

THE IMPACT OF THE TRADE WAR BETWEEN THE UNITED STATES AND CHINA ON ASEAN AND HUAWEI TECHNOLOGIES AS REVIEWED BY TRADE, INVESTMENT, AND COMPETITION LAW

Jessica Natalia Widjaja

Doctor of Law, Universitas Pelita Harapan

jessica.n.widjaja@gmail.com

Abstract

The Trade War between the United States and China is impacting the worldwide economy, especially ASEAN part nations. The aim of this paper is to look at the effect of the US-China exchange battle on ASEAN and Huawei Technologies. It is separated into four sections: the initial segment will clarify the idea of worldwide exchange as it is analyzed by profession, speculation, and rivalry law, the subsequent part will clarify the exchange battle between the US and China as it influences ASEAN and Huawei Technologies, and the third part will clarify the job of RCEP as a guide to ASEAN and Huawei Technologies. The result of the analysis shows that the exchange battle between the US and China can be settled by building up an unbiased association as the Regional Comprehensive Economic Partnership (RCEP), and that substantial advances can be taken to lessen dependence on the US and China by diminishing commodities and imports, just as expanding and working on the quality of domestic items.

Keywords: *Trade War, ASEAN, Huawei Technologies*

1. INTRODUCTION

The economic relationship between the United States and China gives the United States a larger number of advantages than is broadly perceived. As per ongoing information, US commodities to China support over 1.8 million works in regions like administrations, agribusiness, and capital goods¹. Be that as it may, trade with China has brought about the deficiency of occupations in certain industries in the United States, especially low-wage producing. Regardless of these costs, the organization's successive spotlight on the two-sided shortage is anything but a valuable measurement for assessing the US-China exchange or its effect on positions. The trade imbalance in the United States is an aftereffect of a low homegrown reserve funds rate, which requires the utilization of unfamiliar cash flow to help homegrown venture needs and the development in government obligation in the United States. Besides, the trade deficit doesn't consider the tasks of the U.S. furthermore Chinese members in each market, bringing about an estimation that shows the United States sending out more to China than vice versa².

China's financial model has a developing number of implications for the United States and the remainder of the world. In the first place, in creating innovations, the walk toward independence is contrary to an exchanging framework in light of near advantage. Second, the utilization of SOEs, their admittance to sponsorships, and China's limited law and order

¹ Oxford Economics for the U.S.-China Business Council, "Understand the U.S.-China Trade Relationship," last modified 2017, accessed July 2, 2019, <http://www.uschina.org/reports/understandingus-china-trade-relationship>.

² Joshua P. Meltzer and Neena Shenai, "The US-China Economic Relationship: A Comprehensive Approach" (Brookings, 2019), <https://www.brookings.edu/research/the-us-china-economic-relationship-a-comprehensive-approach/>.

benefit state firms both in China and all over the planet. Third, China's utilization of industrial strategy to choose champs is probably going to bring about overproduction and commodity unloading. This has as of now occurred in industries like steel and solar photovoltaic (PV), with adverse results for us and worldwide businesses, and it is relied upon to occur in further developed enterprises like advanced mechanics, fast rail creation, new energy vehicles, and batteries, as distinguished in China's new modern arrangements.

China has outperformed the United States as the world's top manufacturer of manufactured items beginning around 2011. The assembling area is a critical driver of public financial development and has helped with the improvement of individuals' everyday environments. Due to the huge volume of imports, the United States has concluded that the data and correspondence innovation industry will be affected by an expansion in import obligations. From absolute imports from China at USD \$ 526 billion out of 2017, the US imports electronic gadgets and their parts worth USD \$ 150 billion, meaning to smother the development of 2025 delivered in China.

President Donald Trump proposed clearing taxes of up to \$60 billion on generally Chinese imports into the US in March 2018, because of China's charges against the US over the robbery of innovation and intellectual property.

In July 2018, Trump forced new taxes in the modern and transportation areas, just as a 25% import charge on electronic things and clinical hardware. Then, at that point, China fought back by setting up an arrangement of levy self-assurance for more than 500 US sends out worth an aggregate of US \$ 34 billion, with wares like meat, milk, fisheries, and soybeans being focused on. Starting in December 2018, President Donald Trump met with Chinese President Xi Jinping to examine a \$ 180 million economic agreement that would raise US soybean offering costs to the most significant level in a 4.5-month time frame in the product prospects market, permitting Chinese SOEs to purchase 500,000 tons of soybeans from the US.

The trade war between the United States and China provoked every government to raise trade tariffs, raising the cost of imported merchandise entering the country. The trade war is a term by the media and rehashed by government officials and financial specialists to depict the United States (US) conduct in raising import taxes on made merchandise from China and different countries, which has brought about the counter from the objective country. The US is making a move against China since it accepts that public authority has hurt the interests of US residents. Since China's commodity volume to the US unfathomably dwarfs its import sum, the US import/export imbalance with China has been consistently extending starting around 2010. To reduce the trade deficit, the US organization has been executing a procedure to raise import tariffs, especially against China, since June 2018. This exchange war went in a different direction when Google, situated in the United States, picked to interface their Android working framework with Huawei, a Chinese cell phone producer, regardless of government limitations. This immensely affects Huawei item clients. Countless Huawei telephones never again approach Google's selective administrations including Gmail, YouTube, Play Store, and Google Maps. Huawei is associated with providing secret activities administrations to the Chinese government on the grounds that the US accepts it is upheld by the military.

