



## **The Xiplomacy of Making Fateful Decisions**

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### **Executive Summary**

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\* In the second half of March 2020, there was growing hope in Beijing for an “alien invasion moment” in the relations with the Trump White House. Even though Beijing wanted to focus on the COVID-19 crisis and the ensuing recovery - they concluded that this was not to be. China no longer entertains any illusions or false hopes regarding compromise and detente with the US.

\* A key element of the Chinese up-dated vision is a stronger strategic partnership with Russia in order to provide an umbrella against US threats under which China will be able to return to pursuing her traditional objectives and realize the historic ascent of China.

\* Slowly emerging from the COVID-19 crisis, Beijing is setting eyes on the next major challenge - the last sprint toward the centenary anniversary of the CPC in July 2021. Even though a complete or near-complete economic recovery will be achieved in all likelihood - there remains the question just how much of this will take place before July 2021.

\* An escalation in the confrontation with the US is now considered in Beijing to be an inevitable part of the ascent of China. Yet, China is desperate to avoid direct confrontation and war despite the US efforts at containment and provocations. To defuse the crisis, China offered Washington a vision of shared future and global spheres of influence where China dominates the Eastern Hemisphere and littoral waters, and the US dominates the Western Hemisphere and deep oceans.

\*The great quandary for China is whether a US humbled by the socio-economic and health crises will be sufficiently pragmatic to realize that this option is far better than the aggregate ramifications of an economically devastating decoupling and a new Cold War that might escalate to a nuclear war. The answer is at the Trump White House, and the prospects, as analyzed by Xi Jinping and his Forbidden City, are not good.



## About ISPSW

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## About the Author of this Issue

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Yossef Bodansky has been the Director of Research at the International Strategic Studies Association [ISSA], as well as a Senior Editor for the *Defense & Foreign Affairs* group of publications, since 1983. He was the Director of the Congressional Task Force on Terrorism and Unconventional Warfare at the U.S. House of Representatives between 1988 and 2004, and stayed on as a special adviser to Congress till January 2009. In the mid-1980s, he acted as a senior consultant for the U.S. Department of Defense and the Department of State.

He is the author of eleven books – including *Bin Laden: The Man Who Declared War on America* (*New York Times* No. 1 Bestseller & *Washington Post* No. 1 Bestseller), *The Secret History of the Iraq War* (*New York Times* Bestseller & *Foreign Affairs Magazine* Bestseller), and *Chechen Jihad: Al Qaeda's Training Ground and the Next Wave of Terror* – and hundreds of articles, book chapters and Congressional reports.

Mr Bodansky is a Director at the Prague Society for International Cooperation, and serves on the Board of the Global Panel Foundation and several other institutions worldwide.



*Yossef Bodansky*



## Analysis

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In the second half of March 2020, there was growing hope in the Forbidden City for an “alien invasion moment” in the relations with the Trump White House.

The original “alien invasion moment” took place during the summit of US President Ronald Reagan and Soviet President Mikhail Gorbachev in Geneva on 19 November 1985. It was the height of the Cold War, and the summit started with great tension, acrimony and animosity. As Gorbachev recalled in a 2009 interview, he and Reagan were walking outside and talking when they reached the fireside house.

“From the fireside house, President Reagan suddenly said to me, ‘What would you do if the United States were suddenly attacked by someone from outer space? Would you help us?’

“I said, ‘No doubt about it.’

“He said, ‘We too.’ So that’s interesting.”

Both US and Soviet officials considered the fireside house exchange - called the alien invasion moment - one of the key turning points that started the ending of the Cold War. Then US Secretary of State George Shultz recalled in the same 2009 interview that “when [Gorbachev and Reagan] came back, there were two friends, almost. Talking about what was going to happen.”

Now, in March 2020, the Forbidden City had high hopes for a similar turnaround in the stormy US-Sino relations. With the entire world fighting the escalating COVID-19 crisis, the Forbidden City hoped that the Trump White House would agree to join a common global struggle and put aside the escalating confrontation. Chinese efforts to probe with and via other world capitals if the White House would reciprocate were soundly rebuffed. There was no interest in the Trump White House in anything but Chinese “capitulation”, Beijing was told by several foreign leaders.

