

Is the World Heading Towards 'New Cold War'?

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In the midst of US-China tensions the global situation has seen a rapid flux. The geo-political and economic contestations of both nations have created profound uncertainty. Key drivers of globalisation have experienced stress. International relations are increasingly marked by an inclination to 'weaponize' trade and technology. The rising tensions between the US and China have prompted many experts to warn of a new Cold War similar to the Cold War between the US and USSR. This new Cold War may become a major geopolitical risk of the 21st century.

In news: At WEF summit at Davos, Chinese President Xi Jinping warns world leaders against 'New Cold War'

Placing it in syllabus: Foreign Affairs

Dimensions

- Areas of US-China Conflict
- Historical Aspects of US – China Relations
- The impact of their conflict on Global Politics
- What should be India's Response?

Content:

Areas of US-China Conflict:

Beginning with its entry into the **World Trade Organization in December 2001**, China rapidly transformed its economy from a **low-cost "factory to the world"** to a **global leader in advanced technologies**.

Along the way, it has transformed global supply chains, but also international diplomacy, leveraging its success to become the primary trading and development partner for

emerging economies across Asia, Africa and Latin America.

But **Beijing's emergence as a global power has also created tensions.**

US-China tensions can broadly be classified into the following major areas **(T4 +M+C)** :

- **Trade, Technology, Territorial issues** (such as Hong Kong, Xinjiang, Tibet, Taiwan, the South China Sea, and Regional Connectivity) and **Tenets**, which allude to values, ideology and the advocacy of particular systems of political and economic governance **(T4)**.
- **Military** domain **(M)**.
- origins of the **Coronavirus disease (COVID-19)** and demands for accountability **(C)**

Trade & Technology:

- Both the US and China regularly resorted to protectionist measures in the recent past.
- The US, under President Trump, was attempting to preserve its pre-eminence while rejecting multilateralism. It favours an **"America First" policy**.
- On May 15, 2019, the Trump administration issued an **Executive Order (EO)** entitled "Securing the Information and Communications Technology and Services Supply Chain"
- This has been done on the ground that **Chinese equipment (Huawei, ZTE)** is designed to aid snooping.
- There have been apprehensions that American telecoms players are too much dependent on subsidised Chinese technology.
- The US-China rivalry has spurred China to take a strategic decision to continue its import of Iranian crude oil, the American sanctions notwithstanding.
- The U.S.-China trade war is **a battle for technological supremacy** and its commercial and national security advantages.

- China's ambitious targets are clearly outlined in the **Made in China 2025 policy**. It has stolen a march in some key areas including 5G, big data, robotics, and AI.
- U.S. businesses in China have complained for years about forced technology transfers and theft of intellectual property.
- These have galvanized the Trump administration into action.
- With tensions rising in the wake of COVID-19 and the earlier blacklisting of Huawei Technologies by the US, the spectre of a high-tech war looms large.

Territorial Issues:

- Tensions have spiked between the US and China in regard to the **Hong Kong Special Administrative Region (HKSAR), Xinjiang, Tibet, Taiwan, South China Sea** and regional connectivity.
- The US has recently passed the **Hong Kong Human Rights and Democracy Act of 2019, Tibet Policy Support Act of 2019, Taiwan Allies International Protection and Enhancement Initiative (TAIPEI) Act of 2019, and the Uyghur Human Rights Policy Act of 2020.**
- A **"No China Act"** aimed at keeping Chinese companies off the list of beneficiaries eligible for US assistance during the pandemic is also on the anvil.
- China claims that the U.S. is behind the disturbances in HKSAR. It sees the Hong Kong Human Rights and Democracy Act of 2019 as a devious plot to interfere in its 'internal affairs'.
- Chinese policies in Xinjiang have come in for sharp criticism in the US.
- Likewise, China's policies towards Tibet and interference in matters relating to Tibetan Buddhism has also been sharply criticised.

