1945.

Absence or reduction of social costs in the first phase of the project, direct involvement of the State in the economic planning, but more importantly, in its implementation, through monetary (currency control), market (subsidies, financial support, price controls, etc.), trade (supports and export subsidies, import barriers, etc.), fiscal (exemptions, reimbursements, etc.), and technological (priority, subsidies, and a large science and technology budget, etc.) measures, among others, and a self-selective compliance (*with Asiatic features*) of the commercial rules of the moment, constitute three of the most important pillars through which an Asian export-project has been outlined in the majority of the East Asia economies, which have progressively developed according to their own particularities.

In its time, after 1950, during the second Japanese takeoff, and before it became the second-largest economy in the world (now third after China), some players already evidenced both the Asian-Japanese informality as well as the Western-American tolerance. On the Japanese policies of state support, in 1955 Frieden recognizes that, “The Japanese government supported manufacturers with tax reductions, subsidies, cheap loans, and other

aids” (Frieden, 2007, p. 369). For his part, Huntington contributes on the subject: “... the repeated conflicts between the United States and Japan on trade issues responded to a modality in which the United States posed demands on Japan and threatened with sanctions if these were not met. Next, protracted negotiations were carried out, and then, at the last moment, before sanctions came into force, an agreement was announced. In general, the agreements were drafted so ambiguously that the United States could claim victory in a generic way, and the Japanese could comply or not with the agreement, as they wished, and everything continued as before” (Huntington, 2001, p. 272).

With regard to a State participation in the defense of its companies and national interests, nowadays, these brief examples of the informal nature of the Asian model would be fully reproducible in the cases of China, Vietnam, Bangladesh, Cambodia, etc., including, to a lesser extent, in Korea, Japan, and Taiwan.

China for its part, today, the second-largest economy in the world, through the integration of hundreds of special zones, first in the Pacific and then throughout the entire country, led the potentiality of the Asian model to its climax, achieving an average economic growth of 10% for more than 30 years, and becoming the first exporter and manufacturing nation of the world. On its development model, its promoter, Deng Xiaoping, believed that it was an experiment subject to a permanent review. Similarly, when he had to define it, he pointed out clearly without intellectual concerns: “There are currently two models of productive development. To the extent that each one of them will serve our purposes, we will make use of it. If Socialism is useful for us, the measures will be Socialist; if Capitalism is useful for us, the measures will be Capitalist.” And he added, without doubts, that unlike the West, “There are no fundamental contradictions between Socialism and the market economy” (Oropeza, 2008, p. 450).

The two models, under their own developmental logic, have competed since the second part of the last century, and today they continue to do so. Their coexistence has crossed different stages of difficult explanation that have oscillated between head-on competition for world economic leadership, to an *association for the precarization* of the added value of the Asian workforce, in an intermixture of rivalries and interests where it is not possible to clearly distinguish how far the distribution of industrial income goes between a West that renounced its manufacturing and an East Asia that sets itself up today as the world’s factory.

Nevertheless, the geography of the numbers tells us that in the last decades, the majority of the East Asian countries have had the strongest eco-

conomic growth, *i.e.*, for the Asian model of development. As an example of this, in the last ten years (2004-2014), the European Union had an annual average economic growth of barely 0.5%, and the United States had an annual average of 1%; while East Asia rose with a 6% annual average, and China, in particular, with an 8% annual average in the same period. The foregoing has contributed to Greece having seen a -22% decrease of its per-capita GDP from 2007 to 2014, Italy -11%, Spain -7%, Portugal -5%, Great Britain -4% and France -1%; while China increased it by 175% during the same period.

Over an 18-year span (1995-2013), the United States has been able to raise its per-capita GDP in 36%, while China increased it by more than 400%. (CEPAL, 2015).

While the West, and most of Latin America with it, continues to live in an existential economic problem, as Judt refers to it when he asks: Are we condemned to flounder eternally between a dysfunctional *free market* and the widely publicized horrors of *Socialism*? (Judt, 2013, p. 45); an Asian model without doubts (vertical, statist, heterodox) defines, through the increase in its economic indexes, the winning economies of the first half of the 21st Century.

III. THE STRUGGLE FOR THE NEW GLOBAL ORDER

If yesterday's controversy on the possible emergence of a hegemonic China and a relevant East Asia has lost timeliness in the face of the evidence from the numbers, the matter that prevails, before this new Asian empowerment and Western weakening, is to know the path that these trends will follow both in their deepening and in their entanglement. What is revealed through the actions and discourse of the participants is that both sides, in a vigorous manner, fight for the rearrangement or the expansion of their assets, in a struggle without truce for the hegemony of the 21st Century.

On the actions carried out by China, the informal integration that began in 2009 regarding the group called BRICS, formed by Brazil, Russia, India, China and South Africa, stands out first and foremost. Today, they already have more achievements than other frameworks of global integration despite not having presented themselves as a formal partnership in the terms of the World Trade Organization (WTO). The BRICS framework today already operates a Development Bank and a Guarantee Fund for amounts of one billion dollars each; to which are added agreements on energy (China, Russia, 2015), research and development, trade, science and technology, ecology,

renewable energy, etc. In a relevant manner, along with this strategy, China has deployed throughout Asia (2013) a very ambitious integration project inspired by the Silk Route called “One Belt, One Road” (OBOR) (one integration, one path), by means of which it intends to reposition its geo-economic and political leadership throughout Asia, *i.e.*, Pacific Asia, Central Asia and the Middle East, in an area that covers 55% of the world GDP, 70% of the world population, and in a special way, 75% of the known energy reserves. “The declared goal of this great initiative is to sponsor the continuity and trade between China and more than 60 countries traversed by the OBOR” (Vanguardia, 2016, p. 8).

For its part, since 2009 the United States initiated the Trans-Pacific Partnership agreement (TPP), which is a formal integration project, with the participation of seven countries from East Asia (Japan, Singapore, Malaysia, Brunei, Vietnam, Australia, and New Zealand) and four American countries (Canada, Mexico, Peru, and Chile) with which it has instrumented, by means of a Free-Trade Agreement, a policy of geo-economic and political repositioning based on East Asia and in the framework of its dispute with China. This global strategy, just like the one employed by China, has been expanded with a second initiative that includes the signing of another Free-Trade Agreement (TTIP) with the 28 countries of the European Union, which represents a historic Western geopolitical strengthening.

This dispute of integration agreements and treaties that prevails today in economic and political fields between the Atlantic and the Pacific cannot be separated from the global conflicts that are currently happening on the planet, in which two hegemonic tendencies are already letting the weight of their interests be felt.

In the case of energy, for example, in the fight for hydrocarbons, which will be marking the winning and losing countries in this first half of the century for reasons of supply, exhaustion, and price, China signed a 270 billion dollar agreement with Russia for the supply of oil and gas during the next 25 years. Likewise, the two countries have explicitly and tacitly joined in the contest for the Middle East’s (50%) oil reserves; for example, through their support of Syria and the Government of Al Assad, with the idea of controlling the supply of global reserves, as well as the shipment of gas to Europe by Russia. For their part, the relevant players from both the European Union and the United States gather support against the permanence of Al Assad in Syria, also as part of the project for the supply of hydrocarbons to Europe without having to pass through an area controlled by Russia, accompanied by various players from the region such as Saudi Arabia and Qatar; where the presence and management of the Islamic State in

the area is a clear demonstration of the potential escalation to which both parties can reach. Another example of this debate on a geopolitical level, is the prevailing tensions in the South China Sea, both with regard to the possession of the islands Diaoyu on the part of China, or Senkaku on the part of Japan, as well as the issue of the maritime boundaries that China claims to Vietnam, the Philippines, Malaysia and Brunei, among others, in the framework of the area's potential in matters of hydrocarbons and the geopolitical control of the region's maritime transport, which directly involves the United States and its allies.

There is no doubt that we live in a new reality in gestation, whose end is still indecipherable. What is also certain is that the geopolitical phase of the West, as we conceive it, has ended, and regardless of the outcome that can generate the confrontation of two countries and relevant regions, today, we already inhabit a new geo-economic/political, Eurasian space, which makes it necessary to review what different countries have tried until today.

IV. MÉXICO AND ITS CIRCUMSTANCES

For Mexico, in the geopolitical arena, the antagonism between China—the United States, the West—East Asia, presents serious challenges in the administration of a role that by geographical definition places it as a neighbor of one of the protagonists. But from that geographic destiny, the best opportunities are derived for re-positioning a role that has not been valued nor supported in its dimension by the *partner* of the north.

In economic matters, the new Chinese—Asian reality directly affects the business matrix that Mexico has always had with the United States, which is the result of its geographical proximity, for which the USA has been both its main customer, as well as the most important destination for its exports. This matrix, by virtue of the economic transfer from the Atlantic to the Pacific, has become sophisticated as a result of the confrontation-association that the Chinese-American relationship lives, having Mexico to bear part of the costs. And in the second case, on the issue of the Chinese-United States association for the precarization of the Asian added value, Mexico ends up hurt on various issues, because this trans-commercial association impacts directly on its export offering and its line of costs.

Similarly, the country and the Latin American region are seriously hurt upon confronting every day, in commercial and economic terms, an Asian model that operates with impunity with informal or heterodox strategies that do not conform totally or partially to the WTO, with the support or as-

sociation of relevant Western players. This is perhaps the greatest challenge in aligning the region with the new geo-economic reality.

The Asian model is far from being the ideal answer for a world that urgently needs a more inclusive and sustainable development for all. Its deficits regarding the observance of global economic and trade rules and regulations, its serious ecological neglect, and its omissions on social policy, do not make it an example for the world to follow. However, the committed and successful participation of the Asian state with its national interests and players, which is another of the model's main characteristics, represent an opportunity for what Mexico and majority of Latin America have carried out until now. Therefore, in addition to remembering some of the Asian specialists (Deng Xiaoping, Lee Kuan Yew, Chi Fulin, Gao Shangyuan, etc.) on the topic, as Europe is doing and the United States is practicing; the region would have to review seriously current authors such as Mazzucato, when they remember that: "An entrepreneurial state does not only *eliminate the risk* from the private sector, but it also visualizes the space of risk and operates boldly and effectively from inside this space in order to make things happen. In fact, when the State is not convinced of its role, it is more likely to be *captured* and subjected to private interests. When it does not assume a leadership role, it becomes a poor imitator of private sector behavior, rather than a real alternative. And it is more likely that the usual criticisms about its slow and bureaucratic character will be true in countries where it is left aside and a purely *administrative* role is assigned. So, to treat the State as a cumbersome entity, which is only capable of achieving failures from the market, is a prophecy that ends up being fulfilled" (Mazzucato, 2014, p. 34.)

Having exhausted the economic and political order of the 20th Century, the emerging nations do not have the power to influence the formation of the new hegemonic blocks. However, in the opportuneness and the talent of their main economic players and politicians, there will always be the possibility of transforming the challenges into opportunities.

Finally, in the new Pacific Era, with all its new dazzle, baggage, and bibliographic reviews, one will have to be careful not to fall for the Vasco Núñez de Balboa syndrome, who, by wanting to be the first Westerner to see the Pacific, lost his head for his transgression.

THE TRANS-PACIFIC PARTNERSHIP AGREEMENT: HINGE OR CONFRONTATION BETWEEN THE ATLANTIC AND THE PACIFIC?

SUMMARY: I. *Introduction*. II. *Pacific or Atlantic? That is the dilemma*. III. *The eagle or the dragon: a new dilemma*. IV. *Strengths and integration of East Asia and Pacific Asia*. V. *The TPP: hinge or confrontation between China and the United States?* VI. *Conclusions*.

I. INTRODUCTION

Unlike previous frameworks such as the North American Free Trade Agreement (NAFTA), the Free Trade Agreement between Mexico and the European Union (FTA EU-MX), the Free Trade Agreement between Mexico and the countries of Central America (2001); or any of the other twelve treaties that Mexico has signed since 1994, the Trans-Pacific Partnership Agreement (TPP),⁵ is presented as an entirely different proposal, in the sense that beyond its judicial-commercial content, its approach, the potential signatory countries, but above all, the global competition in which it is immersed, carry it away from previous business experiences and pose to it a historical challenge that demands multiple analyses and interpretations in order to explain to the various players involved in the matter the consequences that entail an American proposal that is far from being merely an invitation to participate in a free trade agreement (FTA) along with eleven other nations of Eastern Asia⁶ and of the Americas.

⁵ The TPP has been receiving various translations from different economic actors. In this work, we will use the translation used by the Secretariat of Economy in its report to the Mexican Senate in November of 2012.

⁶ Considering the different criteria that are used to establish the composition of the countries that belong to both the Eastern Asia and Pacific Asia concepts; based on the nature of every country and the most accepted order to date, in this work, the 10 countries which form the Association of Southeast Asian Nations (ASEAN) will be understood to be Pacific Asia (Myanmar, Laos, Thailand, Vietnam, Cambodia, Malaysia, Indonesia, Singapore, Philippines, and Brunei). References to East Asia will be comprised of the nations belonging to

Like a Russian nesting doll, the American negotiations (U.S.) to integrate the TPP; as it is under analysis, leaves its different layers behind little by little until arriving at a point of confusion in which the true intentions of the U.S. are lost, these being to place a trade integration strategy in the central courtyard of the People's Republic of China where seven Asian nations participate without, as of yet, having offered China a corresponding invitation.