Hence, even though the Forbidden City hoped to be able to focus on the COVID-19 crisis and the ensuing recovery of both Chinese society and the economy from the unprecedented crisis - they reached the grim conclusion that this was not to be. The growing US hostility in both action and word convinced the Forbidden City that there was no escape from making fateful decisions about the next phase in the relations with the US. Before committing to a drastic decision regarding both US and global policies - Xi Jinping personally introduced the options facing China.

On 26 March, Xi Jinping participated in the Extraordinary G20 Virtual Leaders’ Summit and delivered a speech titled “Working Together to Defeat the COVID-19 Outbreak”. Chinese senior officials consider this presentation to be a blueprint for Chinese policy in the post-Corona Virus era. Xi Jinping’s theme was orchestrating a joint global effort to first alleviate the pandemic threats and then rebuild the world’s economies and societies. “The situation is worrying. At present, what the international community needs most is firm confidence, concerted efforts, and united response, comprehensively strengthening international cooperation, rallying strong and powerful efforts to overcome the epidemic, and joining hands to win this human struggle against major infectious diseases,” Xi Jinping argued.

He proposed a four-points plan to turn around the global crisis. “First, we need to be resolute in fighting a global war against the COVID-19 pandemic. The community of nations must move swiftly to curtail the spread of the virus.” Special attention should be paid to helping the less fortunate countries. “We must work together to help



developing countries with weak public health systems to improve their response capabilities. ... Guided by the vision of a global community with a shared future, China is more than ready to share its successful practices, conduct joint research and development of medicines and vaccines, and provide any assistance it can to countries hit by the growing outbreak." Xi Jinping's second point was to "effectively carry out international joint defense and joint control" against the pandemic that "knows no borders. The epidemic is our common enemy." China will continue to send medical teams of experts and material help to anybody in need. The third point was to "actively support the role of international organizations" starting with the WHO. In addition, "China will work with other countries to increase support for relevant international and regional organizations."

Xi Jinping's last point focused on rebuilding the global economies. "Fourth, we need to strengthen international macro-economic policy coordination. The epidemic has caused a comprehensive disruption of global production and demand. Countries should work together to increase macro-policy coordination to counteract the negative impact and to prevent the world economy from falling into recession." He urged all countries to jointly "implement strong and effective fiscal and monetary policies to keep our exchange rates basically stable," as well as "to better coordinate financial regulation to keep global financial markets stable." He then urged the participating leaders "to jointly keep the global industrial and supply chains stable. What China will do in this regard is to increase its supply of active pharmaceutical ingredients, daily necessities, anti-epidemic supplies and other products to the international market." Special attention will be paid to helping the hardest hit, vulnerable and disadvantaged population groupings.

Overall, Xi Jinping stated, "China will continue to implement an active fiscal policy and a prudent monetary policy, unswervingly expand reform and opening up, relax market access, continue to optimize the business environment, actively expand imports, expand foreign investment, and contribute to world economic stability." Xi Jinping concluded by urging the G20 leaders "to take joint measures to reduce tariffs, remove barriers, and smooth the flow of trade, send a powerful signal, and bolster the morale/confidence of the global economic recovery. We should formulate the G20 [joint] action plan and promptly set up the necessary institutional communications and arrangements for the coordination of anti-epidemic macro policies. ... At this critical moment, we should rise up to the challenge and act quickly. I firmly believe that as long as we work together and help each other, we will be able to overcome this pandemic thoroughly and usher in a better/brighter tomorrow for humanity."

The next day, on 27 March, Donald Trump and Xi Jinping talked on the phone. According to Trump, they had a "very good conversation" about jointly fighting the Corona Virus pandemic. When the conversation started, Xi Jinping still hoped for an "alien invasion moment" despite all the warning indications to the contrary. Indeed, the moment did not come.

