

Chapter 4 Alternative Centres of Power

Q 1. Arrange the following in chronological order:

1. China's accession to WTO
2. Establishment of the EEC
3. Establishment of the EU
4. Birth of ARF

Ans. Chronological order:

1. Establishment of the EEC – 1957
 2. Establishment of the EU – 1992
 3. Birth of ARF-1994
 4. China's accession to WTO
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Q 2. The ASEAN WAY:

1. Reflects the lifestyle of ASEAN members.
2. A form of interaction among ASEAN members that is informal and cooperative.
3. The defence policy followed by the ASEAN members.
4. The road that connects all the ASEAN members.

Ans. b. A form of interaction among ASEAN members that is informal and cooperative.

Q 3. Who among the following adopted an 'open door' policy?

1. China
2. EU
3. Japan
4. USA

Ans. a. China

Q 4. Fill in the blanks:

1. The border conflict between China and India in 1962 was principally over..... and _____ region.
2. ARF was established in the year _____
3. China entered into bilateral relations with _____ (a major country) in 1972.
4. _____ plan influenced the establishment of the organisation for European Economic Cooperation in 1948.
5. _____ is the organisation of ASEAN that deals with security.

Ans. a. Arunachal Pradesh, and Aksai Chin,

b. 1994,

c. The US,

- d. Marshall,
 - e. Asian Regional Forum.
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Q 5. What are the objectives of establishing regional organisations?

Ans. The objective of establishing regional organisations are as given below:

1. To evolve regional development at par with the fast-growing global economy.
 2. To accelerate economic growth through social progress and cultural development.
 3. To promote regional peace and stability based on the rule of law and the principles of the United Nations Charter.
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Q6. How does geographical proximity influence the formation of regional organisations?

Ans. The geographical proximity influences the formation of regional organisations because:

1. The countries of a region face similar problems. For example, before and after the Second World War, the South East Asian countries suffered the economic and political consequences of repeated colonialisms, both European and Japanese.
 2. There was no informal cooperation and interaction. Thus, ASEAN was established by South East Asian countries.
 3. There were common problems of nation-building, the ravages of poverty, economic backwardness and the pressure to join one bloc or the other during the Cold War.
 4. If the European Union has succeeded in creation of the European Parliament or to have a common currency i.e., Euro, it is due to their geographical proximity.
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Q 7. What are the components of the ASEAN Vision 2020?

Ans. The following are the components of ASEAN Vision 2020:

1. An outward-looking role for ASEAN in the international community.
 2. To build on the existing ASEAN policy to encourage negotiation over conflicts in the region.
 3. To mediate towards the end of the Cambodian conflict, the East Timor crisis.
 4. To have annual meets to discuss East Asian cooperation.
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Q 8. Name the pillars and objectives of ASEAN community.

Ans. ASEAN broadened its objectives beyond the economic and social spheres. In 2003, ASEAN moved along the path of the EU by agreeing to establish an ASEAN Community comprising three pillars namely:

1. The ASEAN Security Community,
2. The ASEAN Economic Community
3. The ASEAN Socio-Cultural Community

Its objectives were:

1. The objectives of the ASEAN security community was based on the conviction that outstanding territorial disputes should not escalate into armed confrontation.

2. The objectives of the ASEAN Economic Community are to create a common market and production base within ASEAN states and to aid social and economic development in the region.
 3. To accelerate economic growth through social progress and cultural development.
 4. To promote regional peace and stability based on the rule of law and the principles of the United Nations Charter.
 5. To establish dispute settlement mechanism to resolve economic disputes.
 6. ASEAN has focused on creating a Free Trade Areas for investments (FTI), labour and services,
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Q 9. In what ways does the present Chinese economy differ from its command economy?

Ans. The present Chinese economy differs from its command economy in many ways.

1. The China economy was based on the Soviet model. The economically backward communist China chose to sever its links with the capitalist world. It had little choice but to fall back on its own resources and, for a brief period, on Soviet aid and advice.
 2. This model allowed China to use its resources to establish the foundations of an industrial economy on a scale that did not exist before. The economy also grew at a respectable rate of 5-6 per cent. But annual growth of 2-3 per cent in population meant that economic growth was insufficient to meet the needs of a growing population.
 3. On the other hand, the present Chinese economy ended its political and economic isolation with the establishment of relations with the United States. It adopted the 'open door' policy and economic reforms in China. The policy was to generate higher productivity by investments of capital and technology from abroad.
 4. The new economic policies helped the Chinese economy to break from stagnation. Privatisation of agriculture led to a remarkable rise in agricultural production and rural incomes. The new trading laws and the creation of Special Economic Zones led to a phenomenal rise in foreign trade.
 5. China has become the most important destination for foreign direct investment (FDI) anywhere in the world. It has large foreign exchange reserves that now allow it to make a big investment in other countries.
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Q 10. How did the European countries resolve their Post Second World War problem? Briefly outline the attempts that led to the formation of the European Union.

Ans. As the Second World War came to an end, many of Europe's leaders grappled with the 'Question of Europe'. The Second World War shattered many of the assumptions and structures on which the European states had based their relations. In 1945, the European states confronted the ruin of their economies and the destruction of the assumptions and structures on which Europe had been founded.