Are we facing a trade confrontation between China and the United States? Are these the first expressions within a disabled commercial zone between Asia and America? Is it the response of the United States to the Chinese penetration into Latin America? Is it the struggle of the West against Eastern Asia to preserve economic hegemony? Is it a confrontation of countries or civilizations? Is it the strategy of the United States to release the World Trade Organization (WTO) which has been frozen since the Doha Round in 2001? Is it a new onslaught of the U. S. to extend the protection of its economic groups in the pharmaceutical and information technology sectors? Is it the end of an autistic political policy with regard to the heterodox Chinese dynamism? Or, is it the renewal and extension of NAFTA under the passive gaze of Mexico? These and many other questions are derived from the decision made by the U.S. in 2009 to “expropriate” the modest works of four countries (Pacific Four) that decided to populate the Trans-Pacific Area in 2005 through a Free Trade Agreement (FTA), which, without many pretensions, began its work in 2006 with the participation of Brunei (400,000 inhabitants), Chile (16.4 million inhabitants), New Zealand (4.3 million inhabitants), and Singapore (5.3 million inhabitants), with an integration of 26.4 million people and 664 billion USD in terms of its economic GDP (2012); that is, less than a quarter of the population of Mexico and approximately 50% of its gross domestic product (GDP). What led the United States to appropriate the Pacific Four and decide to head its operations from 2010 onward, moving it from its Asian center located in the Forum of Asia-Pacific Economic Cooperation (APEC) since 1989, and launch, “the most relevant and ambitious plurilateral trade negotiation at the international level” (Secretariat of Economy, 2012)? As we noted above, the answer is by no means simple and most likely there is not a single answer, but within the framework of the great global economic transformation that we are experiencing, there are many answers that respond to this American intent to preserve its economic power and its world hegemony in the first

ASEAN as well as, Japan, North Korea, South Korea, Taiwan, China, India, and Russia (Regarding Australia and New Zealand, for the effects of the TPP, they will also be considered part of Eastern Asia).

half of the 21st Century, facing a leadership that is today closely threatened by the “Chinese miracle”.

For this reason, the analysis of the Trans-Pacific Partnership Agreement cannot be limited, important as it may seem, only to the study of the Treaty’s legal content, because to do so would be an act of huge irresponsibility given the relevant implications that the proposal keeps in the framework of the beginning of a century where not only the economic-political leadership of the world is disputed, but its own viability as well.

For the aforementioned reasons, this brief essay will attempt to address some approaches to the subject, with the idea that this contribution will be able to join different opinions that are surely being generated, just as the formalizing process of their integration is being carried out in late 2013 or early 2014.

II. PACIFIC OR ATLANTIC? THAT IS THE DILEMMA

For a long time, the world has been foretelling that we find ourselves in a stage of economic-political change, which passes through slowly but inexorably from the Atlantic Era to the Pacific Era, with all the consequences that this entails. It is not an exaggeration to state that since the end of the 20th Century and the progress of the 21st Century, we are witnessing a historic change where every day not only is the economic supremacy of various Western countries dissolved in the face of a host of Asian economies; but in a relevant manner, we are witnesses to the competition between various nations confronting the global society’s leadership in the 21st Century.

Recently, it was still clear to the world that we lived within a global society where for the last 500 years, a Western culture and civilization had prevailed, which for five centuries has progressively been imposed militarily, economically, and politically, on other countries and civilizations of the world; to the extent that even in 1989 it was believed that in the face of the end of a history of civilizations, the rest of the world should be prepared to homologate the political (democracy) and economic (free market) culture of the time, in order to be part of a final history that wouldn’t change. Now, 24 years after this proposal, today nobody is sure whether this century will belong to the United States or to China, to the West or to East-Asia, or to any new proposal that emerges from the deep dynamic that a world in a permanent state of flux experiences.

To see the constant strengthening of East Asia as a purely economic issue, is to stop listening to the voice of the very Asian actors who indicate

clearly that what is at stake in this competition is not only economic supremacy; they tell us in detail that behind this dynamism appears an entire historical claim that seeks to recover a leading role lost in time; even worse, snatched by the West; to which they again try to gain access through the economic and political success of the present and the strength of their biography. In this regard, Mahbubani comments, “Among the new Asian minds the genuine conviction and certainty that the day of East Asia has come is common, even if the region must stumble one or two times more before it rises...” “Having already awakened, the Asian intelligence is not ready to sleep in the near future. The successful recommencement of the development of the Asian societies will generate a new discourse between the East and the West (Mahbubani, 2002)”. Mahbubani is a Singaporean academic scholar of Indian origin respected by the international community, and his restitution discourse does not speak of Singapore or India or China; it speaks clearly of the “Asian intelligence;” of the fact that, “The day of East Asia has come”. When touching upon the subject of the TPP, we have no choice other than to believe this important Asian spokesperson regarding the terms of the zone’s intention; if there were any doubt about this vision, Mahbubani shares:

The 21st Century will witness the confrontation between the ‘impetus of the Atlantic’ and the ‘impetus of the Pacific.’ The first has determined the course of world history in the last centuries. If my assumptions are correct, and the momentum of the Pacific displaces that of the Atlantic, the Eurocentric strategic analysts will have to rethink their concepts and answers in order to understand the future flow of history.

The 21st Century will be distinguished by the fact that East Asia will rise along with Europe as a global center of power, (which it has been for the past several centuries) and North America (which has been since the 20th Century). For centuries, Europe has set the course of history: it colonized most of the world, supplanted other empires and societies (such as China, Japan, and the Islamic world) and, through immigration, occupied relatively empty spaces (North America and Australia). The two World Wars of the 20th Century, and even the Cold War that followed, were, in essence, pan-European struggles. East Asia has exercised, on the other hand, little impact on the rest of the world.

For analysts to be unable to free themselves from Eurocentric conceptions of the world would be risky both for Europe, and for all of humanity. Like other parts of the world that enjoyed a splendor in other times, Europe is exhausted. The time has come for other regions to contribute as much as Europe has to the world’s progress (Mahbubani, 2002, p. 143).

Huntington dryly describes from a Western vision, “Non-western societies, particularly in East Asia, are developing their economic wealth and laying the foundations for a powerful military and a major political influence” (Huntington P., 2001, p. 22). “The era that began with the Western intrusions in 1840 and 1850 is nearing its end; China is returning to take its place as a regional hegemonic power, and the Middle East is taking possession of what belongs to them” (Huntington P., 2001, p. 285).

The idea of a transfer of civilizations is growing in both Asia and the West; it involves, on one hand, the progressive weakening and wear of the Western civilization, and on the other hand, moving in the opposite direction, a continued economic and political strengthening of East Asia. In this new global framework, the West lives in doubt and fear that this trend continues to be upheld, while its economic problems advance, its lack of political course continues, and its social wear deepens. Regarding East Asia, a good number of the five civilizations that already inhabit it (Japanese, Russian, Chinese, Indian, and Muslim), and of the 17 countries that are members, feast on part of a triumph that has not yet been consolidated, but they take it just the same as if it were the return of a brilliant past, of which Huntington notes, “Two hundred years of fleeting Western-parentheses on the global economy will have finished” (Huntington P., 2001, p. 103).

Are we really experiencing a historic transfer of civilizations and hegemonomies of countries between the West and East Asia? Is it relevant that we know this? In political, economic, and commercial terms, is an impact generated towards Latin America, and in our case, towards Mexico? Beyond the possible answers, it will never be useful and pleasant to be a chess piece without knowing on which board we are playing.

What turns out to be undeniable in view of the economic and political success reached by East Asia during the last fifty years, and the corresponding trimming down endured by most of the Western countries in the same period, is that we are facing a global change of important consequences that different leaders and Asian scholars (Mahbubani, Mishra, Laugh, Yan Fu, Tagore, etc.) interpret with resentment, as if it were the return of a Golden Age that was taken from them by Western success; by the belligerent forces of multiple Western hegemonomies who have been gradually taking over the Asian abundance since the 15th Century. Is this so? Is there a Golden Age to be recovered? The past is a vision that belongs to every country’s sphere of perception; nevertheless, what is demonstrable is that India was the economic leader of the modern world the first thousand years of the New Era, and that China replaced its leadership during the following 820 years; both countries cover an economic hegemony of Asia for almost two millennia;

hence the idea of the Western “fleeting parentheses” of which Huntington speaks.

WORLD GDP
(BILLIONS OF DOLLARS)

COUNTRY	1	1000	1500	1820	1850	1870	1913	1950	2008
INDIA	33.8	33.8	60.5	111.4	125.7	134.9	204.2	222.2	3415
CHINA	26.8	27.5	61.8	228.6	247.2	189.7	241.4	245.0	8908
WEST	14.4	10.9	44.2	158.9	260.3	266.2	902.1	1396	8698
UNITED STATES	—	—	—	12.5	42.6	98.4	517.4	1455	9485

Calculations made in 1990 dollars

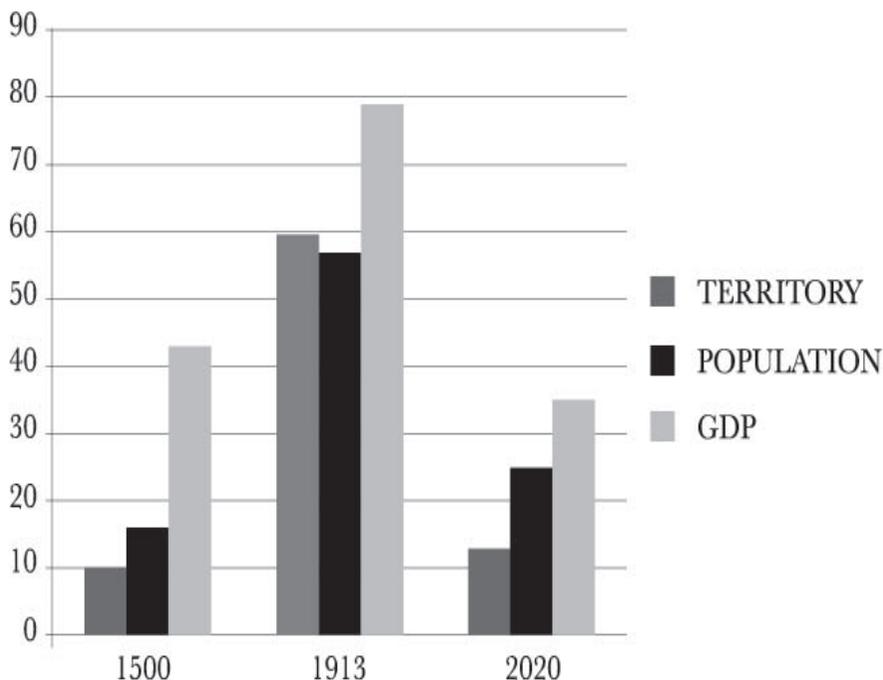
SOURCE: Ontiveros/Guillen; Una nueva época, 2012

The decline of classical Occidentalism in Greece and the collapse of the Roman Empire in the 5th Century A.D., contrasts with the flowering of the Indian and Chinese civilizations from the 1st Century, which dominated the economic, cultural, demographic, scientific, and political progress of the first 18 centuries of our era. Through a development with multiple encounters and failed meetings, China, due to the sustainability of its dynasties, and India with an economic success framed in a struggle of hegemonies and religions, managed to find spaces for development that led them to have a leading role in the progress and civilization of the humanity of their time, unlike the then decimated and impoverished European players. Since the First Century, the Indian population, which was then the largest (75 million inhabitants), together with the Chinese population (60 million), was superior to the European population by 110 million people, which at that time was 25 million human beings. The demographic factor in East Asia has always been higher than the European, and in the future it will be more so; in 2050, the population of Europe will make up approximately just 15% of the world’s population, compared with approximately 55% from East Asia. In economic terms, the comparative is similar, as in the 1st Century, Europe’s economy barely covered approximately a quarter of the Sino-Indian economy. This percentage declined in the Middle Ages to 10% to then grow in the Renaissance to 30%, and in 1820 to 60%; later it would surpass them and continue to do so up to present times; however, in the face of the Asian dynamism, most forecasts indicate that the Chinese

economy will surpass that of the U.S. before 2020, and that of East Asia will surpass the Western (European Union and United States) economy in the same year (IMF; Jeffrey Sachs, 2012; Ontiveros Guillén, 2012).

East Asia has a great history of economic, political, and social successes that began to show a progressive fatigue from the 15th and 16th Centuries, facing a preindustrial strengthening of Europe, which was slowly restructuring the geopolitical balance of the time. According to Ferguson, “If in the year 1411, the reader had been able to circle the world, he probably would have been impressed by the quality of life of the Eastern civilizations. The Forbidden City was being built in Ming Beijing, while at the same time the reopening and improvement of the Grand Canal began; in the Middle East, the Ottomans approached Constantinople, which they would eventually conquer in 1453. The Byzantine Empire exhaled its last breath. The death of the warlord Tinur Lang (Tamerlane) in 1405 had eliminated the repeated threat of cruel invading hordes from Central Asia, the antithesis of civilization. For the Chinese Emperor Yon-Gle and the Ottoman sultan Murad II, the future was bright”. On the other hand, the reader would have been surprised by the Western Europe of 1411, miserable, backward, that was recovering from the ravages of the Black Death—which would have halved the population in its travel eastward between 1347 and 1351—and was still troubled by poor sanitary conditions and a seemingly ceaseless war. In England, the throne was occupied by the leper King Henry IV, who had overthrown and killed the ill-fated Richard II. France was prisoner to itself in an internal war between the followers of the Duke of Burgundy and the murdered Duke of Orleans. The war of the Hundred Years between England and France was about to resume. The other kingdoms in conflict in West Europe—Aragon, Castile, Navarre, Portugal, and Scotland—did not seem to fare much better. A Muslim still ruled in Granada. The Scottish King, Jacob I, was a prisoner in England after having been captured by English pirates. The more prosperous areas of Europe were, in fact, the City-States of Northern Italy: Florence, Genoa, Pisa, Sienna, and Venice. As for the North America of the 15th Century, it was nothing more than an anarchic wasteland in comparison with the kingdoms of the Aztecs, Mayans, and Incans in Central and South America, with their towering temples and their very high roads. At the end of this world tour, the idea that the West could come to dominate the rest of the world during almost all half of the next millennium would have seemed extremely farfetched”, “And nevertheless, that was what happened” (Ferguson, 2012, pp. 42 and 43).

The WEST AND ITS GLOBAL PARTICIPATION



SOURCE: Ferguson Niall, 2012; Jeffrey Sachs, 2011; I.M.F.