According to the Chinese record of the conversation, Xi Jinping went out of his way to assure Trump of the Chinese support for the US. He urged the US to cooperate with China and the rest of the world. "The international community can only win by fighting together." In addition, Xi Jinping was ready for Sino-US bilateral cooperation. "Under the current circumstances, China and the United States should unite against the epidemic. ... China understands the current difficult situation of the United States and is willing to provide any support it can offer." Xi Jinping stressed that any new cooperation against the Corona Virus could and should serve as the springboard for a new era of improved Sino-US relations. "At present, Sino-US relations are at an important juncture. Cooperation between China and the United States is beneficial to both sides, while fighting is harmful to both. Cooperation is the only correct choice. It is hoped that the United States will take substantive



actions to improve Sino-US relations. The two sides should make joint efforts to strengthen cooperation in areas such as combating the epidemic, and develop a relationship without conflict or confrontation that is based on mutual respect and mutually beneficial cooperation,” Xi Jinping advocated.

According to the White House reading of the phone conversation, Trump only pledged better cooperation with Xi Jinping on Corona Virus issues. The crux of the conversation was Trump’s asking for more Chinese help in both supplies and expertise, and Xi Jinping promised that China would provide all of the American requests. Indeed, China delivered on these promises - prioritizing US purchases of medical equipment by both the US Government and individual State Governments, increasing both private and state donations to US entities, and sending several planeloads of medical equipment to the US. In the month that followed the Xi-Trump call, a daily average of a dozen converted airliners delivered medical goods from China to the US.

Significantly, in keeping the phone conversation with Trump, Xi Jinping decided to internalize and ignore the profound US anti-China milestone that had taken place shortly beforehand. Only a few hours before his phone talk with Xi Jinping, Trump signed the TAIPEI Act (Taiwan Allies International Protection and Enhancement Initiative Act) into US law. The TAIPEI Act guarantees major military supplies from the US for Taiwan and a US umbrella for any politically provocative moves by Taipei. The Act also permits the US “to use foreign aid to encourage other countries to maintain diplomatic relations with Taiwan.” Thus, the urgent imperative to obtain Chinese help for alleviating the US own COVID-19 crisis did not deter the Trump White House from heralding a profound change in the US support for Taiwan in flagrant affront to China. Consequently, after the Trump-Xi Jinping phone conversation, the Forbidden City no longer entertained any illusions or false hopes regarding the prospects of compromise and detente with the Trump Administration.

This realization led the Forbidden City to conduct a thorough reevaluation of China’s global posture as well as foreign policy and macro-economic priority objectives in the post-COVID-19 world. The Forbidden City is cognizant that there will be major adaptations to be made. Yet, the heritage-historic objectives of China must and will remain the core objectives during the immediate post-COVID-19 period.

A key element of the Chinese up-dated vision is a stronger partnership with Russia in order to provide an umbrella against US threats under which China will be able to return to pursuing her traditional objectives. The intense discussions between China and Russia culminated in a phone conversation between Vladimir Putin and Xi Jinping on 16 April.

Publicly, the phone conversation dealt with improving and expanding Russian-Chinese coordination in handling the Corona Virus. This indeed took place. However, the conversation focused mainly on strengthening and expanding “the special nature of the Russian-Chinese comprehensive strategic partnership.” Both leaders agreed on a series of unprecedented joint security measures and undertakings, as well as accelerating the continuous growth of mutual trade. The security measures include the transfer of Russian strategic technologies that would enable China to better confront the US strategic military threats, as well as close coordination against the looming US nuclear threats to both countries. Putin and Xi Jinping also agreed that Russia and China “would further coordinate their diplomatic efforts” in addressing “current international issues” while pursuing, enhancing and protecting their “core and long-term interests”. The consolidation of the Eurasian sphere is at the top of their common agenda. Both leaders also expect the escalation of confrontation with the US as manifested in the US support for Saudi Arabia in the oil price war, the escalation of US military activities in the South China Sea and around Taiwan, the anticipated deployment of new US nuclear weapons to East Asia, as well as several trade, tariff and sanctions issues.



The new era of Russia turning eastward and having closer relations with China was heralded on 24 April when Putin signed into law that 3 September will now be recognized as the date of the end of the Second World War. While China celebrates 3 September - the date the Japanese forces throughout the Mainland surrendered to Soviet and Chinese forces - the West recognizes 2 September - the date Japan signed the surrender documents on the USS Missouri. The next day, Xie Wenting and Zhang Hui observed in the *Global Times* that this change of date "signals closer ties between China and Russia in the world order that is undergoing profound changes due to coronavirus pandemic."

