INTERACTION OF COOPERATIVE GEO-ECONOMIC SYSTEMS

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Cooperative geo-economic relations mainly refer to the core and peripheral countries within the same geo-economic grouping in pursuit of common interests, such as traditional economic interests, national economic development and increased international economic competitiveness; non-traditional interests, influencing international rules, enhancing competitiveness, etc.; political interests, maintaining regional security, deepening political ties, etc.; constructing common institutions and common contracts, forming common regional governance to gain opportunities for national economic development. As shown in Figure 1, this study analyzes the mechanism of cooperative geo-economic relations mainly by slicing regional economic cooperation drivers into different types, analyzing the dynamic mechanisms of internal drivers and external tractors with geo-economic cooperation relations one by one, and revealing the interaction of different elements with cooperative geo-economic relations.

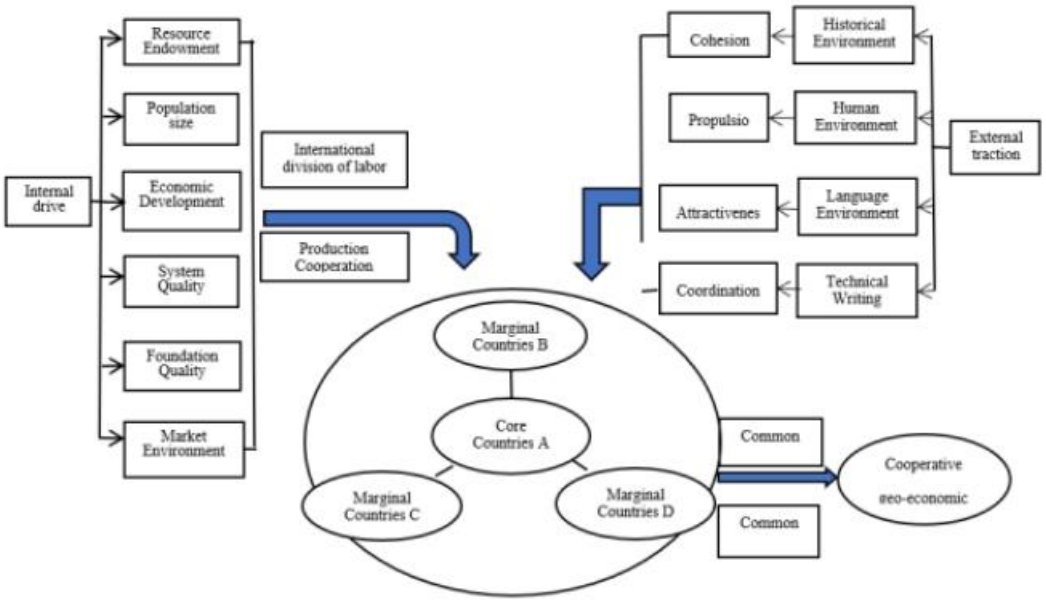


Figure 1. Interaction of cooperative geo-economic systems

For the core and peripheral countries in the group, the stronger the will to achieve common interests, the higher the recognition of the «community of destiny» among countries, the higher the degree of mutual recognition and trust, the higher the degree of regional grouping, and the more likely to promote the formation of cooperative geo-economic relations.

First, cooperative geo-economic relations are based on the geographical proximity effect. The geographical proximity effect is the main factor that affects the transformation of comparative advantages into economic competitiveness: first, the geographical proximity effect reduces transport costs and transaction costs of products and production factors; second, the geographical proximity effect reduces information costs and uncertainty risks; and finally, the geographical

proximity effect weakens the intervention of large extraterritorial countries and enhances cooperation flexibility and autonomy.

The geographical proximity effect is divided into positive and negative effects. The positive effect refers to the positive impact of national geo-economic activities on the geo-economic development of neighboring countries, such as the Asia-Pacific geo-economic grouping led by China, where China's foreign geo-economic activities can drive the geo-economic development of Southeast Asia, South Asia and other countries; the negative effect refers to the negative impact of national geo-economic activities on the geo-economic development of neighboring countries to a certain extent, such as the American geo-economic grouping led by the United States, whose geo For example, the geo-economic grouping of the Americas led by the United States, whose geo-economic activities have a high agglomeration effect on the spatial resources of the surrounding region, has a certain hindrance to the geo-economic development of Mexico and the Caribbean countries.

Second, cooperative geo-economic relations are dominated by the core countries. Different geo-economic groupings can be regarded as geo-economic sub-systems, with different functional types of countries in the same grouping and the core countries dominating the development of the grouping by virtue of their strong combined national power.

(1) The dominant role of France and Germany in the Euro-African Cluster. The rapprochement between France and Germany was the basis for the establishment of the Treaty of Rome and the establishment and smooth operation of the European Monetary System. And later, France and Germany played a major leading role in the EU negotiations. France and Germany also carried out reforms of the common system and negotiations between member states in order to strengthen the same EU internal market.

(2) The leading role of China, Japan and ASEAN countries for the Asia-Pacific grouping. The process of Asia-Pacific geo-economic cooperation is reflected in a complex process of competition for regional dominance by multiple countries. Japan, through the U.S.-Japan alliance and the U.S. geostrategy of «returning to the Asia-Pacific», has expanded its geo-economic influence in the Asia-Pacific region through high political issues and competed for regional dominance through multi-channel regional economic cooperation, such as joining the TPP and signing the EPA. ASEAN uses the «balance of power» strategy and the radial «ASEAN+» structure to gain dominance in the Asia-Pacific region. With China's increasing role in the Asia-Pacific geo-economic cooperation in the areas of trade and investment, tariff and currency integration, its image as a «responsible power» has gained popularity and its leading role in the Asia-Pacific regional cooperation has become increasingly prominent.

(3) The leading role of the United States in the grouping of the Americas. The geo-economic cooperation relationship in the Americas is mainly based on the status of the United States as a great power, which has played a leading role in the development of NAFTA by virtue of its economic, technological and military strengths. NAFTA was established through the United States' defense of their respective interests and the establishment of a common mechanism of cooperation, and subsequently assumed the role of adjudicator of economic issues and regulator of economic order in NAFTA.