The West passed from a precarious control of 16% of the world population, of 10% of the world's surface, and of 44% of the economy of its time in the year 1500 to almost 60% of the population, 60% of the surface, and 80% of the world economy in 1913. How did this historical change happen without opposition from Asia? The Asian civilizations, as well as those that preceded them, only fulfill, inexorably, the dialectics of their cycle in accordance with their proper circumstances, which according to Carrol Quigley, includes the stages of conception, gestation, expansion, time of conflict, universal empire, decline, and invasion; and the Asian cultures (China and India), beyond their 15 centuries of political and military ups and downs knew how to maintain the fine thread of their civilizing sustainability; until 1499, when Vasco de Gama arrived in India to break this virtuous cycle as part of the new pre-industrial force that gave Europe the opportunity to make a military and economic incursion into the Asian Empires, which, in the distance, had been able to retain their strength. The arrival of the Portuguese was followed by the conquest of the Philippines by Spain in 1564;

the first English venture to Sumatra in 1601, which would be the beginning of a broad stage of conquest and meddling in both India and China. In 1602, the first Dutch East India Company was settled in India; in this Asian rediscovery, Russia risks an invasion of China in 1628, and the French set up their first factory in Surat, India in 1688. The Philippines, Cambodia, Vietnam, India, China, Japan, etc.; one by one the different Asian countries and the once powerful civilizations of East Asia were succumbing in various ways to the strength of a superior military power that, as all the hegemones, whether European, Asian, American, or of another origin, fulfilled their vocation of appropriation of foreign gains. The take-over of the East Asia region by the West was neither worse nor better than the historical conquests that preceded them in other parts of the world, or those that the Asian countries themselves perpetrated between themselves during the last two thousand years. The fall of India into the hands of the English, Dutch, and French, is no different from the fall of the Greeks into the hands of the Romans. The invasion of China in the 19th Century by the English, French, Russians, Americans, Japanese, etc. also resembles the siege suffered by the Roman Empire during its decline. In the case of China, beginning in 1838 it suffered its first great interference by the West through the Opium War orchestrated by England; and from 1842 to 1943 the period that has been called the “Century of Treaties” appears (Great Britain in 1842, United States and France in 1844, Russia in 1858, etc.), during which the maritime powers of the moment forced China to recognize various economic and commercial rights that disrupted the established legal order and the central concept of the Empire, from exercising its power and full sovereignty within its walls, because based on this hegemonic pressure and the signing of these treaties, China had to accept the equality of these countries (Great Britain, Russia, France, etc.), which severely damaged the principle of the Emperor’s superiority with respect to the other rulers, preventing him from exercising his right to demand tribute and obedience (Oropeza García, *México-China: Culturas y Sistemas Jurídicos Comparados*, 2008, p. 481).

These facts, that in their Asian aspects are part of the compendium of the history of humanity, keep a special place in the memory of the different Asian actors, who, based on the deep cultural roots of their civilizations, see the conquest and the loss of the hegemony of their territories that occurred from the 15th to the 20th Centuries in the West as a great humiliation. Therefore, in the framework of their new economic successes, the debate that they sustain with the West place it not only on level with the GDPs or trade, but, as Mahbubani clearly indicates, elevate it to a confrontation where the objective is to relocate the Asian civilizations and cultures to a

level that is superior to that of the West. In this regard, the Chinese historian C. Y. Hsu comments “Certainly in 1860 the great civilization that had been China was totally defeated and humiliated by the West” (Crespo MacLennan, 2012, p. 194). Meanwhile, Chris Patten who was a British governor in Hong Kong notes, China “is a nation with a sense of its past greatness, its recent humiliation, its current achievements, and its future supremacy” (Ontiveros & Guillen F., 2012, p. 158). As can be seen, a reminder of the historic humiliation is embedded in the majority of the concession speeches, as a motor of change, but also as a central objective in its 21st Century renaissance. Every nation, which is displaced from its territory or interests, keeps various grievances or negative feelings regarding its oppressor; however, in general, in Asia’s case, the different civilizations maintain a position of resentment that goes beyond other historical examples; which plays an important role in the realignment of the new global blueprint.

The feelings and actions of vindication in Asia are not new; they were born along with Asia’s first submission. Nevertheless, in their last stage, they began to decant in a significant manner from the beginning of the 20th Century, in 1905, when the Japanese fleet commanded by the Admiral Togo Heihachiro defeated the Russian naval force in the Tsushima Strait; a paradigmatic triumph of a non-European country over a power that was considered by the Asian countries, at that time, to be, “Western.” This important victory, which then defined the fate of Korea and Manchuria, was taken by the various Asian actors as a vindication of East Asia over Europe; as the beginning of the end of the Western hegemony in the area. With respect to this victory, the then journalist Mahatma Gandhi noted at the time, “The roots of the Japanese victory have been spread in such a far and wide manner that now we cannot visualize all the fruits that it will give in the future” (Mishra, 2012, p. 2). The then young Ataturk, the Turkey reformer, would take the victory and the Japanese model as an inspiration. Also, the young Jawaharlal Nehru would accept later that the Japanese victory motivated him to pursue “the independence of India and the independence of Asia from European reign” (Mishra, 2012). Together with the aforementioned Asian personages, other relevant actors such as Rabindranath Tagore (India), Abdurreshid Ibrahim (pan-Islamic intellectual), Mustafa Kemal (Thessaloniki, Greece), Halide Edip (Turkey), etc., were part of a generation that began the vindication of Asian civilization with much impetus from different perspectives. As Mishra points out, the Japanese victory taught Asia the lesson that the “white men”, the conquerors of the world, were not invincible, which led to the emergence of innumerable feelings of freedom in the region. This same vision that has prevailed to date is outlined

in the Tokutomi Soho Declaration, which, regarding the Japanese victory, declared in its time that: “We have destroyed the myth of inferiority of non-white races. With our power, we are forcing our acceptance as members of the major world powers” (Mishra, 2012, p. 3). As can be seen from the aforementioned, a strong sense of inferiority and humiliation make up part of the declarations of independence and vindication of the different Asian forefathers, which, with its nuances, is still alive to date.

In contrast to this trans-economic feeling on East Asia’s part, which persists even after more than 500 years of civilizing displacement; more than 400 years of constant invasions from different Western hegemonies, up to two-thirds of the 20th Century; 200 years of lost world economic leadership on the part of China; 400 years of the various independence movements; and 50 years of a sustainable political and economic success; the position of the West appears uncertain, hesitant, isolated from the course that its weakened economic leadership sustains. This comparison shows that it has not recovered yet with respect to an Asian reality that it did not see coming; that it disregarded first as an issue that was not a priority; passing from disregard to the surprise of a new economic reality that not only challenges it, but that has come to remove the comfort of the world in which it dwelt, where everything was predictable. According to Quigley’s theory of the civilizations, it would appear that the West has been settled in the “comfortable” stage of its decline, going from actor to authenticator of the loss of its own hegemony. In this regard Glucksmann notes, “Civilization is a bet. Double. Against whom denies it and threatens to annihilate it. Against itself, very often an accomplice, or adventurer, of its disappearance”. “When in the tiny intimacy of a conscience, the West collides against the West, everything and nothing is at stake, the funeral tolling for the end of the story is suspended, the chime of a new beginning holds its breath” (Glucksmann, 2004, p. 59). For his part, Ferguson highlights “The Western civilization seems to have lost confidence in itself. Starting with Stanford in 1963, a series of large universities has ceased to offer the classical course of history ‘of the Western civilization’ to their students” (Ferguson, 2012, p. 59); adding in a forceful way, “I think that perhaps it was only then when I really understood that it was what defined the first decade of the 21st Century...the fact that we are living the end of 500 years of Western supremacy” (Ferguson, 2012, p. 19). In one way or another, the various currents of the Western thought, far from preventing or strengthening a deed of the uncertain future; prisoners of a feeling that begins to be widespread, move forward in marking a displacement of civilizing plates that they apparently judge to be inevitable; thereby strengthening the Asian thought, that already started to herald its arrival.

In this “competition” for the development and civilizing hegemony in which the Asian side has put its goals for the 21st Century, the West, in addition to claiming not to have heard the various Napoleonic voices that warned that when China awoke the world would tremble; as for the internal debate of the West vs. the West, there are more than a few European authors who speak of the “complicity” of the real actors of power in the area for having been relevant pieces of the Asian miracle. Regarding this point, Mandelbaum and Haber claimed, “One day some sociologist will have to analyze the reasons for which in the West—including the Western democracies’ elites— find it so difficult to see and hear the emerging reality”. At the end of the day, it is possible that the Westerners “do not want” to see nor hear, and that they close their eyes or turn a deaf ear, deliberately” (Mandelbaum and Harber, 2005, p. 17). Martin Hans-Peter and Harald Shumman add to this with regard to the technological, industrial, and financial transfer from the West to East Asia “Only naive theorists, or short-sighted politicians, will believe that we can, as is happening today in Europe, deprive millions of people year after year of work and social security without paying a political price for it at some point. It is something that cannot work” (Martín Hans and Shumman, 2005, p. 17).

The success of East Asia, in many ways, is explained through the weakening of the West; where there are two relevant factors: the geometric industrialization of Eastern versus Western de-industrialization; and the Asian economic pragmatism with regard to the neo-liberal “orthodoxy”. Regarding the former, it is worthwhile to remember that at the end of the seventies, carried under the leadership of Deng Xiaoping, China initiated an adventure, an “experiment”, in which for the first time in its history, it opened itself to a global world in search of an economic future, in the face of the failure of its internal strategies that had resulted in famines (30 million people died in 1960) and extreme sufferings. At the same time, the “post-industrial” world of Daniel Bell appeared in 1973 (The advent of the Post-Industrial society), just five years before Deng Xiaoping offered the world 900 million Chinese workers, who, faced with the urgent need for food, clothing, and shelter, were willing to work for 30 cents per hour, without any kind of social benefit; whereby, on the contrary, granting all kinds of benefits to the foreign capital in terms of infrastructure and tax incentives. For the Western world, already “located” in the post-industrial world of intelligence services, manufacturing became a “subsector” which could be attended to by developing nations and, on the other hand, abandoned the Bretton model and the responsibility of the welfare state. The majority of the Western countries could not resist the temptation of the precarization

of the Asian added value; thinking that as in the era of the unbridled liberalism of the 1st Industrial Revolution, “this would not have any consequence,” and that China, Asia, and the rest of the countries to be compromised, would just become a great global, assembly plant, which could be dismantled at any time, or run from the post-industrial intelligence world. This was not like that, and although China maintained its offer of cheap labor to the Western world, it made clear from the very beginning that this offer would be only a starting point while it obtained the resources to generate its own development. Since the signing of the first Joint Venture contract in 1979, China conditioned the entry of foreign capital to the transfer of technology; and from that moment forward, China initiated the largest “technology expropriation” project that anyone remembers, through all kinds of means and proceedings until achieving today a first word technological assimilation; climbing today to a stage of innovation in which it is already undertaking its own developments.

The leadership of England in the 19th Century was born as the result of an explosion of industrial inventions; in the 20th Century, the United States consolidates itself within a process of assimilation and innovation of industrial technological products. The Chinese hegemony and the industrialization of East Asia, unlike the two previous examples, were born copying informally and formally the industrial technology of the West, in a transfer that is unmatched in the history of mankind. The Western industrial “throw away” coincided with the need of China. The Western carelessness and tolerance regarding the capture and informal appropriation of its technological heritage by East Asia, in general, and China, in particular, only rivaled their usury and the precarization of the Asian labor assets. The new map of world manufacturing that is generated in this important stage of the 20th Century is built with the formal and informal capture that China and East Asia carried out of the industrial technological knowledge of the West; in the same way as with the loss that the Western industrial countries register as the reason for this change (Oropeza García, *México frente a la Tercera Revolución Industrial: Cómo relanzar el proyecto industrial de México en el siglo XXI*, 2013, pp. 223 and 224).

As for the Asian “pragmatism”, which is another of the essential elements of the economic “miracle” of East Asia, it has been carried out based on a selective and advantageous compliance with agreements set out in the General Agreement on Tariffs and Trade (GATT, 1947) and the World Trade Organization (WTO, 1994). Japan, for example, has maintained a permanent public policy of control of its currency to support its exports since 1950; while at the same time encouraging formal and informal tariff

restrictions to stop the purchase of products manufactured abroad; in the same way, it deployed state subsidies to its domestic industry that caused innumerable political and economic problems with Europe and the United States; this strategy allowed it to grow at rates above a 10% yearly average from 1950 to 1973 and to be today the world's third-largest economy. Korea followed this Japanese path of industrial appropriation, and selective and advantageous compliance with commitments with respect to trade regulations; its take-off was underpinned over a determined state participation in the form of soft loans to domestic companies; imposition of large duties to competitive imports; currency undervaluation; technical barriers to imports; low wages; absence of social benefits; grants and subsidies to national exporters; preferential supply of raw materials and equipment for the production of its national companies; discount rates for transportation, ports and, costs of basic services, etc.; all these allowed Korea to grow at an average annual rate of 8% in the seventies and at 9% in the eighties. China, as was already indicated, following the same economic "pragmatic" model, combined with a market socialism, grew at an annual average rate of 10% from 1979 to 2011. However, the same could be noted in Taiwan and Singapore, and now in Vietnam or Bangladesh, and the vast majority of the East Asian countries that, through foreign investment, technology expropriation, direct state participation, and selective and advantageous compliance of the international trade rules, have succeeded in the last five decades in becoming the new world factory with 70% of the manufacturing value of the developing countries; where China (20%), Japan (11%), and Korea (2.6%), occupy the first, third, and seventh places, respectively, of the world's manufacturing industry (Marsh, 2012).