The trade war between the United States and China essentially affects ASEAN member countries' stability, especially in economic affairs. This impact is felt most emphatically by nations that depend on the two nations' commodity movement, like Singapore, Vietnam, Malaysia, and Thailand. The nations that sell the most to the United States and China are Vietnam and Malaysia, which are turning out to be progressively uncovered. Besides, in light of the fact that Singapore, Malaysia, and Thailand have significant assembling areas that are associated with worldwide organizations, levies forced on them might make yield be disturbed. In any case, other ASEAN nations, like Malaysia's compound industry and Vietnam's customer items area, may profit from the reception of this tool. Moreover, China's duties on US principle merchandise might help Thai organic product exporters and Myanmar cows farmers in exploiting the market³. The problem of this research is to decide how huge the effect of the US-China trade war ASEAN, explicitly on Huawei Technologies, just as the effect on other ASEAN member countries. To resolve these issues, ASEAN is endeavoring to strengthen the participation of six different nations that are individuals from the Regional Comprehensive Economic Forum (RCEP) as expanded exchange and venture, the two of which are relied upon to reinforce the economies of ASEAN's part nations. The Regional Comprehensive Economic Partnership (RCEP) is basic in adjusting the circumstance that has emerged because of the trade war, and it is projected to improve the worth of products and industries, which will affect Indonesia's monetary development.

2. RESEARCH METHODS

By finding reference hypotheses that are relevant to a case, this examination strategy utilizes the writing concentrate on research type. Hypothetical references gathered through research writing examinations fill in as the essential establishment and essential device for research practice in the field. The motivation behind this study is to inspect the effect of the US-China exchange battle on ASEAN and what it has meant for Huawei Technologies. This exploration is a critical thinking study, determined to give an answer. The creator inspects this case utilizing exchange, speculation, and rivalry law as a structure.

As indicated by World Bank data, 33 registered Chinese enterprises declared designs to move or extend their modern base outside of China between June and August 2019. 23 of these organizations were selected to take part. This reality builds up unfamiliar financial investors' impression of a few ASEAN nations' absences of guarantee. In light of the development of American organizations' creation base from China, the open doors introduced by the exchange battle between the US and China seem to have affected ASEAN nations. The following are some of the issues that make it difficult for countries around the world, particularly developing countries, to take advantage of outside investment opportunities: In terms of cost and time, internal procedures are inefficient. After the manufacturing base has been established, investors will consider the industry's life cycle possibilities in order for it to grow and eventually contribute to a rise in gross domestic product. Since domestic result requires raw materials from import activities and will be

³ Oliver Reynolds, "Which ASEAN Countries Are Most Exposed in the Event of a U.S.-China Trade War?," *Focus Economics*, last modified 2018, accessed July 2, 2019, <https://www.focus-economics.com/blog/which-asean-countries-are-most-exposed-in-the-event-of-a-us-china-trade-war>.

traded universally through export activities, the significance and simplicity of product and import should be raised. Import tariffs are forced on creation inputs. Creation engineers, process engineers, creation arranging and stock chiefs, and HR directors need more HR. In contrast with other encompassing nations, strategies and asset costs are high. Making decisions that are not in light of training, for example, absolving creation things from import processes in a streamlined commerce zone region, ends up being contradictory with training. There is an idea that import endorsement takes something like five days, but it is requiring 3-6 months. Since specialists are uncertain whether or unsure imports require a suggestion letter, a few businesses have needed to end creation.

Primary legal materials accumulated through perception and secondary legal resources, including information got from journals, documentation books, and the web was utilized by the writer in this review. Documentation is a technique for finding papers or information that are pertinent to the utilization of this exploration through paper or magazine articles, journals, writing, documentation books, and electronic media or the web.

The article utilizes general primary and secondary logical techniques for analysis and synthesis to distinguish the reasons and forecast the results of the trade conflict. The creators analyze respective exchange insights just as the time span of the trade war. The analysis centers around key achievements that mirror the two countries' common public interests. It is possible to portray the objectives and concerns of specific significance for both countries by projecting inward rationale. The strategy for gathering information or sources, for example, periodicals, documentation books, the web, and writing, is known as writing study. The information is then assessed utilizing the distinct examination approach, which starts with a portrayal of current realities, trailed by an investigation that depicts as well as gives adequate knowledge and clarification. There has been studying and conversation to demonstrate the effect of the exchange battle on Huawei Technologies, which has broad exchanges in electronic parts with the United States and sells its items there.

3. ANALYSIS AND DISCUSSION

3.1 The Concept of International Trade Reviewed By Trade, Investment and Competition Law

The key stock side policies that can further develop market effectiveness and productivity development incorporate trade, investment, and competition policies. While the interactions among trade and investment, from one perspective, and trade and rivalry, then again, have been considered before, there are not many investigations that gander at the exchange, speculation, and contest changes all simultaneously. It's a good idea to consider these three strategies together on the grounds that they shape the motivations for endeavors and people to be more useful and for business sectors to be more competitive.