Professor Li Haidong of the China Foreign Affairs University explained to Xie Wenting and Zhang Hui that the Kremlin is cognizant that "the international order is undergoing profound changes and a new order is gradually appearing. The legitimate basis for this new order should be based on the rejection of Nazism, populism, and militarism. The change to the date that makes it the same as China's indicates the two countries have reached an agreement on many significant international affairs, especially the legitimacy of the new social order." Li Haidong stressed that "the relations between China and Russia are not alliances, but are a comprehensive strategic partnership" that denotes a new type of coordination and cooperation. He added that "without the active coordination between China and Russia in many international affairs, the world is very likely to become more divided and unstable." In contrast, "this positive cooperation between the two sides will be a solid foundation for the world's stability."

Professor Gao Fei, also of the China Foreign Affairs University, concurred that Putin's signing of the new law "is sending a clear signal to the world that Russia is standing by China, and Russia would like to cooperate with China to combat this new enemy of the world." There can be profound long-term ramifications to this move. Gao Fei elaborated to Xie Wenting and Zhang Hui that "Russia's close ties with China compared to that with the US and its allies [and] trying to single out China, would divide the world into two implacably opposed camps." Russia is now examining the world "in a more balanced way" and is identifying herself as "both a European and Asian country." Taken together, Gao Fei concluded, these dynamics "also indicated that Russia has dropped its west-centered logic and started to coordinate with and support its ally, China, in significant international affairs, as leaders of both countries have repeatedly expressed willingness to strengthen strategic coordination in international affairs."

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Meanwhile, back on 16 April, Wang Yi, the State Councilor and Minister of Foreign Affairs, published an authoritative analysis of the current and future foreign policy of China in the COVID-19 era. The article was titled "Following Xi Jinping Thought on Diplomacy to Build a Community with a Shared Future for Mankind Through International Cooperation Against COVID-19". The official English translation was first published in the *Global Times* and subsequently in the entire Chinese media.

China's global role in the post-COVID-19 world is bound to expand and rise, Wang Yi explained, because of both the unique circumstances in the world and China's own track record in handling the crisis. The outbreak of the pandemic "dragged the whole human race into a fierce war with a highly infectious disease on a global scale." In handling the crisis at home and helping foreign countries in distress, China "acted as a responsible major country." Concurrently, traumatic as it might be, the crisis cannot change the unfolding mega-trends, and particularly the heritage and aspirations of both China and the world. "Unequivocally, COVID-19 cannot arrest the Chinese people's determined march toward national rejuvenation. And it cannot impede the progress of human civilizations."





Under the leadership of Xi Jinping and the Party, China handled the crisis quite effectively, and in so doing laid down the foundations for the post-crisis world. “While battling the outbreak, China has managed to restore its economy and society step by step to a normal order,” Wang Yi wrote. “The early economic reopening of China, ‘the world’s factory’, has significantly eased the strained global medical supplies. It will also help bring the world economy back to normal at an early date.” Throughout, China has done its utmost to provide comprehensive assistance to the entire world. China and Chinese entities contributed and sent out “many shipments of urgently needed medical supplies to over 140 countries and international organizations. We made best use of our strong production capacity, and timely reopened the market and export channels for medical supplies.” Wang Yi observed that “‘Aid from China’, together with the already well-known ‘Made in China’, provide a steady driving force for the global efforts in fighting the virus.” Not everybody appreciated the Chinese success.

In this context, Wang Yi alluded to the feud with the US - hinting that it is over the question who would be the next leader of the world. Wang Yi is confident that the world’s choice will be China. This is because of the recent record of China’s behavior and contributions to humanity. “China has spoken up with its actions. And history will give its objective and impartial verdict. No one could discredit or distort these facts or truths. To defeat the virus, mankind needs to choose confidence over panic, unity over division, and cooperation over scapegoating. This is the position that China has made clear since the virus broke out in different parts of the world.” At the same time, the Chinese people does not forget and would not ignore the international help China received at the beginning of the pandemic crisis. “Today, in the face of a growing outbreak in the world, the Chinese people empathized and reciprocated. ... In this spirit, the Chinese people and the whole world have written together an epic of international humanitarianism. This is the best example of a community with a shared future for mankind.”