The clash, encounter, competition, fusion, etc. of civilizations, is a heavy topic that involves a myriad of factors, all relevant at this time of debate between two global orders of great importance; however, in its economic dimension, which is one of its core competencies, we cannot neglect to highlight the atypical phenomenon of transfer of wealth that has been mediated to make this happen. During the displacement of East Asia by the West five centuries ago, Europe carried out its maritime and military conquests thanks to its pre-industrial and industrial progress, which endowed it with the technological superiority required to suppress each of the Asian nations conquered. Unlike the above, from the "opening" of Japan to the West during the Meiji Dynasty (1868), until the opening of China in terms of economy and trade in 1979, East Asia has put all its efforts in generating development through a selective and advantageous imitation of the Western economic model. To this should be added that the appropriation of the

model and its technology during the decades from 1950 to 2013 has been represented by the use of a strategy that, in different speeds and modalities, has been characterized by the direct participation of the Asian State with regard to the behavior of its different economic actors, which has given them a permanent advantage during this period with regard to the Western and non-Western companies such as the Latin American companies, who have adhered to the exchange rules of the international trade regulated by the GATT-WTO.

The systemic East Asia-West debate will continue intensively during the first half of the 21st Century, but the West can in no way be called surprised by the important economic results that the Asian countries celebrate today and that cause much concern for Western countries.

This vision does not dismiss in any way the Asian meritocracy that has had to exist in order to produce this important economic boom in the region. It is evident that up to date the Asian strategists Yukichi Fukuzawa (Japan), Deng Xiaoping (China), Lee Kuan Yew (Singapore), Park Chung-Hee (Korea), Zu Ronghi (China), Jian Zeming (China), etc., in general, have overcome the Western leaders of the time in talent and strategy; nevertheless, in spite of this recognition, the affirmation that, “The East Asians attribute their spectacular economic development, not to the importation of the Western culture, but rather to the adherence to their own culture; and that they are successful because they are different from the West” (Huntington P., 2001, p. 109), lies outside of a reality where, at least on the economic plane, the renaissance that East Asia lives today, in great extent, is a product of the deindustrialization that the Western countries started with “great enthusiasm” during the last third of the previous century.

For Mexico as well as for Latin America, which are not technically regarded as Western countries (Huntington), the relevant issue, in economic and commercial terms, of this competition between “civilizations” results from the “complicity” that the economic groups of power from both regions have maintained, in the sense that they have practiced and allowed a commercial economy that has been openly tolerant with currency undervaluations, grants, state participations and interventions, subsidies, high levels of pollution, protection at all costs of the domestic markets; etc.; while all Latin American countries have been required, during the same period, to comply strictly with the GATT-WTO rules, and even more so, as in the case of Mexico, that have committed to the WTO-Plus regulations, which have resulted in a permanent advantage for East Asia and unfair trade practices for Mexico and Latin America. Under the committed interest to Asia’s precarization, and the maximum profit by the West, which prevails to this

day, Europe and the United States have precipitated on an economic clash of civilizations without any shame; while they have limited Latin America's economic development by forcing it to compete globally in a commercial field of equality that only exists in the official documents of the WTO.

In this framework of a strong competition of civilizations, that experiences a process of countless questions and few answers; between a stage of a frank Asian expansion and a questioned Western progress, Mexico and other Latin American countries cannot allow themselves to be dragged unconsciously on a North American adventure of uncertain fate, based on the pretext of a "simple" invitation to participate in a Free-Trade Agreement. The technical convenience, or not, of each national assessment, must be accompanied by the referential framework and possible consequences that will be generated, for each country, with respect to the geopolitical commitments that derive from its possible involvement in the TPP.

Finally, despite the great importance of this competition between civilizations, it is worthwhile not to forget the words of Huntington when he notes that the decline of the West could be extended in the future for decades, perhaps centuries. It is also possible that the West experiences a period of renaissance and reverses the declining trend of its influence on world affairs and confirms its position as the leader that the other civilizations follow and imitate (Huntington P., 2001, p. 362), because "...the primary lesson of the history of civilizations is that many things are probable, but nothing is inevitable" (Huntington P., 2001, p. 363).

For Mexico and Latin America, which are in the middle of this historical debate, a fantastic opportunity to reposition their respective positions under a regional perspective presents itself.

III. THE EAGLE OR THE DRAGON: A NEW DILEMMA

While the Atlantic-Pacific debate directly involves the majority of the countries that form the respective areas, it does not go unnoticed that, despite the large number of civilizations involved in the issue (Western, Chinese, Indian, Japanese, Russian, Islamic), the central debate up to date is focused on the struggle between China and the United States for the economic and political leadership of the 21st Century, where, according to the trends, the United States registers a stage of weakness that is accepted by a good number of experts (Sachs, Huntington, Rifkin, Hobsbawm, etc.), and China is going through a phase of expansion that places it in confrontation with American interests every day.

In the case of the U.S., beyond the mountain of figures that have been attesting to a weakening, a thinning, of the American power since the late seventies, the evaluation of the present life of the American nation shows a country with severe economic problems; with a wear on its social life and with a loss of its political leadership that depicts it as entrapped, locked in its labyrinth, with an identity problem that does not allow it to understand what its role is in the new global context and how it is going to recover, maintain, or manage its loss of leadership. Hobsbawm comments to us, “There are internal reasons for which the American empire cannot last, and the most immediate is that the majority of the Americans are not interested in imperialism nor in world domination, in the sense of ruling the world. What interests them is what is happening to them in their own country. The American economy is not looking at all well and at some point the government, and the voters, will decide that it is much more important to concentrate on the economy than to undertake military adventures abroad, particularly if we take into account that these military interventions abroad will be paid, in good part, by the Americans themselves, something that did not happen in the case of the first Gulf War, nor, to a large extent, during the Cold War” (Hobsbawm, 2006, p. 82).

The difficulty of giving an opinion on robust hegemonies, or as in this case, true civilizations (the U.S. has been the Western leader since the 20th Century), is that their cycles are not linear nor are they short-term; these are slow historical processes with multiple variants, but at the end of the lustrums or decades, as in the case of the United States, they accumulate a deterioration that shows them undeniably diminished. Regarding the U.S., that since the cusp of its economic and manufacturing power, which allowed it to hold almost half of the economic value and world’s manufacturing production in the middle of the 20th Century, currently registers a balance of approximately 20% of the GDP and 18% of world manufacturing, with an approximate loss of 30 points in each case with regard to its previous wealth. In terms of its economic value, the European Union maintains a slightly higher percentage (21%) and China is very quickly closing this gap with 15%; and in terms of its manufacturing throughput, from the year 2010 onward, China became the main power in the field with 20% of the production of the world’s goods.

For many years, ahead of Thomas Friedman’s “perfect storm,” authors such as Arthur MacEwan, James M. Cypher, Elaine Levine, to mention just a few, were already documenting the decline of the United States. MacEwan said, for example, at the beginning of the 1990s, “The United States is in many ways the most powerful nation in the world... however, we find that

things are breaking up in the interior of the United States. The lack of housing, the drug problem, and a high level of infant mortality are leading the news while the local social services seem to deteriorate throughout the country” (Macevan, 1992, p. 42). He supported this, documenting that between 1973 and 1987 the erosion of the living standards of the American families began, when the average family income of one-fifth of the poorest families decreased by 7.3%; while that of the one-fifth of the richest families increased by 14%. In the same vein, he showed that between 1966 and 1985, the effective tax rates for the top 1% of taxpayers fell between 27% and 36%; in the same way, for 10% of the more affluent classes, the rates decreased between 10% and 16%, which was combined with substantial tax increases for the poorest. At the same time, he illustrated the high cost of the military force (7% in 1986), and especially its uselessness for the maintenance of The United States’ economic hegemony. Meanwhile, Cypher was also already warning, from the end of the eighties, of the weakening of the United States, based first on a loss of productivity, arguing that from 1950 to 1973 (which includes the “Golden Age” of the American post-war economic cycle), that this loss of productivity had increased to 2.44% yearly, whereas from 1973 to 1990, it had only achieved an increase of 0.825%. At that time, he also denounced something that today constitutes a matter of great concern among American analysts and officials, the so-called “triple deficit,” which in 1990, regarding the budget deficit, already represented 6% of the GDP; the commercial deficit showed an annual debt of 100 billion dollars; and from 1989 onward, the United States took the place of the most indebted nation of the world with a deficit of 650 billion dollars, a place that it has not left to date. Likewise, Cypher was already commenting on the growth of the domestic debt, which in 1950 represented 35% of personal income, and in 1989 already pointed to 80%. In an important way, this author was also denouncing the weakening of the American industrial sector, underlining, together with Cantwell, that the American multinational corporations, in the period from 1974 to 1982, lost 20% of their degree of internationalization in twelve manufacturing sectors; and that even the high-tech sector recorded its bad evolution declining by 21% in the fiber-optic global market in the period from 1980 to 1988; 24% in semiconductors; 13% in supercomputers; and 23% in machines and tools. In a relevant way, Cypher put the low global manufacturing wages (low cost) on the reflection table as one of the central causes of the decline of the economic strength of the United States. The author indicated, “Food, some clothing, and services can be provided to the industrial workers by a vast army formed of a reserve of peasants in transition (sometimes referred to as the tradition-

al sector) who now survive in the interstices of the society in most of the NIC. An additional advantage can be found in the virtual absence of environmental constraints and restrictions that allow both the transnational corporations and national domestic groups to avoid the internationalization of many of their social production costs” (Cypher, 1992, pp. 62-65). In other words, early on, some authors were already talking about the global trap; that is, the policy that bases the national interest on the “cheap” consumption of the middle classes, at the expense of tolerating and sponsoring all kinds of dumping (social, financial, monetary, ecological, etc.), believing that this would not affect their economies, nor affect the environmental climate of their countries; premises which we know today were and continue to be wrong and have ended up backfiring, in one way or another, on all nations (Oropeza Garcia, 2010, pp. 150-152). After these multiple warnings, authors such as Paul Kennedy in the nineties, in addition to being concerned about the, “excessive imperial extension” of the U.S., already had serious doubts about the American strength, although he emphasized that while there was a decline, this was relative and that “...the only serious threat to the true interests of the United States can only come from the failure to adapt itself in a meaningful way to the new world order” (Kennedy, *Auge y Caída de las grandes potencias*, 1994, p. 830); adding that “...it remains to be seen whether the traditional approaches will successfully lead the American people into the 21st Century, or if they will pay a high price for assuming that things can continue the same at home, while the outside world changes more rapidly than ever before” (Kennedy, *Hacia el siglo XXI*, 1993, p. 412). More recently, at the beginning of the second decade of the 21st Century, Sachs commented, “It is easy to see that America is in crisis, especially from abroad. The nation that even recently was called the superpower, the ‘New Rome’ and the indispensable nation, has become the epicenter of financial instability, political paralysis and business immorality. The American wars in Afghanistan, Iraq, and Yemen (although secretly), and in other places, have gotten tediously and painfully bogged down. China is now the golden child of the city, the new power in ascent, not the United States” (Sachs, 2012, p. VII). In addition to all of the above, Rifkin recounted to us recently, “The final result of 18 years of an artificial extension of credit is that the United States is now a bankrupt economy. The gross liabilities of the U.S. financial sector, which amounted to 21% of the GDP in 1980, have been increasing at a steady pace during the last 27 years to reach an incredible 116% of the GDP in 2007”. “Even more disturbing are warnings such as those of the International Monetary Fund that predict that the U.S. federal government’s public debt could reach, no later than

the year 2015, levels of 100% of the GDP, which would call into question the future possibilities of the United States of America as such” (Rifkin, 2011, pp. 42 and 43). From the end of the seventies until today, pundits in the United States and abroad, have maintained a narrative of the events that show that the economic power of the first-world power has been decreasing bit by bit, to the point that it leads Rifkin to denounce its possible financial bankruptcy, to which should be added its social weakness and political problems. Certainly, on the other hand, there is also an important group of apologists who tell us that the United States is well and that if there is a decline this refers to a “relative” weakness or even a “rebirth of leadership”. Some of the new criteria about the economic revival of the United States are being underpinned, in an interesting way, in the new oil and gas production technologies (Shell), by which means the United States has been able to increase its production of gas by 25% from 2007 to 2012, where the majority has corresponded to the new shale gas production. With regard to oil and other liquid hydrocarbons, production rose in 2012 by an annual average of 7%; a figure that had not been reached since 1951. More importantly, the U.S. International Energy Agency expected that by 2017, the country will surpass Saudi Arabia as the main world oil producer, which would increase the U.S. GDP by 3% during the next decade. “A resurgent housing sector, a revolution in energy production, a remodeled banking sector, and a more efficient manufacturing industry...” (Allman, 2013, pp. 99-101) are four of the pillars on which specialists like Allman lay the foundations of the new boom of the United States.

Contrary to the important number of analysts who attest to the weakening of the U.S., increasingly there are fewer experts who talk about the fall of the Chinese success; which suggests that the virtuous circle may break or stop its developmental pace of more than three decades. While recognizing that the growth rate should be adjusted, in recent years the various specialists have been competing, as if in an economic casino, to see who gets the right date on which the Chinese GDP will exceed the US GDP (Goldman Sachs, B. M., etc.). The above, of course, does not mean that the road that lies ahead for China is free of obstacles, which will have to be solved if it wants to prove the hypothesis of its economic leadership. Some experts such as Ontiveros and Guillen indicate “that in view of the competition from countries with lower wages; the over-reliance on exports; the inflation on the prices of the assets, especially in the real estate sector; the rampant pollution; the aging population; the urban congestion; the increase in the inequality of the income distribution; and of the internal political instability...” “there is a considerable disagreement among the experts, politicians,

and even Party officials on the sustainability of China's economic growth (Ontiveros and Guillen F., 2012, pp. 170 and 171).

