

## ASIA CHALLENGE CRISIS SIMULATION

### Ushering in the Asian Century: Implementing a Strategic Response to the Korean Peninsula Crisis, Threat of North Korean Nuclear Aggression, and RCEP Trade Issues

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The newly formed Regional Comprehensive Economic Partnership (RCEP) joined by fifteen nations on November 15, 2020, affirms its resolve and commitment to address the needs of our citizens during a period of both unprecedented challenges to the stability of our region and opportunities for greater cooperation, security, and prosperity. The threat of North Korean nuclear aggression presents an urgent geopolitical crisis. This past week, in an escalation of tensions, the Democratic People's Republic of North Korea (DPRK) fired approximately 170 artillery shells and rockets at Republic of South Korean (ROK) forces stationed on Yeonpyeong Island off the Korean peninsula. While North Korea claimed that they were responding to South Korean shells being fired into North Korean territorial waters, this area of the Yellow Sea—the Northern Limit Line—is disputed by the two powers, and North Korea has been internationally condemned for its actions. Former US ambassador to the UN, Bill Richardson, has deemed this escalation of tensions as one of the most serious crises in the Korean peninsula since the Korean War. The crisis at hand is deepened by North Korea's successful testing of its first inter-continental ballistic missile, the Hwasong-14 ICBM, in July of 2017. This missile is capable of reaching within striking distance of all RCEP member states and is central to North Korea's efforts to achieve full nuclear weapon capabilities. Thus, we are committed to working with member states to ensure a coordinated response to this aggression—including consideration of retaliatory strikes—that utilizes all available RCEP resources to protect lives and national interests.

Also central to the challenges facing the RCEP delegation are the unstated issues of labor, the environment, and state-owned enterprises in the RCEP agreement. The diverse economies, sizes, geographies, resources, and populations that comprise RCEP necessitate the creation and adoption of policies that will ensure equitable opportunities while prioritizing sustainable and ecologically-sound environmental policies. While policies such as tariff reduction, free trade, increased foreign investment, and technology transfers may be fundamentally seen as trade-related in nature they extend to the topic of human rights and environmental rights because they can lead to job losses, the shuttering of small businesses, weakening of labor rights, and the increased exploitation of natural resources including those of forests, land, and oceans. As such, the issues of labor, environment, and state-owned enterprise fundamentally impact both the ability to expand regional prosperity, equity, and opportunity and maintain the rules-based international order. **To address these immediate and long-range policy matters, the following stipulations are proffered for collective consideration:**

#### PREAMBLE

**WHEREAS** the Regional Comprehensive Economic Partnership (RCEP) seeks to deepen integration among member states and declare our shared commitment to promoting mutually beneficial policies, the following should be considered:

1. That we are a broad, diverse community historically divided by conflict and misgivings for centuries, now dedicated to jointly overcoming strategic challenges.
2. That RCEP is an institution that stands for mutually beneficial trade among our member states, support for the rule of law, and the upholding of each member state's sovereignty.
3. That closer integration between member states will strengthen our shared values and create greater benefits for our citizens.
4. That this bloc will continue to build economic, political, and social partnerships that enhance Asia's standard of living and expand RCEP's global influence.
5. That we adopt policies that position Asia to withstand future economic, public health, and political crises through sound economic reforms, responsible foreign policies, technological cooperation, and investment in science and research.

## **Bombardment of Yeonpyeong Island and North Korean Nuclear Aggression Response**

### **Prioritizing Our Collective Response:**

**WHEREAS** RCEP condemns unjustified aggression by outside actors whose actions threaten the health and safety of all citizens in our member states and seeks to ease tensions that threaten to destabilize the region. The recent escalation of tensions in the Korean Peninsula with the bombardment of South Korean forces on Yeonpyeong Island by North Korean forces and North Korea's long-standing nuclear aggression pose the greatest challenge to RCEP since its inception and has reinforced the need for enduring communication and cooperation between member states and their government agencies.

**WHEREAS** North Korea withdrew from the Treaty on the Non-Proliferation of Nuclear Weapons in 2003, following detonation of nuclear devices in violation of core obligations, and development of its first inter-continental ballistic missile (ICBM), achieving the capability of striking all RCEP member states.