Wang Yi stressed the importance of the leadership and guidance of Xi Jinping and the CPC leadership to both addressing and resolving China’s great challenge, and to formulating the path for the entire world. In order to attain China’s great international achievements to-date, Wang Yi explained, “we on the diplomatic front have been earnestly implementing the important instructions of General Secretary Xi Jinping and the decisions and directions from the CPC Central Committee and the State Council. We have scaled up efforts to maintain political integrity, think in big-picture terms, follow the leadership core and keep in alignment, to enhance confidence in the path, theory, system and culture of socialism with Chinese characteristics, and to firmly uphold General Secretary Xi Jinping’s core position in both the CPC Central Committee and the CPC as a whole and firmly uphold the CPC Central Committee’s authority and its centralized, unified leadership.”

Such unique leadership is required given the magnitude of the challenges ahead, Wang Yi elaborated. The immensity and expansion of the COVID-19 crisis already has impact on the entire scope of international relations and interactions. “In the age of economic globalization, traditional and non-traditional security issues are putting mankind under one test after another.” Wang Yi once again tacitly compared between the Chinese and US approaches to handling the COVID-19 crisis and its impending aftermath. “In a crisis like this, complaining, finger-pointing or scapegoating is not the way to get countries to stay focused on their battle against the outbreak. Such a move will very likely divide the international community, erode the gains from international cooperation, and ultimately hurt the shared interests of all.” There should be no doubt about the veracity of the Chinese approach to the next phase.

In conclusion, Wang Yi articulated the Chinese perception of what’s next for China and the world.



“At the global level, China will promote better coordination on macro-economic policies, and call on all parties to cast their eyes on a ‘post-COVID-19 era’ and do whatever it takes to keep global industrial and supply chains stable and promote trade and investment liberalization and facilitation. We must work together to make sure that the world economy can see the rainbow after the storm and emerge with a more balanced and sustainable growth.

“There will be a day when the outbreak is over and mankind prevail. We are confident that under the strong leadership of the CPC Central Committee with Comrade Xi Jinping at its core, China will be the first to win a full victory against COVID-19. We are convinced that with solidarity and cooperation among countries, mankind will stand the test of this outbreak.

“We believe that when the outbreak is over, China’s friendship with the world will grow stronger. China’s cooperation with the world will become more solidly based. The notion that China shares the same future with the world will win the heart of the people. And countries will take bigger and more solid steps toward a community with a shared future for mankind!”

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However, before China’s long-term vision can be realized - there are immediate, short term challenges to be addressed.

Slowly emerging from the COVID-19 crisis, official Beijing is setting eyes on the next major challenge - the last sprint toward the centenary anniversary of the Communist Party of China in July 2021. (The CPC was originally founded on 23 July 1921.) Originally, the celebration of the Party’s centenary was to be a demonstration of major domestic achievements serving as the springboard for the bright future ahead as China would be accelerating its ascent to global Hegemon comes 2049.

However, Beijing finds itself in an overall difficult situation in Spring 2020. The Corona Virus crisis hit China before the heavy economic cost of the tariff talks and trade war with the US could be absorbed. The COVID-19 crisis has since paralyzed both society and the economy for a few months now. Even if China - “the world’s factory” - is capable of resurrecting and reopening the vast majority of production lines rather quickly, as well as of up-dating and modifying some of those as needed to conform with the prevailing global circumstances - this will no longer be enough. The entire world has been hit hard by the Corona Virus. National economies crashed - leaving behind vast swaths of people confused and impoverished. Hence, markets for Chinese products - starting with the mid- and high-end electronics and other manufactured goods - will shrink significantly in the immediate future.

Therefore, there are profound uncertainties about the pace and extent of the Chinese economic recovery in the coming months. Yes, the voucher/coupon system introduced by Beijing will divert the equivalent of trillions of Yuans to the domestic market and jump start consumption and production. Similarly, the new focus on dramatically improving the domestic growing and production of food will have significant positive impact on the Chinese economy. However, it will take a few months before the first crops are harvested. Therefore, will these domestic economic developments be enough to put the Chinese economy on the right track within a year or so? How close will the GDP for 2020 come to the 6-or-so percent anticipated prior to the Corona Virus crisis? Hence, even though a complete or near-complete economic recovery will be ultimately achieved in all likelihood - there remains the question just how much of this will take place before July 2021.