Other specialists such as Ferguson, who also questions the economic future of China, base the possibility of its setback on at least three hypotheses. The first points out that China's case was already experienced by Japan, about which it was said at the time that it would surpass the American economy in the 20th Century and, on the contrary, because of various internal contingencies, in the last two decades it grew at a meager annual rate of 0.8%, falling into 24th place in the world based on per capita income. The second hypothesis refers to the great social delay that China still has, and the fact that it is in 86th place in the world based on per capita income, with 150 million poor people with an income of less than a dollar and a half a day; on the other hand, 0.4 % of Chinese families possess around 70% of the country's wealth. It is necessary to add the population problem to the things mentioned previously, where the percentage of the sixty five-year-old, or more, population will be 16% in 2030; while in 1980, it was 5%. The third factor lies in that in 1990 three of every four Chinese people were living in the countryside and today 45% live in cities, and in 2030, this number might rise up to 70%, that is, 900 million people, which constitutes the most ambitious development strategy of China, with the aim being to place the domestic market, instead of the exports, as the great development engine. This transfer involves moving a rural population similar to the total population of the United States (250 million people) to live in the cities, with all the challenges and the expenses involved in issues like infrastructure, social spending, job creation, etc. (Ferguson, 2012, pp. 419 and 420).

As can be seen, today we have more than enough grounds or reasons for which both the defenders and the protesters of China or the United States build their respective theories or hypotheses. However, what cannot be denied is that we are dealing with the presence of a clear debate about the economic and political supremacy between these two countries; which has been developing for the past thirty-five years in an atypical and buried manner; decomposing itself during the last decade; a complication that surely will keep surprising us throughout the first half of the 21st Century.

In this rhythmic masquerade ball, which initiated its last stage since the rise of Deng Xiaoping in 1978 and the opening of China in 1979, there is no doubt that the one that has imposed the rhythm of the dance has been China, although its economic, military and technological level has been lower than the accumulated power of the U.S.; which from 1945 to date has maintained the greatest military and economic power in the world.

China, based on a millennial experience, has dominated its diplomatic relationship with the United States at all times. Through symbols, signs, signals at a distance, pounds on the table, threats, selective and advantageous speeches, etc.; except in exceptional cases, China has managed to get the best deal out of this encounter. As indicated by the Chinese themselves, in the beginning when, “We wanted to be friends with the wolf”, the speech was dim, modest, friendly, and smooth; without warning the wolf that China, under a historical aspiration, aspired to be the wolf. In this regard, Deng Xiaoping used to say in his 28 character strategy that Chinese policy at that time claimed to focus on, “Observing and analyzing calmly, securing our position, dealing with the issues with tranquility, hiding our capabilities and waiting for the opportune moment, being good at keeping a low profile, never leading the vindication, and carrying out operations of a modest nature” (Cardinal John Paul, 2012, p. 9). On the other hand, in order to be the wolf, China always had a clear strategy, knowing that it needed investments from the West, its technology, and the transfer of its companies. Later, it understood very clearly that its priority was to generate exports and send them to the large Western market, which had the high consumption it needed. However, its shipments must have arrived without opening their domestic market to the West, so it applied and obtained from the United States the authorization to trade under the benefit of the “Most Favored Nation” Clause. For example, when the United States tenuously attempted to restrict this benefit to China in 1994, after 14 years of growing at an annual average of 10%, it backed down when it was faced with a reaction of solidarity from Japan and Singapore so that these restrictions would not be applied; with even the Prime Minister of Singapore, Lee Kuan Yew, threatening that if China was pressured, “The United States would be totally alone in the Pacific” (Huntington P., 2001, p. 272); which resulted in the repeated tolerance of the U.S. regarding Chinese pragmatism and informality.

Regarding the “historic” handling of the Chinese currency undervaluation, one of its most notorious non-compliances of a commercial nature was with respect to its international commitments; in the face of the feeble “pleas” of the majority of the U.S. presidents that this practice be changed, the Chinese Prime Minister Wen Jiabao responded with a laconic speech, “There is no point in pressuring us over the renminbi exchange rate. Many of our export companies would have to close; immigrant workers would have to return to their villages. If China experiences social and economic turbulence, it would be a disaster for the world” (Ferguson 2012, p. 413). On the subject, the diplomatic classicism of the U.S. in the person of Henry

Kissinger stated, “When China had a secondary role in the global economy assigned to it, the exchange rate of its currency had no relevance; during the decades of 1980’s and 1990’s, no one would have thought that the value of the Yuan could become a topic of discussion in the American political debate...” (Kissinger, 2012, p. 508). Under the “tolerant” vision of Kissinger, China’s 20 years of growth at an annual average of 10% from 1980 to 2000, or 240% more than the gross value of the economic growth of China, was not a topic for the United States, nor was it relevant, under this vision, that, as a result of this growth, China will pass from occupying position number thirty among the international exporters in 1980, to be the sixth exporting nation of the world before entering the WTO in 2001, and now it is the first.

China has always had a clear agenda about what it expected from the U.S., which it has been successfully advancing from 1979 to date. Contrary to this position, the U.S. fails to understand China; the U.S. does not know what it wants from China; and now faces the surprise of an emerging power that threatens to surpass it in terms of GDP in four or eight years; the U.S. continues without structuring an adequate strategy that allows it to support its hegemony; except the new wager that has already been commented upon, regarding its new potential in the area of hydrocarbons; which more than a strategy, is the hope that these new reserves of hydrocarbons come to solve a problem for which it did not have a sufficient response.

In the 1st decade of the 21st Century, when the Chinese specialists were asked who had been their best president, with more than a little sarcasm, they replied that it had been George W. Bush. In this final stage of Hu Jintao-Obama, Xi Jinping-Obama, China has the advantage again to socialize, even today, with an American president, who does not know clearly who China is, who does not understand it, who does not know what he wants from it. In this regard, Loretta Napoleoni noted that, “At the end of 2009, Barack Obama visited China”, “The meeting of the two presidents was full of ambiguities; the descriptions of the main terms of the relationship were the same that have prevailed between Washington D. C and Beijing.” “One had the impression over the brief visit that Obama was negotiating on egg shells. He measured his words, and although he armed himself of his classic joviality, he always maintained a distance with respect to his counterpart, Hu Jintao” (Napoleoni, 2011, p. 179).

The anecdote has become history, and what appears today is the reality of two economically powerful nations; leaders of two great civilizations; who have before them the challenge of validating themselves to themselves; but more importantly, of leading the future of a global world that unlike the

19th and 20th Centuries, does not have much room for maneuvering in order to maintain its sustainability. Ten thousand million people in 2050 will be hoping that in these four decades that remain what prevails is the wisdom of two global leaders who understand that this century, unlike those that preceded us, cannot belong to a single power or civilization; that it demands new ways of international understanding for the survival of the human race. The aforementioned is relevant because in the framework of this economic-political competition, of their realignments and their movements, on the West's side, both Huntington and Kissinger, based on the strands of history, speak to us about the possibility of a warlike conflict caused by the "clash of civilizations" or the lack of maturity of the hegemonies to manage the space of the common domain. On the other hand, from the Chinese perspective, Sang Xiaojun and Liu Mingfu, from resentment, humiliation, and a desire for revenge, already say that, "The country must be prepared, militarily and psychologically, to fight and win in a conflict for strategic preeminence" (Kissinger, 2012, p. 521).

The China-United States topic is of the utmost importance for the international community, which must claim its right, in this global village, to mediate in this realignment that will not rest during the next decades, between a today insecure American hegemony that represents the West and an impulsive and resentful Asian hegemony, as the leader of the East Asia vindications; because as Mishra points out, nobody will win if we are wrong: "To condemn the environment to its early destruction, or the creation of reserves of furious and disappointed nihilists among hundreds of millions who have nothing, would be a bitter result of both the victory of the Western modernity, and of an ambiguous and obscure Asian revenge; all these victories would be pyrrhic" (Mishra, 2012, p. 310).

In this China-United States framework, which goes from economic rivalry to a "possible" warlike struggle during the 1st part of the 21st Century, is presented the signing and operation of the TPP. The analysis of its signing cannot be exhausted in a simple free trade agreement, as is deduced from the importance of the extremes in which it is placed. The TPP, given the dimension of its historical reference, appears as a small walnut shell that is subject to the ups and downs of a sea that it does not dominate.

IV. STRENGTHS AND INTEGRATION OF EAST ASIA AND PACIFIC ASIA

The Trans-Pacific Partnership Agreement proposal, in its Asian integration, includes four countries from the Asia-Pacific region (Brunei, Malaysia, Singapore, and Vietnam), to which is added one more in East Asia, which is Japan, as well as two nations of Oceania, which are Australia and New Zealand.⁷ However, as an imitation of its own geography, the area is an archipelago of cultures and nations that from its origins has generated multiple expressions that involve the largest number of civilizations in a single geographical area, these being the Chinese, Indian, Japanese, Russian, and Muslim civilizations.

The region has been determined for several millennia by the Indian and Chinese cultures, but the Japanese, Muslim, and Russian cultures in their Asian aspect, have also contributed to the melting pot of languages, religions, cultures, and hegemonies that have prevailed up to date. As was already discussed, during their boom, these civilizations influenced and controlled most of the different cultural expressions of the area, however, they began a period of decline from the 15th Century which propitiated that they were gradually subjugated by the marine hegemonies of the time such as Portugal, Spain, Holland, England, France, Russia, etc.; which resulted in both a blending of cultures and in the Western economy prevailing in the region for half a millennium, until the middle of the 20th Century, when a process of emancipation began, which under various forms has been allowing the political and economic recovery of the nations of East Asia.

For a long time, the Asian importance was lost in the inauguration of a global world that on one hand, was installed in the vision of the winner and on the other hand, the noise that was made by the success of a Western society in its apogee, propitiating the different non-Asian countries not to worry much about knowing what was happening on the other side of the Pacific, except in that knowledge that still remembered the deep roots of the Asian cultural tree. For a long time, the West forgot that Asia existed.

East Asia is not a new topic. It is a subject as old as the human being, which, culturally, as was already discussed, lost the leadership to the West for 500 years; and economically, was surpassed for nearly two centuries by the generation of wealth that resulted from an Industrial Revolution in whose beginning it did not take part. The isolation that cultivated most of its cultural production and economic wealth for more than two millennia was the same cause that deprived China, India and the area in general, from being part of the accelerated process of invention and technological

⁷ Some authors also placed them in East Asia for reasons related to economic interaction.

innovation that brought about the pre-industrial and industrial global processes in the 15th and 17th Centuries, respectively. For this reason, given the resurgence of the region which is based on its new economic boom, it is convenient to remember that this new dialogue is not only with the exports, imports, or investments of 17 East Asia countries, or 10 Asia Pacific nations. It is advisable to bear in mind that along with the increases in GDPs, new traditions and customs, visions, and vindications of five civilizations that want to recover a trans-economic positioning are sprouting.

In the middle of the 19th Century, East Asia was already experiencing Western subjugation through its military incursions, its inventions, its institutions, its international legal order, its culture, etc. Notwithstanding the foregoing, it is precisely from this date that the first antecedents of the economic recovery process were produced through a blend of strategies which, in various ways, have prevailed until today. Under the impulse of the first successful reform movement in Asia, the Meiji Dynasty initiated the great transformation of Japan in 1868 within the framework of the burden of their internal contradictions and of Western interference, which in many ways pestered it to impose conditions; as in the case of the American Commodore Matthew Perry, who in 1852-1854 forced Japan to open to the West through the Treaty of Kanagawa, breaking the traditional Japanese isolation that was also practiced in China. Faced with the force of the reality of the moment, unlike India, which was subdued by the West, and China which confronted the West, Japan decided to assimilate itself into the West; to copy it in its own way and to develop the qualities of the adversary. In the words of its great reformer Yukichi Fukuzawa, we could understand the change of Japan as, “Escaping from Asia and integrating with Europe” (Mahbubani, 2002, p. 134). Under this approach, Japan got deeply involved in a long process of Western assimilation, changing its legal order to resemble the European order and transforming part of its institutions with this example, which caused the envy of its neighbors, as in the case of China, that during the same time and before the decline of its empire went as far as to discuss the possibility of following the example of Meiji. Of the changes that Japan brought about, two decisions stand out, which have prevailed to date; the first one, which was to detect opportunely that it was the industrial technological factor that was differentiating the result of the two civilizations; and the second, to maintain and integrate the powerful role of the Asian State within the Western economic process, in order to strengthen economic performance. The first of these continues to keep Japan as the third industrial power in the world; and the second was spread throughout East Asia as a model to be followed in the different stages of encounter and

economic competition that it had been maintaining with the West since the 19th Century. In this sense, it can be argued that the Asians have read Adam Smith “in their own way” and they have interpreted it in their time according to the convenience of their respective interests. Frieden comments with regard to the remarkable success of Japan, “The Meiji restoration of 1868 put an end to the military power of the shoguns, the feudal lords. The new imperial government aspired to modernize the economy through a full participation in the world economy. It avidly incorporated foreign capital and technology, and after a few years, the country was successfully exporting to the European markets” (Frieden, 2007, p. 90).

The Japanese assimilation to the Western economy was so successful, that as long ago as the end of the 19th Century and until 1945 in a first stage, and from the fifties until today in the second, the Asian country became one of the industrial powers of the world; however, in a relevant manner, its “Know How” permeated in the many East Asia countries in a domino effect, industrial osmosis, which has led to the region being considered today as the new, “world’s factory.” In its first phase, the good results of the Japanese process led it to become not only a world economic power (while China could not find the realignment of its path in a new global society, and India was subjected to an English hegemony in an impoverishment that was carried out to the extreme) but also in a regional military axis that drove it, in its time, to invade China, Formosa (Taiwan), and Korea, and to confront Russia itself; and then, as is known, to challenge the United States itself, and like Commodore Perry, to bomb Pearl Harbor, only to finally succumb to its military defeat in 1945. But in the second stretch (1950-2013), and by repeating the path of success that it had already learned, the Japanese government, with the help of the United States (500 million of dollars in the Marshall Asian Plan) was devoted to reproducing an industrial model that China, Taiwan, South Korea, and most of the countries of East Asia followed afterward by giving priority to the development of industrial technology under a pragmatic and heterodox economic model, with a permanent participation of the State. Frieden says to us again, “During the previous thirty years the Japanese industrials acted quickly in the adoption of developed technologies, by skipping the intermediate phases to launch themselves directly into the manufacture of the latest novelties and by using intensively a very trained and cheap labor force. During the 1950’s and 1960’s, Japanese companies spent between 25%–50% of their budgets for research and development in the purchase of foreign technology. Sony, for example, was born in 1946 as a repair shop, and the first thing that it manufactured was an electric pot for cooking rice that did not work well.