Following attempts were made that led to the formation of the European Union.

1. European integration after 1945 was aided by the Cold War.
2. America extended massive financial help for reviving Europe's economy under what was called the 'Marshall Plan'.
3. The US also created a new collective security structure under NATO.
4. Under the Marshall Plan, the Organisation for European Economic Cooperation (OEEC) was established in 1948 to channel aid to the west European states.
5. The Council of Europe, established in 1949, was another step forward in political cooperation.
6. The process of the economic integration of European Capitalist countries led to the formation of European Economic Community in 1957. This acquired a political dimension with the creation of the European Parliament.
7. The collapse of the Soviet bloc put Europe on a fast track and resulted in the establishment of the European Union in 1992.

8. The foundation was thus laid for a common foreign and security policy, cooperation on justice and home affairs, and the creation of a single currency.
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Q 11. What makes the European Union a highly influential regional organisation?

Ans. The EU has economic, political and diplomatic, and military influence.

Economic influence:

1. The EU is the world's biggest economy with a GDP of more than \$12 trillion in 2005, slightly larger than that of the United States.
2. Its currency, the euro, can pose a threat to the dominance of the US dollar.
3. Its share of world trade is three times larger than that of the United States allowing it to be more assertive in trade disputes with the US and China.
4. Its economic power gives it influence over its closest neighbours as well as in Asia and Africa.
5. It also functions as an important bloc in international economic organisations such as the World Trade Organisation (WTO).

Political influence:

1. The EU also has political and diplomatic influence. Two members of the EU, Britain and France, hold permanent seats on the UN Security Council.
2. The EU includes several non-permanent members of the UNSC. This has enabled the EU to influence some US policies such as the current US position on Iran's nuclear programme.
3. Its use of diplomacy, economic investments, and negotiations rather than coercion and military force has been effective as in the case of its dialogue with China on human rights and environmental degradation.

Military influence:

1. The EU's combined armed forces are the second largest in the world.
2. Its total spending on defence is second after the US.
3. Two EU member states, Britain and France, also have nuclear arsenals of approximately 550 nuclear warheads.
4. It is also the world's second most important source of space and communications technology.

Thus as a supranational organisation, the EU is able to intervene in economic, political and social areas.

Q 12. The emerging economies of China and India have great potential to challenge the unipolar world. Do you agree with the statement? Substantiate your arguments.

Ans. The Indo-China relations experience strategically organised as rising economic powers in global politics and to play a major role in the Asian economy after the end of the Cold War. It can be proved on the following grounds:

1. The new economic policies of India and China have broken their economy from stagnancy.
2. The creation of special economic zones led to a phenomenal rise in foreign trade.
3. If India and China are able to lead a coalition of countries, this coalition would be more powerful and may accomplish their goal.
4. India had adopted the policy of liberalisation and globalisation. It has made tremendous progress. India along with China view themselves as rising powers on global politics and can challenge the unipolar world.
5. China has become the most important destination for foreign direct investment anywhere in the world. Hence, it has large reserves for foreign exchange to allow it to make a big investment in other countries.

Q 13. The peace and prosperity of countries lay in the establishment and strengthening of regional economic organisations. Justify this statement.

Ans. It is true to state that the peace and prosperity of countries lay in the establishment and strengthening of regional economic organisation.

This statement represents the ASEAN Regional Forum and the European Union, where ASEAN Regional Forum is based on the notion not to escalate territorial disputes into armed confrontation.

1. The ASEAN is rapidly growing into a very important regional organisation. Its Vision 2020 has defined an outward-looking role in the international community. This builds on existing ASEAN policy to encourage negotiations over conflicts in the region. Thus, ASEAN has mediated the end of the Cambodian conflicts, the East Timor crisis, and meets annually to discuss East Asian cooperation.
2. ASEAN Regional Forum (ARF) maintains coordination of security and foreign policy.
3. The EU has also been funded on the ground of common foreign and EU security policy, cooperation on justice and home affairs.
4. The European Union has also extended cooperation while acquiring new members, especially from Soviet bloc.

Q 14. Identify the contentious issues between China and India. How could these be resolved for greater cooperation? Give your suggestions.

Ans. The contentious issues between China and India are as explained below: relations with China experience friendly gestures from India as India signed popular 'Panchsheel' to develop Indo-China relations in 1954 and advocated China's membership to the United Nations. Still, after 1957, various contentious issues arose in Indo-China relations:

1. Border conflict of 1962 over competing for territorial claims principally in Arunachal Pradesh and Aksai Chin region of Ladakh.
2. Differences originated from the Chinese takeover of Tibet in 1950, and the final settlement of the Sino-Indian border.
3. After Panchsheel, attack by China on India in 1962, to occupy larger territories of India, created humiliation.
4. China's assistance to Pakistan's nuclear programme also created differences.
5. China's military relations with Bangladesh and Myanmar were viewed as hostile to Indian interests.

All the above-mentioned differences/ disputes could be resolved for greater cooperation-

1. Both the countries should make some more efforts to revive the harmonious attitude between themselves.
2. Both the countries should move hand-in-hand to fight against terrorism, nuclear race and economic disparities.
3. Both countries should develop understanding and respect.
4. Hence, both of them have signed agreements on cultural exchange and cooperation in science and technology.