

# Alternative Centres of Power

## FACTS THAT MATTER

1. After the Second World War, Europe shattered the assumptions and structures on which the European states had based their relations.
2. To revive European economy, the US introduced 'Marshall Plan' to establish organisation for European Economic Cooperation in 1948. Through OEEL, Western European States began to cooperate on trade and economic issues.
3. European Union established in 1992, was a group of European Capitalist countries with a common foreign and security policy, cooperation on justice and home affairs and creation of single currency and also has its own flag, anthem and founding date.
4. The European Union has economic, political, diplomatic and military influence as the EU is the world's biggest economy which gives it influence over its closest neighbours and in Asia and Africa. And it functions as an important bloc in international world economic organisation as the World Trade Organisation.
5. In political and diplomatic influence, two members of EU, Britain and France hold permanent seat in the UN Security Council as well as non-permanent members in UNSC which enabled to influence the US policies i.e. current position on Iran's nuclear programme, use of diplomacy, economic investment and in case of a dialogue with China on human rights and environmental degradation.
6. Militarily, the EU's combined armed forces are the second largest in the world by spending second after the US and Britain and France also have nuclear arsenal. And it is the most important source of space and communications technology also.
7. Though EU bears common interests. Still, its member states have their own foreign relations and defence policies that are often at odds with each other i.e. Britain favoured the US's Iraq invasion which other members of EU Germany and France opposed



America's this policy. All these limit the ability of the EU to act in matters of foreign relations and defence.

8. Before and during the Second World War South East regions of Asia suffered economic political consequences of repeated colonialism as well as at the end of war it confronted with the problems of nation building which gave birth to Association of South East Asian Nations popularly known as ASEAN for uniform cooperation and interaction.

9. ASEAN was established in 1967 by five countries of this region- Indonesia, Malaysia, Philippines, Singapore and Thailand by signing the Bangkok Declaration. Over the years Brunei, Darussalam, Vietnam, Lao PDR, Myanmar, and Cambodia made its strength to ten.

10. ASEAN countries celebrated the ASEAN WAY', a form of informal interaction, non-confrontation and cooperation standing on three pillars in 2003 i.e. ASEAN Security Committee, ASEAN Economic Committee and ASEAN Socio-Cultural Committee.

11. ASEAN VISION 2020 encourages negotiations over the conflicts in the region by mediating the end of Cambodian conflict, East Umar Crisis and meets annually to discuss East Asian Cooperation.

12. In recent years, India has also tried to make agreements with ASEAN by signing Free Trade Areas with two ASEAN members— Singapore and Thailand as well as signed on FTA with ASEAN itself.

13. China emerged as the fastest growing economy since economic reforms of 1978 to be projected to overtake the US as the world's largest economy by 2040 with the economic strength of population, land mass, resources, regional location and political influence.

14. After independence of People's Republic of China in 1949, Soviet model of economy was adopted under the leadership of Mao by assuring employment, social welfare, education to all and better health as China began to use its own resources and grow



Chinese economy at the rate of 5-6 percent.

15. China ended its political and economic isolation with major policy decisions taken in 1970s. These included China-US relations establishment in 1972, four areas of modernisation (Agriculture, Industry, Science and Technology) in 1973, open door policy in 1978, privatisation of agriculture and industries in 1982 and 1990 and setting up of special Economic Zones.

16. Regionally and globally China is going to be recognised as an economic power due to contributory factors i.e. integration and interdependency have tempered its issues with Japan, the US, ASEAN, Russia, Taiwan. Even China's outward-looking investment and aid policies in Latin America and Africa are projecting it as a global player.

17. Indo-China relations experienced friendly gestures at the moments, but 1950 onwards both the nations were involved in the differences on the issues of Tibet problem, border issues in Arunachal Pradesh and Aksai Chin area of Ladakh, Chinese attack in 1962 and Chinese contribution to Pakistan's nuclear programme.

18. Relations between India and China began to improve slowly from the mid-1970, by a series of talks to resolve border issues in 1981 and now these relations have strategic and economic dimensions.

19. Rajiv Gandhi's visit to China in 1980, Atal Bihari Vajpayee's visit in 2003 have accommodated both the countries to maintain peace and tranquillity on the border.

### **WORDS THAT MATTER**

**1. European Union:** A group of European Capitalist countries established in 1992 founded for common goals of foreign and security policy, cooperation and home affairs.

**2. OEEC:** Organisation for European Economic Cooperation established in 1948 to channel aid to West European states to cooperate on trade and economic issues.

**3. Marshall Plan:** It was introduced by America to provide financial

help for revival of European economy.

**4. ASEAN:** Association of South East Asian Nations to accelerate economic growth through social progress and cultural development.

**5. ASEAN WAY:** An interaction that is informal, non-confrontationists and cooperative to promote supernatural structures.

**6. ASEAN Regional Forum (ARF):** An organisation established in 1994 to promote coordination of security and foreign policy.

**7. Special Economic Zones (SEZs):** Foreign investors could set up their own enterprises in these zones.

**8. Open Door Policy:** To invite investment of capital and technology from abroad.

**9. Three Pillars of ASEAN Community:** ASEAN Security Community, ASEAN Economic Community, ASEAN Socio-Cultural Community.

## **TIMELINE**

**1. April 1951:** Six West European Countries, France, West Germany, Italy, Belgium, the Netherlands and Luxembourg sign the Treaty of Paris establishing the European Coal and Steel Community (ECSC).

**2. March 25, 1957:** These six countries sign the treaties of Rome establishing the European Economic Community (EEC) and the European Atomic Energy Community (EURATOM).

**3. January 1973:** Denmark, Ireland and United Kingdom join the European Community.

**4. June 1979:** First direct elections to the European Parliament.

**5. January 1981:** Greece joins the EC.

**6. June 1985:** The Schengen Agreement abolishes border controls among the EC numbers.

**7. January 1986:** Spain and Portugal join the EC.

**8. October 1990:** Unification of Germany.

**9. February 7, 1992:** Treaty of Maastricht was signed establishing the European Union.



**10. January 1993:** The single market was created.

**11. January 1995:** Austria, Finland and Sweden join the EU.

**12. January 2002:** Euro, the new currency, was introduced in the 12 EU members.

**13. May 2004:** Ten new members Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia join the EU.

**14. January 2007:** Bulgaria and Romania join the EU. Slovenia adopts the EURO.