During the following years, it made cheap copies of the tape recorders that the American occupants had taken with them to Japan. In 1953, it obtained a license from Western Electric to produce transistors, which were recently invented in Bell Laboratories. With them, it assembled its first transistor radio—the second in the world—in 1955 and two years later it released a miniaturized “pocket radio.” In the meantime, companies like Honda—in motorcycles—and Toyota—in cars—imitated thoroughly the American production techniques to supply the Japanese market”. “The Japanese government supported the manufacturers with the reduction of taxes, subsidies, cheap loans, and other aids” (Frieden, 2007, p. 369).

The Japanese model stands out since the 19th Century for its frank assimilation of the Western example, and in the euphoria of emphasizing the “conversion” of this important Asian country to the Western culture, it is usually forgotten that based on the millennial participation of the State and the vertical order in the integral life of the country, Japan never gave up the use of this fortitude in its economic competition with the various Western countries. As MacFarquhar noted regarding China, but that applies to Japan and to a vast majority of the Asian countries, “The traditional Chinese world view was a reflection of the Confucian view of a carefully articulated hierarchical society” (Huntington P., 2001, p. 280). This subject, in the case of East Asia as well as of Pacific Asia, is of the utmost importance, because the West has “forgotten” it both during the analysis and during the negotiation, especially after the birth of the international trade rules from 1947 to 1994, for which East Asia, in general, has maintained a unilateral interpretation and an advantageous practice that started with the first implementation of the Japanese model, which has been perpetuated in different ways and under distinct intensities until the present date. On this tolerance of the importance of the West with respect to asserting an international regulation in its economic exchange with East Asia, Huntington details as an example, “...the repeated disputes between the United States and Japan over trade issues responded to a mode in which the United States raised demands on Japan and threatened with sanctions if they were not addressed. Next, protracted negotiations were carried out and then, at the very last moment, before the sanctions come into force, an agreement would be announced. In general, the agreements were written in such an ambiguous form that the United States could declare victory in a general way, and the Japanese could comply or not comply with the terms of the agreement as they wished, and everything remained as before”. When in some cases there was more pressure on the part of U.S., and it tried to impose market quotas on the Nipponese products, Huntington abounds “...almost all Asian countries

from Australia to Malaysia and South Korea supported Japan in its resistance to the American demand for numerical targets for imports” (Huntington, 2001, p. 272).

Japan, in the past 145 years (with its major interruptions), but also Taiwan, South Korea, Singapore, and in a relevant manner China, by the consequences of its process; as well as the majority of East Asian countries, have been reproducing the Japanese experience successfully in their own way from the second part of the 20th Century onward, which has had a major influence in the West’s economic demerit in the last 60 years. Latin America, for its part, has lost more than 20 points with regard to its participation in the global manufacturing added value in the last twenty years, which were won by East Asia.

The case of China is as a widely commented of a topic in terms of its heterodox practices, as is the proposal for the implementation of homologation measures an orphan. The Chinese pragmatism has never tried to mislead anyone; since its beginnings, it was defined publicly and the West “took advantage” of it, believing that its results would not have the impact that it now has. Chinese heterodoxy, as was commented before, was born in 1979, with the vision of a new economic project whose central objective was the search for a development that could solve the enormous social needs of more than 900 million human beings. Deng Xiaoping in the early 1980’s, made it very clear that the objectives of the new model were to comply with the basic satisfiers of the Chinese people. The urgency of China in the eighties was to avoid returning to a time in which millions of Chinese died of famine; therefore, Deng was exhorting his people telling them, “We have to be more daring than before, to carry out the reform and to open to the outside world and to have the courage to experiment”. For this purpose, since the beginning of the eighties he knew clearly the path to follow: “There are currently two models of productive development. To the extent that each one of them will serve our purposes, we will make use of it. If Socialism is useful for us, the measures will be Socialist; if Capitalism is useful for us, the measures will be Capitalist”, and in the middle of this new heterodoxy, not to leave any room for doubt, he declared: “There are no fundamental contradictions between Socialism and the market economy” (Oropeza García, *México-China: Culturas y Sistemas Jurídicos Comparados*, 2008, pp. 447-450). The transfer of wealth from the West to Asia, particularly to China, has been part of a mechanism in which there has been no ignorance. China publicly stated its offer to produce goods at a low cost (based on a policy of precarization, without social coverage and without environmental protection) since the beginning of the eighties, through a

heterodox model, to solve the Chinese people's food problem; an offer that, as was already stated, the West accepted like a topic of "opportunity", generating with it a war of disorderly production in search of the lowest cost, in which the economic world lost its sanity and common sense and the path that had advanced in the last 60 years for economic scaffolding of the new global world. When the "future of the world's population" was placed in the pocket of global consumers, the world economy lost its common sense and its social responsibility. When countries placed the "national interest" in the cheapest purchase of their middle classes, regardless of the "how," nations lost the control and the stability of their development. From 1979 to 1987, approximately 10,000 investment projects with a foreign participation of approximately two billion dollars were approved in China. From 1988 to 1991, the interest intensified and approximately 30,000 investment projects with close to 3 billion dollars were authorized. At the end of 1991, both indicators were applied to 42,000 investment projects, with more than 5 billion dollars. In 2000, 200 of the 500 most important multinational companies of the world were located in China with capital from the U.S., Japan, Germany, France, Taiwan, etc. (Oropeza, *China entre el reto y la oportunidad*, 2005, p. 102). This capital was flowing through the economic structure mounted on Special Economic Zones (SEZ), which, within their strategy for attracting capital, ran a heterodox fiscal policy (fiscal dumping), that was strategically managed for its export or high-tech development, included incentives ranging from total income tax exemptions (ISR), to reductions and tariff preferences of 10 per cent of the ISR; as well as tax refunds from 40% to 100%, and a 0% rate for technological imports (Oropeza, *China entre el reto y la oportunidad*, 2005, p. 300). Similarly, on the monetary issue (monetary dumping), China had a fixed exchange rate of 8.28 Yuan from January 1, 1994 until June 22, 2005, as an unorthodox support of its public policy for the facilitation and expansion of its exports. This policy, despite the objections of some developed countries like the United States, was handled in a sustained manner for more than eleven years, and although in 2005, it initiated a period of adjustment (approximately 20% to 2010), at the insistence of Western "pressures", China continues to handle its monetary policy at its convenience (40% undervaluation, ECLAC, 2011) as a strategy to support its worldwide exports. With regard to its "commercial dumping," Oded said that beyond the considerable progress which is recorded in some areas, the violations are abundant and that these can no longer be attributed to problems of implementation (Oded, 2005, pp. 167 and 168). In the same way, it is alleged that the technology transfer is continually used as a condition for the approval of investments or the granting of incentives;

and there are complaints that the clause which denied China of all kinds of pressures of that nature was canceled in the original project of adhesion to the WTO. However, in relation to the commitments signed with the WTO, it is on the subject of intellectual property where the main criticisms to Chinese trade continue. Here, it is worthwhile to stress that the “technology expropriation,” as Fishman calls it, is a consubstantial policy of the Chinese development model and has been part of its growth strategies from its beginnings. From the copy of the assembly plant model that it knew in Mexico at the end of the 1970’s, up to the ownership and development of new technology during the 1980’s, 1990’s and early in this century, regarding the issue of intellectual property violations, there continue to be innumerable cases that pass through the pharmaceutical, electronics, clothing, and automotive sectors. Finally, in this area of economic heterodoxy, the important issue of the ecological deterioration cannot be ignored (ecological dumping) where authors like Pang Zhonying speak of the huge Chinese “ecological debt”, caused by some aspects of their economic success (Oropeza, BRICS: El difícil camino entre el escepticismo y el asombro, 2011, pp. 156-160).

As with Japan, since the nineties, both the United States and Europe have been “pressuring” China so that it complies with international regulations on issues such as the undervaluation of its currency, the intellectual property rights, the intervention of the State, etc.; however, this dialogue, as well as with Japan in the past, has never yielded results that correspond adequately to the international trade regulations. In this sense, non-Western countries such as those in Latin America, have had to deal not only with the “pragmatism” or mercantilism followed by the United States and Europe on the agricultural issues; but also, they have had to take part in a game of mirrors where participation with a selective and advantageous compliance of the different Asian countries with a heterodox international trade policy has been accepted; while most of Latin America has worked for being the most outstanding student (the only one²); emphasizing in the latter group Mexico’s orthodox position.

The East Asia “adaptation” to the Western economic model has not been limited to imposing a statist, vertical, and pragmatic vision in the center of its development; along with these policies, since 1950 it has deployed an import-substitution industrialization (ISI) strategy that brought the region to generate a greater number of economic and commercial strengths. The import-substitution process, which some countries of East Asia such as India, South Korea, Taiwan, etc., followed together with Latin America and some other nations, took advantage of the opportunity that the Second World War conflict generated on the issue of industrial production to begin

a process of transformation, which would help them to reduce their heavy purchases from abroad, to lower the historic dependence that they were registering with Europe and the United States in this segment, and to start their own economic development path. In a first stage, this process achieved the takeoff of the industrial production of these countries as well as their insertion into a culture of industrialization that had started in the world in the 18th Century with the emergence of the First Industrial Revolution, in which these countries had not been involved because of their dependence on the Western hegemony. However, unlike the ISI process followed by Latin America, the Asian nations took a strategic turn from this process, directing most of their production to the external market, moving from the ISI to an export-oriented industrialization (EOI), which was a great success in the framework of the postwar period in the face of the purchasing preference that the United States maintained after 1945 for products from South Korea, Taiwan, Japan, etc., for reasons of political conjuncture. As an example of the above, it can be mentioned that in 1973, South Korea already exported 41% of its industrial production and Taiwan 50%, compared to the meager exports of 2% and 3% that Latin America realized during the same time. Despite this important turn of economic strategy followed by East Asia, the state's participation was kept on the front line at all times; at the same time, they continued to apply incentives and heterodox trade policies to maintain their export products at a competitive level. In this regard, Frieden points out, "The East Asia exporters did not develop dual economies with high wages in the modern sector and low wages in the informal sector, but they were compelled to maintain 'all wages' low, often repressing the workers so that their exports remained cheap. Their currencies were undervalued to maintain the competitiveness, limiting the purchasing power of the working and middle classes. The conservative macroeconomic policy allowed for low inflation, but also meant that the governments provide little social security" (Frieden, 2007, p. 466). Another of the components that have been decisive in that East Asia-Asia Pacific is presented today as the "world's factory," and as an increasingly economically integrated region has been that the Japanese success of the postwar, by its dimension, had to be shared with the countries of the area, given the impossibility of Japan to cover both the supplies and the production needs of a Western market that demanded a greater quantity of goods at the lowest price, regardless of how they were obtained. As Zavala points out regarding the Japan of 1974, "The rise of the yen and the better access to the natural resources of the region caused the Japanese industry, which had reached a rapid growth a decade ago, to be forced to transfer its operations to other countries. Along

with an official aid to the outside from the Japanese government, Japanese private investment participated in the promotion of the export of large-scale plants to the ASEAN countries” (Haro Navejas Navejas and Zavala Roman, 2012, p. 239). This process, which in its last stage now covers more than 60 years absorbing a larger global production of goods, in the presence of the western de-industrialization and the Asian precarization of the labor factor, has acted in a manner of communicating vessels as a “development drain” that the countries, which are the engines of the Asian growth, such as Japan and now China, have been pouring out over the countries of the area under a common pattern adopted by all of its participants; which has derived in a robust and sophisticated commercial architecture that advances and is very well geared. On this topic, Rosales and Kuwayama commented, “This increase in the intra-Asian trade has been motivated, in part, by the robust growth of the intra-firm and intra-industry trade, thanks to the construction of a complex network of supply chains integrated vertically by transnational corporations in which China exercises a fundamental roll as an origin and as a destination” (Rosebushes and Kuyuwama, 2012, p. 130).

In the dynamics of this process, the intra-regional commerce of the countries of the Association of Southeast Asian Nations (ASEAN) is close to 25%, but when China, Japan, and South Korea [ASEAN+3, Hong Kong, Macao, and Taiwan (RAE)] are added, the integration climbs up to 50%, beating the rest of the integration blueprints except for the European Union (65%), which demonstrates the high degree of cohesion that the area has in the important task of industrial goods production, in which although China represents 21% of the intra-regional exports, it absorbs 44% of the intra-area imports, which marks the high dependence that the region is taking from the Chinese success (CEPAL, 2012). Within this approach and in the framework of this group (ASEAN+3+RAE), the intra-region trade dependency that the Asian countries that participate in the TPP have, ranges from 71% on the part of Brunei, up to 33% on the part of New Zealand; passing through 52% for Malaysia, 51% for Vietnam, 49% for Singapore, 51% for Australia, and 37% for Japan (ECLAC, 2012).

All this synergy has generated China, Japan, and South Korea to be the first, third, and seventh manufacturer-producing nations in the world since 2010; that 90% of the total exports outside the region are manufactures; that East Asia covers more than 70% of the manufacturing added value of the developing countries; and that China is the world leader in 9 of the 16 relevant industrial sectors and the sub-leader in another six (ECLAC, 2012). “In this manner, with China as the core, the Asia and Pacific regions have

become one of the major axes of intra-regional trade on a global level” (Rosales and Kuyuwama, 2012, p. 132).

Facing this intra-industrial Asian integration process that has been under construction for more than half a century, it would be worthwhile to ask whether the American countries, and especially the Latin Americans, have prepared themselves in the same way for this encounter.