**WHEREAS** Article 1.3 of the RCEP agreement states the desire to "establish a modern, comprehensive, high-quality, and mutually beneficial economic partnership framework to facilitate the expansion of regional trade and investment and contribute to global economic growth and development," member states recognize that inflamed tensions in the region coupled with physical aggression by outside parties threaten the viability of the member states' economic goals.

**WHEREAS** the RCEP agreement preamble recognizes "the positive effect that regional trade agreements and arrangements can have in accelerating regional and global trade and investment liberalization, and their role in strengthening the open, free, and rules-based multilateral trading system," these values and rules are not recognized by all outside parties within the region and therefore threaten to destabilize and undermine the member states' efforts.

**BE IT HEREBY RESOLVED** that we call on all member states to respond to the Korean Peninsula crisis by calling for an easing of tensions between North and South Korea, and a rebuke of North Korea's bombardment of Yeonpyeong Island and its escalating nuclear weapons capabilities. By responding at both the national and RCEP level, we will maximize our effectiveness in halting the escalation of further tensions.

**BE IT HEREBY RESOLVED** that the member states condemn North Korea's withdrawal from the Treaty on the Non-Proliferation of Nuclear Weapons and commit to containing North Korea's efforts to further expand its nuclear weapons arsenal and ultimately rolling back North Korea's nuclear weapons arsenal, which is currently capable of reaching within striking distance of all member states.

**BE IT HEREBY RESOLVED** that member states will diffuse the current crisis inflamed by North Korea on Yeonpyeong Island as the crisis directly impacts the viability of the member states' economic partnership that seeks to expand regional trade, investment, and contribute to global economic growth and development.

**BE IT HEREBY RESOLVED** that member states reserve the right to respond to North Korea's latest aggression with both economic sanctions and physical retaliation in an effort to isolate and punish actions by a rogue state that are not aligned with the values and rules-based governance of RCEP member states.

## **Regional Comprehensive Economic Partnership (RCEP) Trade Issues: Addressing Labor, Environment, and State-Owned Enterprises**

### **Prioritizing Our Collective Response:**

**WHEREAS** the RCEP agreement Preamble recognizes the desire “to broaden and deepen economic integration in the region, strengthen economic growth and equitable economic development, and advance economic cooperation, through this Agreement, which will build upon existing economic linkages among the Parties.”

**WHEREAS** the RCEP agreement aspires to “to strengthen their economic partnership to create new employment opportunities, raise living standards, and improve the general welfare of their peoples.”

**WHEREAS** the RCEP agreement seeks to “to establish clear and mutually advantageous rules to facilitate trade and investment, including participation in regional and global supply chains.”

**WHEREAS** the RCEP agreement takes into account “the different levels of development among the Parties, the need for appropriate forms of flexibility, including provision for special and differential treatment, especially for Cambodia, Lao PDR, Myanmar, and Viet Nam as appropriate, and additional flexibility for Least Developed Country Parties.”

**BE IT HEREBY RESOLVED** that the member states address the absence of policy regarding labor rights, the environment, and state-owned enterprise, all of which are integral to deepening our economic integration in the region and strengthening economic growth and equitable economic development in a responsible and just manner.

**BE IT HEREBY RESOLVED** that the member states create labor rights policies that not only consider the needs of and benefit the most disadvantaged laborers, but do so in a way that considers how economic growth will impact the environment, seeking strategies that will fairly consider and responsibly address what are too often incompatible priorities.

**BE IT HEREBY RESOLVED** that member states address and consider the advantages possessed by state-owned enterprises and the manner in which they stymie free market innovation and competition so as to undercut trade and investment and disadvantage those member states that have neither the governmental capacity or belief system to incorporate the state-owned enterprise as a tool for economic and political leverage.

**BE IT HEREBY RESOLVED** that member states will make accommodations for those member states who are considered “least developed country parties,” especially as regards fair labor competition, the all-too common environmental degradation of least developed countries due to economic prioritization over the environment, and the role of state-owned enterprises in disadvantaging countries lacking the mechanisms to compete on this level.