Any policy affecting global business, including taxes and non-tax obstructions, is alluded to as trade policy. It is the policy framework, laws, guidelines, and international agreements that manage worldwide trade. One element of trade strategy is that it is, by definition, a "worldwide" approach that is "arranged" with different nations or settled upon in global associations, however can likewise be executed singularly. Trade changes, from a bigger perspective, are institutional changes that significantly affect financial conduct, asset

distribution, and associations with the remainder of the world since exchange advancement adjusts creation examples and drives nations' joining into the global economy.

Although both domestic and foreign investment can be tended to by investment policy, the emphasis here is on foreign investment. Investment policy, in this definition, alludes to any guideline or law that invigorates or puts abroad venture down. FDI, extra capital exchanges, and global firm activities are totally remembered for global investment. Competition policy is characterized as "a mix of approaches and regulation that guarantees that market contest isn't compelled in a manner that is unsafe to society" or "in a way that diminishes economic efficiency"⁴.

The objective of international partnership theory from the beginning has been to comprehend the variables and conditions that prompted the arrangement of the relationship. Organizations might be shaped because of conduct alterations made by entertainers in light of or expecting decisions made by different entertainers. Organization can be set up through an ongoing arranging processor in light of the fact that each side knows about each other and no further dealings are needed⁵.

A partnership can be characterized as a bunch of connections that are not in light of savagery or impulse and are legitimately perceived, for example, in the United Nations or the European Union. State entertainers structure helpful connections through worldwide associations and global systems, which are characterized as a bunch of settled upon rules, guidelines, standards, and dynamic methods in which entertainers' assumptions and state interests crash within the context of international relations.

An international partnership can be characterized as a cooperative effort to address the prerequisites of individual nations. Worldwide systems are generally instruments that nations may use to achieve their singular points because of global association. Basically, the association should bring about the nations included receiving the rewards. Global cooperation, similar to clashes, requires the investment of at least two players. In worldwide associations, a mutual perspective of normal interests is utilized as a partnership⁶.

Countries collaborate with states that have partnerships with other countries for a variety of reasons⁷:

1. To improve the economy by collaborating with other countries to raise the costs that the state must bear in producing products required by the country.
2. To boost productivity.
3. Because of the existence of issues with shared security.
4. To mitigate the damages incurred as a result of particular countries' reactions to the acts of other countries.

The connection between two countries or the interaction between larger units, frequently known as multilateralism, is examined in principle as a feature of global collaboration. Albeit numerous organizations start between two nations, multilateral

⁴ Massimo Motta, *Competition Policy: Theory and Practice* (Cambridge: Cambridge University Press, 1993).

⁵ James E. Dougherty and Robert L. Pfaitzgraff, *Contending Theories of International Relations: A Comprehensive Survey* (Michigan: Lippincott, 2001), https://books.google.co.id/books?id=%5C_0nDQgAACAAJ.

⁶ Andreas Hasenclever, Peter Mayer, and Volker Rittberger, "Integrating Theories of International Regimes," *Review of International Studies* 26, no. 1 (2000): 30.

⁷ Pentti Ermala and Lars R. Holsti, "On the Burning Temperatures of Tobacco," *Cancer Research* 16, no. 6 (1956).

coordinated effort is the primary accentuation of global participation. John Ruggie characterizes multilateralism as an institutional structure that oversees the connection between at least three nations in light of commonly acknowledged social standards communicated in different types of foundations, like global associations, worldwide systems, and peculiarities that presently can't seem to show themselves, like global request. Several elements influence the formation of an international partnership:

1. Technological advancements lead to an easier manner for the state to interact with its citizens, hence increasing their reliance on one another.
2. Economic advancement and development have an impact on the nation's and state's well-being. The well-being of a country can have an impact on the well-being of other countries.
3. Shifts in the nature of war, such as a common desire to protect and defend one another through international collaboration.
4. There is an understanding and desire to negotiate, which is one of the strategies of international collaboration that is founded on the idea that negotiating will make it easier to solve difficulties.

The World Trade Organization (WTO) is a set of universally agreed-upon trade regulations that serve as a foundation for determining where China deviates from previous commitments. The US might next identify areas where Chinese activities are troubling but are not covered by WTO regulations, justifying the need for bilateral or unilateral action.

In terms of what the US could pursue at the WTO, the following are some possibilities:

1. The US ought to help out China to get an understanding at the WTO to lead a top to bottom audit of China's consistency with its WTO responsibilities.
2. Through the WTO, the US should ensure that China represents all of its SOE exercises and appropriations, as expected of any WTO part and as specified in its Protocol of Accession.
3. The US ought to draw in with partners and China to reestablish the China-explicit defense and foster a concurrence with China regarding its proceeded with utilization of the NME system until China can show that it is a market economy. An arranged settlement of China's WTO question against the EU and the US over their proceeded with utilization of the NME approach in exchange cure procedures could prompt advancement on this issue.
4. The United States should try to adjust the World Trade Organization's (WTO) debate settlement framework to empower quicker question goals, including possible injunctive solutions for uncalled-for exchange rehearses. This would be an institutional shift that could be useful in managing China.
5. The United States and China should use a bilateral agreement or BIT to re-energize WTO negotiations on new regulations in areas including technology transfer, SOEs, and digital commerce.