V. THE TPP: HINGE OR CONFRONTATION BETWEEN CHINA AND THE UNITED STATES?

What does the United States want from East Asia? What does it expect in the area through the TPP? How will it address its competition against China in the region? How will it lead the Western position considering the five regional civilizations? What is its position of strength to achieve this? Similar questions to those of the 20th Century, when the struggle for the hegemony between Great Britain and the United States was discussed; or in the 19th Century, between Great Britain and France, with the difference that in the previous centuries, the debate was between Western hegemonies and in this case, the competition is between Western powers and emerging East Asia hegemonies.

Starting in the 19th Century, the United States made its interest in East Asia clear, when in spite of the distance, its internal rearrangements and the deployment of the strategy, “America for the Americans” (through which it underpinned its hegemony in Latin America), it deployed an entire “open door” policy through which it sent the message to the various Western hegemonies that were fighting over Asia, that in spite of the above limitations, the U.S. maintained a hegemonic interest in the area, and that it was willing to pay the costs. Based on this strategy, it took part in multinational military interventions against China in the 19th Century, and in 1900, it sent a contingent of 2,500 soldiers to join the European powers (Great Britain, France, Holland, Russia, Austria, Hungary, Italy, and Japan) that “confronted” the Asian country in the Boxer Rebellion (Curl MacLennan, 2012, pp. 193-201); in the same way that it led and achieved the commercial opening of Japan in 1852-54 through military actions, and in the face of the triumph over Spain in 1898, it took control of the Philippines. Notwithstanding the foregoing, its presence in East Asia during the 20th Century was full of surprises, where many of the consequences of the geopolitical decisions that it made are still in force today and define the relationship of the U.S. with the area.

In a relevant manner, as was already mentioned, an unfortunate relationship with China stands out in the foreground, which it did not diagnose properly in the framework of its social rearrangement from 1911 to 1949; both because in this period, the largest armed conflicts of history occurred in the Western world's center, and due to its limited interpretation of the Chinese idiosyncrasy and its incorrect approach with regard to the movements (Communist and Nationalist) that were fighting for the political supremacy of the country. This attitude led it on one hand to take its distance from Mao's followers, and in 1941 to formalize an agreement with Chiang Kai-chek as an ally in the framework of the Second World War. Fairbank comments regarding this, "The ignorance and the American sentimentality came to the point that President Roosevelt imagined the Nationalist government filling the power vacuum that would be created in East Asia after the fall of Japan". Adding later, "The disastrously unrealistic nature of North American politics was very well illustrated by the special emissary of President Roosevelt, General Patrick J. Hurley, from Oklahoma, an extravagant American and a simpleton who reminds us of Ronald Reagan. His awkward efforts to avoid civil war through mediation gave way to the influence that Chiang Kai-chek exercised on him. Against wind and tide, General Hurley opposed all embassy personnel by defending American assistance to Chiang. When this came to a head, of course, Hurley had disappeared from the scene, but his policy was still followed in Washington and caused the Americans to be rightly distanced from China" (King Fairbank, 1996, pp. 394-396). When in the 20th Century, the U.S. had to take a leadership position opposite China to guide the relationship to a position consistent with U.S. interests, it could not decipher the leafy tree of its identity. However, if the U.S. has had an opportunity to control China politically and economically in the last 70 years, it has been in the forties, when it was in a position of strength, which emerged from its World War II military and economic victory; it had the opportunity to play a more successful role. Of course, with China, given its longstanding geographic, historical, and demographic dimension, there are no absolutes. In this regard, Fairbank accepts, "The illusion that the United States would have been able to forge China's destiny makes one suspect that we Americans can truly play other countries like a violin, if we wish to do so, even among 475 million people in the inaccessible rice fields of a subcontinent located 16,000 kilometers away" (Morison Eliot, Commager Steele, and Leuchtenburg E., 1993, p. 806).

For the United States, China has always been a dense country, difficult to decipher. Both President Roosevelt and President Truman failed in the task of the diagnosis, negotiation, and results in the moments before

the War of '39, during it, and after its completion; when the U.S. was the great military and economic hegemony in the world and China, beyond its historical strengths, was passing through a phase of economic and social weakening, which would not be resolved under a sustainability principle until the eighties, that is, forty years later. This unfortunate encounter for the U.S. in the 20th Century, far from ending with the victory of the Communist current of Mao Zedong in 1949; escalated through the problematic conflict of the division of Korea at the end of the War, which confronted the two countries again in a struggle for the control of the area. In the face of the invasion of North Korea into South Korea in 1950, the U.S., and an army of the already established United Nations Organization (UN), counter-attacked and pushed the enemy armies back to the northern border with China; where it was again confronted with the doubt of what to do with the Asian giant, while President Truman and General Mc Arthur discussed the infringement of the 38th parallel: "Masses of soldiers from Red China were penetrating Korea through «Yalu»". On the night of November 25, Mao's "volunteers" unleashed a fierce assault. Three days later, Mc Arthur wrote a frightening bulletin: "We face an entirely new war." An army of more than one-quarter of a million Chinese pushed Mc Arthur's troops out of the territory that they had conquered in North Korea and made them step back through the 38th parallel" (Morison Eliot, Commager Steele and Leuchtenburg E., 1993, p. 810). With the greatest military technology and nearly 50% of the world's GDP, the U.S. did not know how to administer or negotiate with China at the crucial moments of the middle of the 20th Century, losing the game both in the Chinese territory (in 1945, the U.S. came to have 53,000 soldiers in China) as well as in its confrontation against North Korea. In this regard, it should be recalled that only five years before, on August 6, 1945, the U.S. had set off the first atomic bomb in Hiroshima, precipitating the unconditional surrender of Japan and dismantling all its military assets, within which it liberated the positions taken from China since 1895, among which was much of the Chinese northeast, which was quickly recovered by Mao's army.

The decisions made by the United States in East Asia, in that historical moment of the middle of the last century, involving China, Japan, Taiwan, Korea, and Russia, are critical to understand a geopolitical reality that even today continues to be drawn in light of the consequences of such decisions. To the failures in East Asia on the part of the United States in the last century, its disastrous war with Vietnam should be added in a relevant manner, on which it can also be said that it revolved around its misunderstanding of the area and the Chinese issue. Based on a French "inheritance" (1954), or

the mistake of supporting France against the Communist guerrillas in the Indo-China area, the U.S. remained in charge of “stopping” the Communist advance in the region, within a conflagration where it still is not clear what benefits were sought, but all the players of the area, directly and indirectly, inherited a deep imprint of the worst face of the American Empire. The war of supposedly low intensity increased and got painfully stretched out in time, where, as Howard Zinn says, “From 1964 to 1972, the most powerful nation in the history of the world conducted its maximum military effort, including all kinds of weapons, except for atomic bombs, to defeat the revolutionary Nationalist movement of a tiny country of farmers, and it failed” (Zinn, 2003, p. 469). The fire stopped 19 years after its first antecedents (1954-1973), when in March of 1973, the last North American contingents left Vietnam leaving an enormous cost behind, “The war had cost 57,000 American lives and more than 300,000 injured men; it had caused more than one million casualties to the Asians, absorbed billions of dollars and caused incalculable damages to American society and to the efficacy of the United States in world matters” (Morison Eliot, Commager Steele, and Leuchtenburg E., 1993, p. 889).

To date, the United States has not been able to reverse the trends set in the 20th Century. While it has been the prevailing hegemony in the area in recent decades, it has been because the Asian actors have taken advantage of the “North American pax” in the region as a free consumable good of its economic and trade rise. Whenever there has been the beginning of a conflict in the area after the syndrome of Vietnam, the Asian “teeth” of Japan and now China, have prevailed over American pressures. For this reason, Mahbubani does not hesitate to assert that, “The United States is also an exceptional power, perhaps the most benevolent great power in history. Beyond its colonialist attempts in the Philippines and Cuba, in general, it has no had expansionist purposes” (Mahbubani, 2002, p. 167).

The United States maintains a distant relationship with China, cautious; that of a tiger tamer who lets out a growl each time he touches the tiger and makes him take a step back, without actually knowing how to relate to the tiger. This contrasts with a position of permanent vindication on the part of China, which has evolved from a “cautious” position during its economic opening from 1979 to 2000, as already noted, to an open competition from its “economic renaissance” (2000-2013). In the framework of this relationship, China has gone from having a GDP of just 303 billion USD in 1980, to register the extraordinary figure of 8 trillion USD in 2012. In the same period, the U.S. has gone from an amount of 2.8 trillion USD, to a figure of 16 trillion USD (IMF, 2012). The numbers speak

for themselves about the dividends generated by each country during the period; within which the economic distance between the United States and China has been reduced from ten times to one time in favor of the Asian country.

As for Taiwan, it is also an unfinished issue of the North American participation in the middle of the 20th Century; it moves in an increasingly awkward position for each of its participants: for Taiwan itself, because it knows that the Chinese GDP, besides being an insurmountable barrier, is eleven times larger than its own GDP, and serves as a motivation to achieve a more advantageous integration for itself; for China, because its empowerment warns it that the return of the island is only a matter of time, and every day it makes progress in taking over the economy and trade of Taiwan; for the United States, because the defense of the former Formosa has become an increasingly more uncomfortable and costly issue for American interests, although the island will continue to be a piece of change on the chessboard that East Asia has become.

In the case of Korea, the U.S. still suffers the effects of following the wrong strategy in the 1950s, in the presence of the public and permanent threat of a North Korea that only talks with China, and that maintains a position of permanent check that makes the U.S. uncomfortable and limits its alternatives. Regarding its twin South Korea, although it remains covered by the protective blanket that the U.S. offered in its confrontation with the North, gradually its interests have been moving to China, which has become its most important trading partner; where Korea is the fifth investor through the installation of more than 10,000 Korean companies in the Mandarin territory and has the largest number of foreign students in the Asian country.

As for Japan, the decisive three-point relationship, Beijing, Tokyo, Washington, has escalated to a more relevant point, and the geopolitics in and outside the area maintain their greater attention on the unfolding that each of the parties will follow, which will be marking the path of the first part of the 21st Century in the area and in the world. Japan, as we know, “fled” from Asia in the 19th Century and assimilated itself to the winning Western model in all its different forms; with such success that in a short time, it became a major industrial power which led it to be a military power that, together with Germany and Italy, tried the adventure of redistributing the world in 1939. Since the end of the War and during the last 60 years, Japan has orbited around the U.S. as part of the costs of its defeat and its post-war commitments; as well as the convenience of not being loaded with the budgetary distractions of military spending because based on the Mutu-

al Security Treaty (MST) that it signed with the U.S., the North American country maintains a strategic military base in Japan. It also does so because in the framework of the agreements of its capitulation, the U.S. forced Japan to commit itself, constitutionally, to the fact that, “The Japanese people will forever renounce war-making as a sovereign right of the nation” (Mori-son Eliot, Commager Steele and Leuchtenburg E., 1993, p. 808).

However, faced with the vertiginous Chinese advancement, Japan has ceased to be the area’s economic power, with the aggravating circumstance that since 1945, it stopped being the military power, which undermines its position right in the center of its structure, because neither Japan nor the U.S. prepared themselves to arrive at this point in time, in which Japan, by moving to the third place in the world economy, with China likely being in first place in a few years, will have to rebuild this “comfortable” path because the one it had traveled to be the East Asia economic leader and a strategic partner of the most important military power of the world, will have to answer to itself: How will it articulate its regional economic position in the 21st Century? How is it going to structure its geopolitical relationship with China? As a consequence, how is it going to renegotiate its relationship of more than half a century with the United States? All these dilemmas do not have easy answers, because both China and the American nation will be pressuring to align it to their own positions; and considering the way both sides have handled their chips, today they do not seem to be reconcilable. China, for its part, since 2004 has been pressing Japan so that it formalizes a free-trade agreement with the 10 ASEAN countries and South Korea, to form the economic block called ASEAN+3, which would represent 21% of the world GDP and 30% of the total world population (year 2009, CELAC); however, despite the fact that Japan has already formalized its ASEAN+1 commercial alliance framework; without refusing to date, it is still reporting the project as being in “feasibility study,” status, which has been delaying its formal integration with China. The United States, for its part, also presses heavily on Japan for it to integrate itself into the Trans-Pacific Partnership Agreement, the counter offer of the ASEAN+3, in order to strengthen its regional block in East Asia, which it has achieved by integrating Japan, in a first instance, to the preparatory meetings of the TPP in Malaysia, held in July 2013. Japan, now converted into the crown jewel, will be helping to define the winner of the first round of this contest with its decision. Rosales comments “The signature of the free trade agreement between the United States and the Republic of Korea encourages Japan to resume the negotiations suspended on a similar agreement with the Republic of Korea and to advance towards an

eventual agreement in the scope of the Trans-Pacific Partnership Agreement. If substantive progress is made between the major players toward the achievement of these Trans-Pacific initiatives, it would alter the balance of the economic and commercial power in the Asia and the Pacific area not only between China and Japan, but also between China and the United States, and it would substantially change the panorama of integration into Asia and to the Pacific. If Japan chose to participate in the Trans-Pacific Partnership Agreement negotiations, the possibility of achieving a commercial agreement among the three main countries of Asia would be greatly affected” (Rosales and Kuyuwama, 2012, p. 199). From the initial acceptance of Japan to be integrated into the TPP, by going to Malaysia, the United States is building, after a long time adrift, the beginning of a strategy to compete against China on the economic and commercial terrain. Despite the importance of Japan’s integration into the TPP negotiations, it is worthwhile to follow closely the outcome of this meeting and not to lose sight of Huntington’s commentary when he warns that, “Ideally, the Japanese leaders and people would prefer without a doubt the regime of the last few decades and remain under the protective arm of a predominant United States. Nevertheless, as the U.S. involvement in Asia declines, the forces that in Japan call for the ‘re-Asianization’ of Japan will gain in strength, and the Japanese will come to accept as inevitable China’s renewed control in the East Asia scene” (Huntington P., 2001, p. 283).