Tenets & Ideological issues:

- The US-China struggle is over the narrative for political, economic and cultural systems. The US has dominated this discourse for over a century.
- China feels vindicated that its systems have weathered the challenges of two global economic and financial crises and contributed to domestic prosperity and global growth better than western systems.
- Global expectations that China would liberalise its political system and be nudged towards democracy and openness by economic growth and prosperity have been proven wrong.
- On the contrary, Xi Jinping has used economic success to clamp down on freedoms, modernise the military and tighten the firm grip of the Chinese Communist Party (CCP).
- China's efforts to portray its success in containing COVID-19 as a vindication of the CCP model of governance and development has run into intense flak.

Military related Issues:

- China's investment in its military is growing rapidly.
- The United States, along with independent analysts, **remains convinced that China conceals the real extent of its military spending.**
- **Concerns over the Chinese military budget** may come from US worries that China is attempting to threaten its neighbors or to challenge the United States.
- **Concerns have been raised that China is developing a large naval base near the South China Sea** and has diverted resources from the People's Liberation Army Ground Force to the **People's Liberation Army Navy** and to air force and missile development.
- China has enhanced its Anti-Access, Area Denial (A2/AD) capabilities in the Asia-Pacific theatre.
- The US is likely to resort to new dimensions in its military posture without being hampered by the

Intermediate-Range Nuclear Forces (INF) Treaty which has now been abandoned.

Issues Over Origin of COVID-19:

- In relation to the impact of the COVID-19 pandemic on politics, the **United States government has referred to the coronavirus as the “Chinese virus” or the “Wuhan virus”**, terms which have been criticized for being racist.
- In return, some Chinese officials rejected an earlier acknowledgement of the coronavirus outbreak starting in Wuhan. They proposed in favor of conspiracy theories that the virus originated in the U.S. or Italy.
- The U.S. intelligence community says **China intentionally under-reported its number of coronavirus cases**, with no presented evidence
- On September 22, 2020, Donald **Trump called on the United Nations to “hold China accountable for their actions”**, in a speech to the world body’s General Assembly.
- President Trump blamed the Chinese government for the global spread of COVID-19, which had infected 31 million people worldwide and killed more than 965,000, by then.
- The trade war between China and the US alongside Beijing behavior during the COVID-19 crisis have combined to worsen American public opinion and perception about China.
- There is talk of the coronavirus having originated in a laboratory in Wuhan, with speculation abounding about biological warfare programmes and accidental release.
- This provides an opportune moment to turn the spotlight on the inherent weaknesses of the **Biological Weapons Convention (BWC) of 1975**

Historical Aspects of US – China Relations:

- Historically, relations between the two countries have generally been stable with some periods of open

conflict, most notably during the Korean War and the Vietnam War.

- Relations with China began under US President George Washington, leading to the 1845 **Treaty of Wangxia**.
- The US was allied to the Republic of China during the Pacific War.
- But after the Communist victory in Mainland China during the Chinese Civil War, The US fought a major armed conflict with the People's Republic of China in the Korean War.
- The US also cut its ties with CHina and did not re-establish relations for 25 years.
- After President Richard Nixon's 1972 visit to China nearly every US president has toured China.
- Relations with China have strained under President Barack Obama's **Asia pivot strategy**.
- Despite tensions during his term, the Chinese population's favorability of the US stood at 51% in Obama's last year of 2016, only to fall during the Trump administration.

The impact of the conflict on Global Politics:

- China has come out with alternative governance mechanisms to the U.S.-dominated **International Monetary Fund, World Bank** and **World Trade Organization**.
- These include China's all-encompassing **Belt and Road Initiative** and institutions like Asia infrastructure investment bank, **contingency reserve agreement (CRA)** of New Development Bank.
- In order to contain rising China's assertiveness, the US under its '**pivot to Asia policy**' has launched a quad initiative, Indo pacific narrative.
- Most recently, the **US proposed to expand G7 to G-11 without including China in it**.
- **China's incremental "salami slicing" tactics in the South China Sea**, first by land reclamation and then

constructing artificial islands for extending extra-territorial claim, has seen sharp criticism from the US and its allies.