Regional cooperation is one of the most influential types of international cooperation. Each country in the area has fostered its own regional alliance. ASEAN is a kind of local coordinated effort or association that has created collaboration in an assortment of fields over the long term. At the beginning of ASEAN's development, the association's objective was to end the spread of socialism in Southeast Asia. Be that as it may, by building up a

common responsibility in the areas of economy and security⁸, this territorial association is producing ties.

In addition, there are several other principles of tariff provisions in the WTO that must be considered, namely⁹:

1. The principle of protection through tariffs, The principle of protection through tariffs requires that protection of domestic industries is only allowed through tariffs, protection with tariffs needed to build certain industries infant industry protection and protection with quantitative restrictions in order to improve the balance of payments.
2. The waiver principle and emergency restrictions on imports, an act that allows a country to impose a quota on an imported product that experiences a substantial surge that harms the domestic industry.

3.1.1 The Impact of the Trade War on ASEAN from the perspective of Trade Law

China is the chief objective of the US exchange war activities because of its high development rates in the course of the most recent twenty years and the biggest exchange lopsidedness with the US. Levies are the first shot in a progression of reciprocal disagreements that are multilateralizing and endangering worldwide monetary solidarity, as well as an escalating mechanical rivalry. The arising worldwide situations of exchange and innovation clashes between the United States and China are the aftereffect of developing anxiety toward leaving multilateral participation for supremacy speculations. In the direst outcome imaginable, these strains may prompt a "decoupling" of the two economies, bringing about a drawn-out worldwide downturn and new international conflict. With the phenomenal utilization of leader power by post-US systems, this somber possibility has turned into a chance. The Trade War ASEAN nations that take on an open financial framework will be defenseless against outer macroeconomic elements, for example, the effect of an exchange battle between the US and China. Whenever an exchange war breaks out, every nation raises its exchange obligations, raising the cost of imported products.

The rising cost of imported merchandise will diminish how much business, making the sending out country lessen its assembling movement, bringing about a drop in trades. Item sending out nations to the United States and China will quit trading when the degree of products falls since interest for the ware falls attributable to stopped modern activities. ASEAN, as the aware exporter to China and the United States, should take on monetary methodologies that include macroeconomic factors to moderate the effect of the trade war.

3.1.2 The impact of the Trade War on ASEAN from the perspective of Investment Law

The law fills in as an expansive assertion of the plan for the worldwide business area. Unfamiliar organizations ought not to be constrained to hand over their

⁸ David Galbreath, "International Regimes and Organizations," in *Issues in International Relations*, ed. T. C. Salmon and M. F. Imber (New York: Routledge, 2008).

⁹ M. Rizky Syahputra et al., "Prinsip-Prinsip Dasar World Trade Organization (WTO) Dalam Hukum Perdagangan Internasional" (Medan: Fakultas Hukum Universitas Medan Area, 2013), <https://enzifebrianti.blogspot.com/2013/03/makalah-hukum-perdagangan-internasional.html>.

innovation to Chinese organizations; licensed innovation insurance ought to be reinforced; acquirement of merchandise ought not to victimize unfamiliar organizations, and unfamiliar venture should be urged however dependent upon security audits. Global business associations have lauded the consideration of a condition without a second to spare expressing that offices would protect classified data given by unfamiliar undertakings and that violators would be arraigned. Everything being equal, changing China's current strategies and cycles at both the public and neighborhood levels to conform to the new regulation will require years, on the off chance that not many years. Large numbers of these claims are hard to demonstrate lawfully, however, the message was clear: China's trade and speculation arrangements are "unreasonable."

The new regulation plans to reaffirm that China's exchange rehearses are or will be brought into consistency with universally acknowledged norms. The new regulation is about goals, however, activities make a difference to global undertakings. The issue is that the different sides are managing an assortment of underlying hardships that can't be dealt with in a solitary bill or even in the plausible next US-China economic alliance. The two players should attempt to assemble a more organized, rules-based methodology. However, the sustainability of its recent growth experience, which was powered by excessive credit expansion, is a concern. The quality of China's growth, rather than the rate, is the source of concern. China should place a greater emphasis on enhancing labor productivity and improving the efficiency of its investment spending.

3.1.3 The impact of the Trade War on ASEAN from the Competitive perspective

The two nations are excited about the respective item and administration trades as well as the improvement of worldwide inventory chains. Since the two nations will lose beyond what they can acquire because of the conflict, an arranged settlement understanding and the finish of the conflict is conceivable. Notwithstanding their elevated rivalry, we might expect China and the United States to stay vital accomplices. Business-to-business ties will fortify, and shared social arrangements will create. This exploration study has three objectives: first, it investigates the effect of domestic governmental issues in the United States and China on the exchange war and mechanical seriousness, as well as the means taken by the two nations to accomplish an innovative benefit.

It likewise assesses China's capability to impact worldwide innovation administration and standard-setting. At last, it considers the drawn-out impacts of the US-China exchange war and the US-China tech race overall on Asia-Pacific exchange and speculation streams. The review takes a gander at the risks of expanded vital contention - and the unsteadiness it brings to countries that need to keep up with associations with both the US and China - as well as the more extensive ramifications and likely solutions for limiting the impacts of the US-China monetary confirmation. Even if the United States and China reach an agreement to halt their on-again, off-again trade war, the economic and commercial relationship between the two countries will remain tense for years.

This is because the current disagreement is more about wider structural issues than it is about trade. In the long run, the United States and China are locked in a struggle for

economic and technological domination. Both sides will have to find a mutually acceptable middle ground in order to resolve this new rivalry.