As can be appreciated, the relationship of the Atlantic with the Pacific is presented in the 21st Century as a rough process, within which, to date, their differences prevail with respect to their agreements. In the U.S.-China relationship, even though they try to present a civilized discourse, they can no longer hide the differences between their political and economic interests from the international community’s view. In this geopolitical framework of huge transformation, we once again ask, what does the United States hope for through the leadership and promotion of the TPP in the central courtyard of China, without China? Is it a proposal so that the TPP acts like a hinge between these antipodes? Or, is it a Trojan horse that is placed in the region by the U.S. as a first movement within a comprehensive strategy to address the challenge of a powerful China?

From 1999 to date, the trade balance of the United States with China has had a deficit; registering 13 years of continuous losses with negative annual balances that from 2005 exceeded 200 billion USD. From 2005 to 2010, the accumulated trade loss of the U.S. was 740 billion USD. However, in this marked tendency of losses, the U.S. is not alone; the entire West participates, where the European Union in the same period registered

a trade deficit with China of 575 billion USD. However, the commercial losses of the West with China (in which Mexico participates in an important extent with 56 billion USD in 2012) do not obey a classic principle of competitiveness with which China has surpassed Europe and the United States; in fact, in the global competitiveness ranking China is still appearing significantly above the ranks obtained by the E.U. and the U.S. [6th place Germany, 10th place England, 15th place the U.S. and 26th place China, The Global Competitiveness Report (2012-2013)], so the advantages with which China has been dominating the world market of goods have not been under the parameter of the competitive “virtues” that mark the OECD, IMF and the WB; not with the rules to facilitate the commerce that the World Economic Forum measures (2012), where the Western countries continue to have better positions than China (13th place Germany, 19th place the United States, 48th place China, etc.); nor much less in the “strategic” network of free trade agreements that China had woven with the world, in which we also find that in 2011, China reported a coefficient of coverage of just 11% (ECLAC, 2012), i.e. 89% of its exports lacked the tariff and commercial advantages offered by the countries with which such agreements are signed. Derived from the above, the relevant question is, if China is not as “competitive” as the West, nor does it offer the best facilities to foreign trade as the West; nor does it have as many FTA’s signed as the West; even worse, if it is the student whom the WTO scolds the most for violating the rules of international trade (more than 825 cases of dumping have been initiated against China in the last 15 years, making it the most reported country; WTO, 2011); why has its commerce overwhelmed the West for more than 30 years? The West knows the answer very well, and it knows that in both the success of China, and of the Asia region nowadays, as well as of Japan before that, the West has been a “partner” of an industrial relocation of Europe and the United States toward East Asia, in a strategy that has been mainly led by a profit exacerbation (low cost) at the expense of the wages and the social security of the Asian workers and now of the whole world. The Western deindustrialization and the East Asia industrialization are “mirror” phenomena, which have not occurred based on competitiveness or innovation. At least to date, its fundamental reason has been the technological, financial, and industrial transfer, which was produced in the second half of the 20th Century and persists to the present day. In China even in 2006, the companies with North American foreign capital accounted for 26% and with European, 18 %; between the U.S. and the E.U., foreign investment (FDI) is 13% (ECLAC, 2012).

Today, the reality has been transformed, and the cunning, the talent, and the Asian working capacity have transformed the world's largest assembly plant into being the world's largest factory; a transformation that the West did not consider, and that was not in the script, which is why the West does not know what to do with it. If the United States is betting on reversing this reality with the Trans-Pacific Partnership Agreement, it is like wanting to kill a dragon with a slingshot.

One of the main reasons for the economic problem between the United States and China, between the West and East Asia, is structural. Its solution, in the first term, is to pass through the leveling of the normative floor that "governs" the world's trade, which can no longer continue being a simulation for some (most of the countries of the West and East Asia) and a strait-jacket for others (such as Mexico and a good part of the Latin American countries). The gross commercial differentiation that predominates in the agricultural issue on the part of the West cannot be sustained anymore; and the repeated violation of WTO norms on the part of China and East Asia should not continue either. The United States' hope to expand its privileges in services (high technology, the pharmaceutical industry, patents, marks, etc.) through the TPP is a lack of sensitivity and sense of future towards the achievement of a more harmonious and just trade in the 21st Century. While the U.S., along with Europe, continues without channeling a substantive proposal to recompose these structural deviations of international trade, China and East Asia will continue turning a deaf ear to a call, which for having been born flawed, they feel does not bind them, and on the contrary, justifies their "pragmatic" actions to deploy the economic strategy of the "cat," in which, according to the Chinese proverb, it does not matter whether the cat is white or black (Socialist or Capitalist), what matters is that it catches mice.

On the other hand, as was already commented, the U.S. always has had interests in the East Asia region and in spite of its large faults, its presence in the area since the second part of the 20th Century has been hegemonic in the face of the large social and economic weaknesses of China, India, and Russia, and its political agreement with Japan. However, within the economic resurgence of the region and the remarkable success of China, the countries of the area have become nervous, and currently; they are struggling in trying to discern which country has a better future and in whom they are going to deposit the chips of their allegiances and interests. Is it through the TPP that the U.S. is trying to place a Trojan horse in the region in order to diminish the ascending power of China? Or, does the U.S. truly believe

that through this phased out free trade offer it can build a hinge between the regions or earn the sympathy and the alliance of the region's economies and maintain its hegemonic role? For the moment, Oksenberg comments, "The Asian leaders are concerned that the balance of power may shift in favor of China, but in a restless anticipation of the future, they do not want to confront Beijing now," and, "They will not join the United States in an anti-Chinese crusade" (Huntington P., 2001, p. 282).

In 1993, in what was still a pre-Chinese world, and within the framework of the Forum of the Asia-Pacific Economic Cooperation (APEC), President Clinton declared that the time had come for the U.S. and Japan to create a new Pacific community. Four years after the end of the story (1989-1993), and in a world that was still full of certainties, the U.S. felt that the East Asia region could continue to be managed with the help of the regional economic power of the time, Japan; and through an economic integration proposal that it had put into play along with Australia in 1989 (APEC). The cooperation proposal to convert a wide free trade area made up of 21 countries, of which 16 corresponded to the East Asian region, was a wide-reaching bet that covered around 90% of the area's countries and set out to commit the parties to the current international regulations. After more than 20 years, the vision of a successful APEC commanded by the U.S. has been diluting year after year, as a result of a 10% annual average increase in the Chinese GDP, which did not facilitate the institutionalization of a geo-commercial figure commanded by the U.S.

Meanwhile, China walked slowly towards its integration with the WTO in 2001, sailing with greater privileges in the international market with the Most-Favored Nation Clause. At that time, China did not need an APEC, and the United States did not invest enough political capital for this to occur. Again, the lack of U.S. attention in the area and its repeated mistake in identifying the Chinese nature and interests, to date resulted in informal APEC models that communicate much and bind little to their members. Faced with this failure of not advancing in the normative institutionalization of the APEC; with a new U.S. president, Obama, and twenty years later (1989-2009), the United States changes its "strategic" negotiation center in East Asia from an ambitious proposal, APEC, to a "modest" proposal, TPP, which covers approximately 35% of the countries of East Asia (7), and that with regard to its Asian value, is very inferior to APEC.

APEC- TPP (ASIAN VALUES, 2011)
COMPARATIVE TABLE

	APEC	TPP
Asian Countries*	16	7
Population (millions of people)	2,243	280
GDP (trillions of USD)	20	8.0
<i>Total Trade (trillions USD)</i>	11	3.6

SOURCE: World Bank, Comtrade, World Fact Books

* Includes Australia and New Zealand

The Asian countries of the TPP with the greatest economic value, other than Australia and Japan, are Malaysia (287 billion USD) and Singapore (239 billion USD); the first has a population made up of 25% of Chinese origin, and the second has 76% of Chinese origin, which, from the start, gives them an orientation motivated by origin and history. With respect to Malaysia, China was its second trading partner in 2010 with 29% of its exports and 15% of its imports. As for Singapore, it was its third trading partner (10%); although Hong Kong turned out to be its second with 12%, for a total of 22%. With regard to Vietnam, which is the most uncomfortable Asian country for China because of its military conflict from 1979; although the U.S. continues to be the main destination for its exports (20%), China now occupies first place with regard to its imports, at 30%. Brunei, the smallest country of the six TPP Asian Nations, has just half a million inhabitants and a trade of eleven billion USD (World Bank, Comtrade, World Factbook, 2011) and is completely oriented toward China. Finally, in what corresponds to the two Asian countries of Western origin, Australia and New Zealand, the geopolitics of the 21st Century have left them encapsulated in a limbo in which their trade and economy are being determined by the East Asia region [regarding Australia, its exports in 2009 went to China (25%), Japan (19%), Korea (9%), U.S. (4%); and its imports came from China (19%), U.S. (11%), Japan (9%), Thailand (5%), etc.], and since 2002, when the United States requested Australia's support in its dispute with China over Taiwan, Prime Minister Malcolm Fraser defended the country's neutrality despite the Treaty of Defense that it signed with the U.S. (Shambaugh, 2005, p. 321).

To expect, as it seems, to face or to stop the Chinese economic boom through an agreement such as the TPP, is to forget what Kissinger said, "An

explicit American project to organize Asia on the basis of containing China or creating a block of democratic states for an ideological crusade is unlikely to succeed, in part because China has become an indispensable trading partner for most of its neighbors” (Kissinger, 2012, p. 539).

China has not been invited to the TPP proposal, but there is no doubt that China is now within it demographically, historically, economically, and commercially. Furthermore, China is reconstructing hastily the Sino-centrism that prevailed before the 19th Century through a huge geopolitical promotional campaign that the Asian country has deployed with the majority of the East Asia countries through student scholarships, loans, and the important power of its new imports.

VI. CONCLUSIONS

The TPP is a proposal that goes beyond the boundaries of a free trade agreement, and is inserted directly into a clash of regions (Atlantic-Pacific) and civilizations (West-East Asia) that will be determined throughout the first half of the 21st Century.

The U.S. confrontation with China in the economic area starts late, and a long chain of actions and omissions place the new Asian power at the level of the U.S. today; where it does not matter anymore whether or not the Chinese GDP will surpass the American GDP before 2020; since it is a fact that China’s most important transformation has been completed; it has gone from being a country of assembly plants to a transformational country with its own impetus, and the other actors will have to redo their strategies to manage a new reality for which no one was prepared, other than China. Therefore, the TPP proposal, which follows the phased out hegemonic path of the second half of the 20th Century, without greater imagination than to hope to perpetuate the commercial interests in the service sector of American companies, will not be enough for the U.S. to integrate in a solidary way the seven Asian nations that by history, origin, geography, or interest, want no part in a confrontation with China. “Historical experience shows without the shadow of a doubt that —Huntington points out— in the nineties, every East Asian country already had the feeling that, in matters relating to the Pacific as a whole; they had much more in common with other countries in their same region than with the United States” (Huntington P., 2001, pp. 272 and 273).

In the commercial terrain, the signing of a Trans-Pacific FTA will be of no use if the competition field is not leveled for all participants. Within the

framework of this commercial inequity practiced by the West in the agricultural and service sectors and East Asia in the goods market (in which Mexico and Latin America are in the middle), the United States and Europe have gotten the worst part, at least in the last three decades, in which Asia's economy was rebuilt and the West's was weakened. For this reason, repeating old recipes to solve new problems is just continuing on a path that will follow the destiny of the Chinese proverb that says, "If we follow the path on which we're going, we will certainly arrive where we are headed;" which is Sino-centrism predominance in the economic and geopolitical world. Regarding this, the only complaint is that on its way to its development, it is not in compliance with the established multilateral commitments, or that it climbs over the commercial interests of other countries; as, of course, the West has been doing for the last 500 years.

American countries such as Mexico, Chile, Peru, and to a lesser extent Canada, which have taken the invitation to this commercial adventure by the Pacific with much "enthusiasm," should check the small print of a commitment that refuses to mend the "commercial privileges" that both the West and East Asia have been practicing during the last few years, and that, on the contrary, leaves them in the middle of a geopolitical confrontation in which expressly or tacitly, they would be taking sides. If these starting points are not changed, the "adventure" will finish, in time, with more negative than positive balances.

Mexico, from the "enthusiasm" to participate in the TPP, which closely resembles its "commercial illusion" of 1994, could review with a little more depth and experience the geopolitical, economic, and trade interests that can be pared away for the country from that commitment, in order to generate a comprehensive strategy that results in more dividends than setbacks. In view of more than a few empirical studies (Clyde Prezowitz, 2013), for Mexico, the commercial equation alone predicts more negative than positive results of its "adventure" through Asia. To search for the encounter with the TPP without negotiating advantageously its geopolitical commitment with the U.S.; to sign the TPP without being included in the FTA between the United States and Europe; to renew NAFTA through the TPP in exchange for nothing; to arrive at a trade encounter with East Asia armed only with its insufficient and orthodox economic structure, which in the last ten years has left a clear imprint of its inferiority with respect to the Asian heterodoxy; will not be, in time, anything more than the story of a previously foretold poor commercial encounter.

The U.S. still has room to repair its comprehensive strategy in East Asia. The problems of the economic future and the historical sensitivities with the

region do not belong to it exclusively. China also has at this time the challenge of validating the economic success of what it has achieved up to today; and the concerns in the area over its new hegemonic role will be running very high at least with India, Russia, Japan, Vietnam, etc., with which it has already had war conflicts in the past. Within a possible restructuring of the American strategy, whether or not the chips it has are enough to sustain a direct confrontation with China through the TPP could be reviewed; alternatively, on a more objective level, it ponders the potential invitation of China to participate in said treaty, which has previously expressed its interest in being part of the TPP. A fairer commercial regulation; a more committed compliance from China (East Asia) and the United States (West) with the regulation of the global exchange of goods and services, would be good news for an economic world that will be fighting for its rearrangement and survival throughout the 21st Century.