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China's Commitment in the Creation of an East Asian Free Trade Area (EAFTA):

An ASEAN+3 FTA or/and an ASEAN+6 FTA?

Speaker

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Abstract

A strong and growing economy and evolving political powers have allowed China to become an important player in East Asia. At the same time, East Asian economies have been busy in proliferating Free Trade Agreements (FTAs) and are considering the creation of an East Asian Free Trade Area (EAFTA), either in the form of an ASEAN+3 FTA or an ASEAN+6 FTA. China's commitment is one of the determining factors in the establishment of an EAFTA.

China is strongly committed to the formation of an EAFTA, whether based on ASEAN+3 or ASEAN+6. The creation of an EAFTA will, in the long term, sustain China's economic growth and development based on efficiency and comparative advantage. It is part of China's strategy to be a regional pole in East Asia. It would allay the "China-threat" perception, reduce trade dependence on the US and EU, facilitate deeper economic and political cooperation with other East Asian countries, display China's responsibilities, neighborliness, and leadership capabilities, indirectly prevent Taiwan's independence, scale up its regional influence, and give China a more powerful international voice.

China does not oppose the establishment of an ASEAN+6 FTA. An opposition to an ASEAN+6 FTA would deteriorate China's economic relations with Japan, Australia, New Zealand, and India. It would also display China's hegemonic aspirations, call for a re-imposition of the US containment policy towards China, and endanger China's economic growth and development.

China prefers a gradual and sequential process in the establishment of an EAFTA: forming an ASEAN+3 FTA first and then expanding it to an ASEAN+6 FTA. A sequential process allows China to drive the negotiation process and assure its influence as a regional pole in East Asia.

Keywords

China, East Asian Free Trade Area (EAFTA), ASEAN+3 FTA, ASEAN+6 FTA, sustainable economic development, regional pole.