3.2 Trade War between the US and CHINA and Its Impacts on ASEAN and the HUAWEI Technologies Company

In Donald Trump's leadership, the US has the slogan "America First"¹⁰. This slogan has an implicit intention regarding the US's desire to be the best and become number one in the world. But considering that China is growing rapidly in almost all trade sectors, both of them want to achieve this desire. ASEAN is a very strategic scope to develop the economy so that it can be a good field to invest in economic investment. Nations are not permitted to discriminate among their tariffs partners under WTO rules. Assuming that you give somebody an extraordinary blessing such a lower customs obligation rate for one of their things, you should respond to any remaining WTO individuals. The World Trade Organization (WTO) fills in as a scene for arranging arrangements pointed toward eliminating hindrances to global exchange and giving a fair battleground to all, so advancing financial development and advancement. The World Trade Organization (WTO) additionally gives a lawful and authoritative system for carrying out and observing these arrangements, just as settling arguments about their understanding and execution. The pursuit of open borders, the insurance of the most inclined toward country guidelines and non-oppressive treatment by and among individuals, and a commitment to straightforwardness in the lead of its exercises stay the WTO's essential and core values. With OK special cases or fitting adaptability, opening public business sectors to worldwide exchange will urge and add to reasonable turn of events, improve individuals' government assistance, dispose of destitution, and back harmony and steadiness. Simultaneously, such market progression should be supported by solid homegrown and international strategies that advance monetary development and improvement as per the necessities and desires of every part.

The trade war that erupted in early 2018 is a big stumbling block at an era when manufacturing has become a global activity and international commerce has powered Asia's progress and wealth. The two primary protagonists, the United States (US) and the People's Republic of China (PRC), are the world's largest economies and traders, accounting for roughly a quarter of global trade and two-fifths of global GDP. Furthermore, the trade dispute is not just bilateral, but worldwide, with many nations retaliating against the first round of tariffs on steel, aluminum, washing machines, and solar panels, even as a fresh wave of levies on auto and auto parts is threatened. As a result, it's critical to comprehend and evaluate the dangers that the existing policies, as well as those that may be imposed in the future, offer to Asian economies. The premise that free trade will allow Asia's growth plan to profit from ever-longer global value chains, where each production unit is engineered

¹⁰ "Donald Trump: 'America First, America First,'" *BBC News*, January 20, 2017, accessed July 2, 2019, <https://www.bbc.com/news/av/world-us-canada-38698654>.

to minimize costs, maximize efficiency, and stimulate innovation through international alliances, underpinned Asia's growth strategy.

As per a review from the 2018 GDP Annual Growth Rate, China's economy is more steady, as demonstrated by the normal GDP of 6.75 percent, which is quickly ascending in contrast with the US GDP of 4.2 percent as of July 2018. This phenomenon elevates US readiness against China, requiring cautious assessment of each US financial methodology so America First can be cultivated. China has involved uncalled for modern and trade approaches in the past, for example, dumping, non-tariff barriers, forced technology transfers, overcapacity, and industrial subsidies, to make it harder for American businesses to compete. The "Made in China 2025" development is harming American organizations from one side of the planet to the other. China's average tariff is over three times higher than the average tariff in the United States.

The United States has found that China has taken its intellectual property, bringing about huge harm. Theft of Chinese intellectual property costs US financial investors billions of dollars every year, and China is answerable for 87% of all fake things entering the US. For a long time, the United States has had a merchandise import/export imbalance with China, remembering a deficiency of USD \$ 375 billion for 2017. The sum represented north of 66% of the complete US import/export imbalance, which was USD \$566 billion, or around 66% of the revealed overall excess. In principle, forcing high import levies will make US-made merchandise more affordable than imported things, empowering clients to purchase more US-made products. The impact of expanding utilization of homegrown items will at last build nearby businesses and back the public economy. Under the Trump organization, the strategy is relied upon to make US GDP higher and more steady than China.

Since July 2018, the United States has gotten multiple times how much cash from China as expanded items costs, adding up to USD \$ 250 million. Luggage, handbags, bathroom tissue, and fleece are among the imported products subject to this toll. Food items, like frozen meat, different sorts of fish, soybeans, organic products, and rice, are likewise liable to import duties under this strategy. The forceful US activity drew a retaliatory reaction from China. As of now, the bamboo drape country has forced levies adding up to the US \$ 110 billion¹¹ on imported products from the United States. A trade war between the two countries erupted as a result of this rate of reciprocity action.

The United States is the one that began a trade war by slapping heavy taxes on Chinese products. Nonetheless, Chinese tariffs on US imports have brought about fewer things and lower numbers than the US. China's government has expressed that it won't hurry to match the worth of tariff rates forced by the United States. In the present circumstance, China doesn't need a trade war to break out, accordingly, the Chinese methodology is to keep up with economic stability. Be that as it may, on the off chance that China doesn't correct revenge, China will experience critical misfortunes because of permitting the US to utilize the entirety of China's financial potential. Eventually, this exchange war was battled in light of a legitimate concern for every country to ensure its public advantages.

¹¹ "China Kenakan Tarif Balasan Untuk Produk Amerika," *CNN Indonesia*2, August 4, 2018, accessed July 2, 2019, <https://www.cnnindonesia.com/ekonomi/20180804133135-532-319473/china-kenakan-tarif-balasan-untuk-produk-amerika>.