- It is similar to the way dominance over the Caribbean enabled the United States to strategically control the Atlantic Ocean and thus, affect the balance of forces in the two world wars and a cold war.
- From Trade war to tensions over **5G telecommunications to currency wars**, US-China confrontation is on multiple economic fronts.
- Further, the **donor-recipient relationship between US and developing countries has weakened** with China's pledge of \$2-billion amid COVID-19 pandemic, thereby starting a **new phase of donation diplomacy**.
- Moreover, China perceives US support for Taiwan as an interference in its internal matters.
- The current COVID-19 pandemic situation can even strengthen the trend towards protectionism and emphasis on domestic manufacturing even if it remains against the principles of market forces.
- The push for globalisation has been weakened by the closed borders and disrupted trade and supply chains.
- It **has raised the need to evolve a fresh outlook on global interdependence and cooperation** in dealing with pandemics and a host of other issues.

India's Actions so far:

- In 2009, the Department of Telecommunications (DoT) had advised Indian mobile companies to suspend deals with Chinese equipment makers after fears that Chinese equipment were being used for hacking and spying.
- However, India did not took strong actions on any of DoT's recommendations. Indeed, much of India's telecom growth story has been supported by Chinese companies in both hardware and software.
- The approach changed after the standoff in Ladakh,

wherein India has asked state-owned telecom service providers to exclude Chinese companies from the scope of their network upgrade contracts.

- India also justified the ban on 59 mobile apps with Chinese links on grounds of a threat to national security.
- This was part of the wider decision to signal curbs on Chinese investments and tech companies in the country.
- The border clashes and the U.S.A action could now force India into the anti-China camp.

What should be India's Response?

- India is a rising global power. This importance has attracted the attention of both the US and China.
- Foreign policy experts in the US argue "India is a natural US ally" in the New Cold War.
- On the other hand Chinese's Ambassador in India has suggested writing "together a new chapter" with "a shared future for mankind".

In this context:

- India can **promote new multilateralism** under the aegis of **Vasudhaiva Kutumbakam**– which relies on restructuring both the economic order and societal behaviour for equitable sustainable development.
- If China is a "factory to the world", **India has the potential to be a "pharmacy to the world"**. It can take on a new and well-deserved moniker, that of **Vishwa Vaidya** (global physician).
- As the world's largest producer and exporter of cost-effective generic drugs, India's readiness to ship the antimalarial drug hydroxychloroquine to fight COVID-19 to others is a "good Samaritan" act
- **India must take up intensified diplomacy with global powers** so that Asian Century can be defined

in terms of peaceful co-existence and global interest.

- Apart from it, **India should acknowledge that national security now relies on technological superiority** in artificial intelligence (AI), cyber and space, and not expensive capital equipment.
- Thus, India should become **self sufficient in the domain of critical technologies**.
- The rift between the US and China over COVID-19 does not automatically translate into any clear-cut advantages for India.
- India must **create the necessary infrastructure and policy framework to attract global supply chains** that may exit China.
- Given that **India and China** are neighbours, it is **imperative that they live in harmony**.
- There exists scope to **deepen their developmental partnership**, notwithstanding differences over issues such as the boundary question, trade, the status of Jammu and Kashmir, and China's policy towards Pakistan.
- COVID-19 has shown how China's actions impact the entire world. China's cooperation will be vital in reforming global institutions and practices.
- A confident India appears fully capable of absorbing the shocks of the pandemic and striding forth to engage a world divided by trade wars and ideological contestation.
- Despite hardships, India can, and must, take the lead in bringing the world together to practice a new multilateralism which places the common interests of humanity above narrow national interests.
- **Multilateralism in a post-COVID-19 world provides a strategic opportunity for India to emerge as an independent pole.**

Mould your thought: The rising tensions between the US and China can escalate into a new Cold War. Elaborate this statement and identify the stance India should take in this situation. *Approach to the answer:*

- Introduction
- Write in brief about the conflicts between US and China
- Discuss the effects of these on the global politics
- Write about India's opportunities
- Conclusion