

Headlines:

- **Saudi Minister says Nuclear Armament against Iran ‘An Option’**
- **US Tests New Missiles**
- **World’s Largest Trade Bloc Formed**

Details:

Saudi Minister says Nuclear Armament against Iran ‘An Option’

In a recent interview, Saudi Foreign Minister Adel al-Jubeir said Saudi Arabia is considering nuclear armament in the event that Iran becomes a nuclear power, noting that “Iranians have only responded to pressure.” Saudi Arabia reserves the right to arm itself with nuclear weapons if regional rival Iran cannot be stopped from making one, the kingdom’s minister of state for foreign affairs also said. “It’s definitely an option,” Adel al-Jubeir told the DPA news agency in a recent interview. If Iran becomes a nuclear power, he said, more countries would follow suit. “And Saudi Arabia has made it very clear, that it will do everything it can to protect its people and to protect its territories.” Last week, Saudi Arabia’s King Salman bin Abdulaziz Al Saud urged the world to take a “decisive stance” to address Iran’s efforts to develop its nuclear and ballistic missile programmes. In response, Iranian foreign ministry spokesman Saeed Khatibzadeh called on the kingdom to refrain from “baseless allegations and hate-mongering”.

US Tests New Missiles

The United States shot down an intercontinental ballistic missile (ICBM) in space for the first time using an interceptor missile fired from a warship. Previous American ICBM intercept tests involved ground-based launchers. Intercepting ICBMs is expensive and difficult, making this a major achievement for the US military. With the US leaving a number of missile accords and with a number of nations already possessing military platforms that can cause problems for the US as we witnessed in Iraq and Afghanistan, the US has been searching for capabilities that would give it stand-off capabilities. America Air-Sea Concept doctrine is built around using stand-off weapons that will not require the US to maintain platforms in close proximity to peer competitors such as China. The global arms race is back on.

World’s Largest Trade Bloc Formed

China, Japan, South Korea, Australia, New Zealand and the ten members of the Association of Southeast Asian Nations (ASEAN) signed the massive Regional Comprehensive Economic Partnership (RCEP) at a regional summit in Hanoi. After nearly a decade of negotiations, the members make up nearly a third of the world's population and account for 29% of global gross domestic product. The new free trade zone will be bigger than both the US-Mexico-Canada Agreement and the European Union. India was also part of the negotiations, but pulled out last year, over concerns that lower tariffs could hurt local producers. Before the US exit from the Trans-Pacific Partnership, RCEP was seen as an alternative to the US-led regional trade agenda given China’s inclusion. RCEP is expected to eliminate a range of tariffs on imports within 20 years. It also includes provisions on intellectual property, telecommunications, financial services, e-commerce and professional services. But its new "rules of origin," which define where a product comes from, will likely have the biggest impact. The existing Free Trade Agreements (FTA) were complex compared to RCEP. Already many member states have free trade agreements (FTA) with each other, but there are limitations. Businesses with global supply chains might face tariffs even within an FTA because their products contain components that are made elsewhere. Whilst many see RECP as a China trade deal, but the deal in reality broadens and standardises existing trade agreements amongst the members. But for China the deal does not significantly deepen its already prominent role in regional trade.