To secure his country's interests, President Donald Trump sanctioned various arrangements, remembering a 25% duty for \$50 billion in goods imported from China that contain significant industrial technologies, just as the "Made in China 2025" program, the last rundown of which will be reported on June 15, 2018. The US Trade Representative will then, at that point, complete the authorizations forced by the World Trade Organization (WTO) against China, which were first forced in March to address China's oppressive innovation permitting necessities, and the US will force explicit speculation limitations and more tight product controls for Chinese people and elements engaged with the securing of mechanically critical innovation. By June 30, 2018, a rundown of cutoff points and controls will be delivered.

Since the United States and China colossally affect the financial strength of different nations, any instability in one of them will inconveniently affect the worldwide economy. ASEAN is one of the areas that has been impacted by this. This happens because of ASEAN part nations' product and import relations with the United States and China. An overview of 1,008 respondents from government, the scholarly community, business, common society pioneers, and the media in ASEAN observed that most of the respondents didn't trust the reality of US association in Southeast Asian nations and that the greater part of the respondents didn't confide in the two nations to make the best choice in adding to harmony, security, flourishing, and worldwide administration in the ASEAN district. Truth be told, Japan, which well affects ASEAN¹² financial development, has a more elevated level of certainty.

One of the effects of the US-China trade war was also felt by Huawei Technologies. Trump issued an executive order that prohibits the use of Huawei in the US and raises a list of entities that mention every company affiliated with Huawei not to sell its products in the US. The impact of Trump's policy, made Huawei's income predicted to decline by around USD \$ 30 billion in the next two years. As a result of this trade war, Google broke off the Android license partnership relationship with Huawei. This is a follow up to the signing of Trump's decision regarding the ban on US companies from buying foreign telecommunications equipment if it is indicated to endanger national security and Huawei is included in the list of foreign companies that endanger national security. But responding to this, Huawei has prepared a counter-attack through Patents. Until now, Huawei holds 56,492 patents embodied in high-tech telecommunications, network and technology in other fields of communication. Huawei is also one of the most 5G-themed patent holders in the world. This is used by Huawei to take patent rights with the aim of forcing Trump to cancel his policy. The US-China trade war heats up at the end of May 2019, because the US considers the Android-based smartphone market as an enemy. For the Trump regime, the Chinese government has the possibility of forcing companies such as Huawei to install a backdoor or loophole on products marketed in the US to be used as spy devices.

¹² Ign. L. Adhi Bhaskara, "Saat Cina Dan Amerika Berebut Pengaruh Di Asia Tenggara," *Tirto.Id*, January 10, 2019, accessed July 5, 2019, <https://tirto.id/saat-cina-dan-amerika-berebut-pengaruh-di-asia-tenggara-ddxg>.

In the G20 Summit in Osaka, Japan on Saturday, June 29th of 2019, President Donald Trump stated he would allow Huawei to buy products from the US again. US companies can resell their devices to Huawei, but the equipment sold is that does not disturb national security issues. Trump cannot force his will to continue to compete with China, because it fights Huawei or China, it can bring risks to the US. Especially from Huawei's \$ 30 billion in revenue, of which US \$ 11 billion is income from US companies, so Trump is increasingly aware of this¹³.

ASEAN is probably going to experience collateral damage. This is on the grounds that each 10% decrease in Chinese products to the United States lessens essentially 1.1 percent of ASEAN nations' financial turn of events, The trade war between the United States and China will influence ASEAN as an association since it can possibly obstruct the execution of the ASEAN Economic Community Blueprint for 2025. China is ASEAN's top exchanging accomplice, while the United States is in the fourth position. These two nations' products represented 20% of ASEAN nations' complete commodities. Assuming the exchange battle between the two countries proceeds, send out merchandise creation would slow, which will, thus, impede the ASEAN part nations' unfilled inventory and solid interest for items. Trade wars, then again, diversely affect every ASEAN country, contingent upon how intently their commodities and imports are subject to one another. Thailand, Singapore, and Malaysia, for instance, are the nations generally impacted by the US and Chinese protectionism. With regards to cash deterioration, obviously, it affects Indonesia and the Philippines.

A Senior Executive of China's telecoms company Huawei said that, "America needs Huawei more than Huawei needs America". Beside that, 30% of components of Huawei's global products come from the US and that last year, Huawei spent US\$11 Billion buying technologies and components from some 130 US Companies. Without purchase by Huawei, those US Companies are going to lose, which might affect 40.000 US jobs. Also, some 40 rural telecoms carriers in the United States and tens of thousands of rural residents would not be happy if they could no longer use Huawei equipment, which has been proved to be safe and have competitive "America needs Huawei an overabundance America," a senior chief of Huawei, a Chinese telecoms giant, expressed. Besides that, 30% of Huawei's worldwide merchandise are made in the United States, and Huawei burned through US\$11 billion keep going year on advances and parts from 130 US organizations. Without Huawei's buy, those US organizations will be compelled to close, maybe bringing about the deficiency of 40.000 positions in the United States. Also, around 40 rustic telecoms transporters in the United States, just as a huge number of country residents, would be disappointed on the off chance that they couldn't keep on using Huawei hardware, which has been shown to be protected and practical. Huawei has had gigantic accomplishments regardless of not having a significant presence in the United States. They said that "obstructing Huawei won't make America secure"¹⁴.

¹³ Ahmad Zaenudin, "Di Balik Melunaknya Donald Trump Kepada Huawei," *Tirto.Id*, July 2, 2019, accessed July 5, 2019, <https://tirto.id/di-balik-melunaknya-donald-trump-kepada-huawei-ed1N>.

¹⁴ Xinhua, "Executive: US Needs Huawei More Than Huawei Needs US," *China Daily* (Hong Kong, September 11, 2019), accessed September 18, 2019, <https://www.chinadailyhk.com/articles/233/42/23/1568172177998.html>.

Besides, the trade war between the United States and China fundamentally affects ASEAN part nations' stability, especially in financial issues. This influences principally nations that depend on the two nations' product action, like Singapore, Vietnam, Malaysia, and Thailand. Vietnam and Malaysia send out the most to the United States and China, putting the two nations in danger. Besides, in light of the fact that Singapore, Malaysia, and Thailand have a sizable assembling area that is connected to an overall organization, duties forced on them might make yield be upset.

The impact of the trade war in competition for ASEAN members, including Indonesia's economic growth itself is one of those affected by the global slowdown due to the trade war. Economic growth in the second quarter of 2019 only reached 5.05%, slower than the same period last year of 5.27%. Meanwhile, during the first half of this year, the economy accumulated 5.17%, still far from the government's target of 5.3% this year. The reasons include falling investment and export performance. In the second quarter of 2019, investment still grew 13.7%, but slowed down compared to last year. Meanwhile, exports in January-July 2019 fell by 8.02% compared to the same period last year¹⁵.

The impact of the trade war also hit Thailand, which today announced that economic growth in the second quarter of 2019 only reached 2.3%, the lowest in the last five years. Quoted from BangkokPost, the slowdown was partly due to the weakening of tourist growth, which is one of the main contributors to the country's economic growth. Meanwhile, the Philippines also recorded a slowdown in economic growth from 5.8% in the first quarter of 2019 to 5.5% in the second quarter of 2019. This growth was even the lowest in 17 quarters and still far below the government's target of 6-7%. In addition to the trade war, the political conditions in the country are also a factor holding back the country's economic pace. Singapore is the ASEAN country that has experienced the most impact from the US-China trade war. Investors are even worried that the Asian Investment and Financial Relations Country will experience a recession.

In the second quarter of 2019, Singapore's economy fell 0.6% compared to the previous quarter, the lowest since the 2009 global financial crisis. Quoted from CNN, the Singapore government also cut its economic growth target this year from the range of 1.5% to 2.5% to 0% to 1%. On the other hand, the economies of Vietnam and Malaysia are recorded to be still advancing amid the threat of a US recession and a trade war between the two largest economies. Quoted from Reuters, Vietnam's economy in the second quarter of 2019 still grew 6.71%, slowing compared to the first quarter of 2019 of 6.82%. Although slower than the first quarter, the growth was above analysts' predictions. In the first half of this year, the manufacturing of this Socialist State still grew 9.14%. Investment grew 8%, exports also grew 7.3%. Malaysia's economic growth in the second quarter of 2019 even reached 4.9%, higher than the first quarter of 2019 of 4.5%. Economic growth is also higher than analysts forecast¹⁶.

¹⁵ Agustiyanti, "Negara ASEAN Yang Menang Dan Kalah Di Tengah Perang Dagang AS-Tiongkok," *KataData* (Jakarta, September 19, 2019), <https://katadata.co.id/agustiyanti/finansial/5e9a503885039/negara-asean-yang-menang-dan-kalah-di-tengah-perang-dagang>.

¹⁶ *Ibid.*

3.3 The Role of RCEP To Assist ASEAN in Maintaining Economic Stability AMID The Trade War

The Regional Comprehensive Economic Partnership, called RCEP, is a regional trade agreement between ASEAN countries and also plays a role in the giant Asian economic sectors, namely China, India, Japan, and South Korea. The RCEP initiative began in 2013, but until now it has not yet received an agreement due to resistance from several ASEAN countries and Japan. The development of RCEP is a system for its individuals to achieve innovation, high quality, and common monetary advantages. ASEAN, as recently said, adversely affects the event of exchange clashes. Despite trouble or question, the state will advance joint effort in view of neoliberal thoughts, especially in the monetary region. The Regional Comprehensive Economic Partnership (RCEP) is probably going to be finished soon, permitting ASEAN to help its economy amidst a trade war.

This is a positive thing for Indonesia because in the midst of a trade war, Indonesia can actually take advantage of the US-China trade war by cooperating with RCEP countries. Through this partnership, Indonesia can increase the value of exports and investments which can have a positive impact on economic growth. From a Chinese point of view, RCEP is a profitable RTA because it offers access to the markets of Japan, India and Australia, which is very useful considering the efforts to develop a partnership with the three countries have not been successful. In addition, joining RCEP is very good for China because it excludes the US that is not in it, so China can avoid US threats through TPP agreements in the Southeast Asia region. If RCEP is successfully agreed upon, then a large free trade area will be created without the United States as part of it.

Seeing the ongoing rapid growth in the future, RCEP's overall GDP will potentially grow by more than US \$ 100 trillion by 2050, or about double the size of the Regional Comprehensive Economic Partnership (RCEP): Issues and Way Forward, This agreement itself is scheduled to be realized at the end of 2017, and if it is rehabilitated, it will give a very big advantage, especially China as the superpower that has the biggest influence in it considering that the US is not incorporated in this agreement.

RCEP set up various arrangements about global economic instability starting with the March meeting, which corresponded with the fortifying of US-China ties. As a matter of first importance, to address tax techniques and boundaries, just as to additionally speed up the interest supply dynamic. RCEP supports supply in all types of supply and fills in as a stage for cooperation even with surprising difficulties. The culmination likewise brought about a consent to accelerate rule-production endeavors pointed toward working with exchange and speculation while additionally advancing the expansion and profundity of local worth chains. The accentuation on the RCEP conversations' colossal potential is expected not exactly at upgrading financial development, making more positions, and working on individuals' livelihoods in the RCEP district, yet in addition at contributing significantly to worldwide exchange development.

In mid-July, RCEP held a meeting to discuss US and China negotiations to conduct negotiations that discussed RCEP negotiation agreements quickly and consistently with the guiding principles and objectives for RCEP with any policies related to unilateral trade In mid-July, the Regional Comprehensive Economic Partnership (RCEP) held a

gathering to talk about US-China exchanges. The gathering covered RCEP arrangement arrangements rapidly and reliably with the core values and targets for RCEP, just as any approaches connected with one-sided exchange exchanges and the wide ramifications of ASEAN nations in the multilateral trading framework. The 6th gathering was directed on October 13, 2018, in Singapore. The RCEP talked about various announcements connected to exchange war avoidance, the push for open market increase, and measures to limit the hole between RCEP part countries. The RCEP conversations will be done before the finish of 2018 because of the way that RCEP individuals incorporate arising nations.

Another RCEP conference was held in November 2018 to examine the trade war and track down the best arrangement. This shows that the RCEP is turning out to be more engaged with the battle against trade wars. The RCEP shows that part countries stress organization over who benefits the most. As RCEP individuals, Japan and South Korea can likewise give good monetary conditions to other RCEP individuals, especially arising nations. Since Japan and South Korea have joined ASEAN and RCEP, global collaboration is the best technique to relieve the adverse outcomes of trade wars. The November 2018 RCEP responsibility expresses that RCEP encourages commonly useful participation to fabricate a more evenhanded monetary climate. The job of the RCEP is likewise one of trust and articulation of good faith among the nations that have gone along with it. At the point when the Singaporean Prime Minister showed that he had placed his demands up and made certain of RCEP during an exchange war, an illustration of RCEP participation had the option to convey greatness.

A few realities that can be clarified incorporate the way that the RCEP nations' joined GDP is very enormous, representing 30% of worldwide GDP and that the market capability of RCEP individuals is relied upon to surpass the US \$ 21.6 trillion. As per Bachrul Chairi, Director General of the Indonesian Ministry of Trade's International Trade Cooperation, the monetary force of ten ASEAN nations is presently only 5% of worldwide GDP, or generally the US \$ 2.6 trillion. The RCEP has expanded the financial strength of the partaking nations to 30% of worldwide GDP, or US\$ 21.6 trillion. What's more, the ASEAN market just arrives at 600 million occupants, and RCEP's market target incorporates 16 nations arriving at 3.4 billion occupants.

The importance of RCEP in fostering partnerships benefits all parties involved, as evidenced by some of the data presented above. The RCEP has the potential to become the world's mega-trade. RCEP has the ability to cover a large portion of the global market, removing tariff obstacles that constitute a concern during a trade war between the US and China, and even acting as a buffer against future trade wars.

This section shall include the Author's analysis of the formulation of issues elucidated in the Introduction section. The analysis must be novel and original with no prior Author having analyzed the same matter discussed. The Author's analysis/discussion must conform to its research method as prescribed previously.

4. CONCLUSION

In this, we conclude that the trade war between the United States and China is having an influence on the global economy, particularly in ASEAN member countries. The purpose

of this research is to examine how the US-China trade war affects ASEAN and Huawei Technologies. It is divided into four sections: the first will explain the concept of global exchange as it is analyzed by profession, speculation, and rivalry law; the second will explain the exchange war between the US and China as it affects ASEAN and Huawei Technologies, and the third will explain the role of the Regional Comprehensive Economic Partnership (RCEP) as a guide to ASEAN and Huawei Technologies. The analysis concludes that the trade war between the United States and China can be resolved by forming an independent organization such as the Regional Comprehensive Economic Partnership (RCEP) and that significant progress can be made to reduce reliance on the United States and China by reducing commodities and imports, as well as expanding and improving the quality of domestic goods.

The trade war between the United States and China has had a significant influence on ASEAN countries' investment and economic competition. The existence of a neutral organization in the midst of the US-China and ASEAN trade wars, namely RCEP, has an essential role to play in addressing the negative effects of the trade war, according to the findings of this study. Members of the RCEP have expressed a desire to collaborate in order to improve economic circumstances amongst countries. ASEAN member countries, particularly developing countries, are seen as capable of dealing with the trade war by attempting to take concrete steps such as reducing exports and imports, as well as increasing and improving the quality of domestic products, in order to reduce reliance on the US and China.

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