Politically, however, China is on the right track. The on-going and growing Chinese and Russian medical support for European states and globally has effectively decided the fate of Eurasia in favor of China and Russia to the detriment of US interests. US efforts to block and contain the Chinese medical support have largely failed. Significantly, in Europe, wherever Washington demanded that local authorities choose between Washington and Beijing - the public chose Beijing. China never tried to compel the Europeans to take sides and make stark choices. In Europe, China was happy with a loose tributary system where China's preeminence and primary interests are recognized and respected. The US took the confrontation over Europe way beyond China's intentions. Consequently, China has now to win this confrontation too. And Beijing is determined to do so.

In a 24 April article in the *South China Morning Post*, Zhou Bo of the PLA Academy of Military Science elucidated Beijing's analysis of the latest developments in the West. China must pay close attention to the dramatic developments in the West - her main competitor. "The West is not in decay. It is falling apart," Zhou Bo observed. "There is no leadership." The profound changes in the West, and particularly the growing gaps between Europe and the US, are now exacerbated further by the COVID-19 crisis. "In Europe, each country is fighting for its own survival. Beggar-thy-neighbor policies are common." The Chinese rallying to provide Europe with medical aid had major strategic ramifications, and Beijing must therefore pay close attention to the US reaction.

Zhou Bo noted that although China is having the upper hand in the confrontation with the US - the long-term prospects are grim. "Beijing's success does not bode well for Washington, which has declared a major power competition and taken China and Russia as its main competitors. Two rounds are already being fought, the first a trading tug of war for nearly two years, where Washington does not appear to have gained the upper hand. In the ongoing second round against the pathogen, ... the outcome is already determined, like a one-horse race. The US has become a recipient of desperately needed medical supplies from China, either through Chinese donations or its own procurement." The US, claiming to be the world's greatest power and sole leader, cannot accept this state of affairs. This opens the door to further escalation of the US-China crisis - from political-economic acrimony to military provocations. China should make every effort to defuse the looming crisis.

Meanwhile, the specter of Sino-US decoupling is becoming a reality, Zhou Bo wrote. "Should China and the US decouple in trade and technology, Europe stands to reap benefits in a greater flow of goods, capital, personnel and technology from China." Indeed, the key development is the evolution of the long-term Chinese relations with Europe. "China and Europe will inevitably get closer. A divided Europe, further dismayed by the worsening transatlantic relationship, will naturally look east, while China, in competition with the US, has to enhance ties with Europe, too. ... The pandemic can only further highlight the importance of international cooperation."

Ultimately, Zhou Bo concluded, China must put the entire scope of relations with the West in a wider global perspective. "For the West, it remains to be seen if it will discard its hubris and see the world as it is. ... If the West looks beyond its reflection, it will see that the world, composed of 195 sovereign states with the vast majority being developing countries, has long been essentially non-Western." China must exploit and capitalize on this reality in facing the West and for its own historic ascent. However, the concurrent rise in Chinese nationalism complicates things, Wu Qiang of Tsinghua University told Kristin Huang of the *South China Morning Post* on 26 April. The "China-centric vision" heralded by Beijing is "inconsistent with the prevailing international order." The world order China is striving for is "similar to the tribute system back in ancient times that put China in the center of the world," Wu Qiang argued. "But this kind of system is one of the key reasons that make the international community worried and uneasy."



Meanwhile, the Trump Administration committed to a marked escalation of the confrontation with the China irrespective of the unfolding COVID-19 crisis and the flow of Chinese medical aid. To the growing annoyance of Beijing, Trump resumed referring to the “China Virus” despite his promises to Xi Jinping. On 17 April, Trump argued that the pandemic “could have been stopped in China before it started and it wasn’t, and the whole world is suffering because of it.” Trump attributed this to the way China handled the crisis, and warned that if it is shown that the Chinese “were knowingly responsible, yeah, I mean, then sure there should be consequences.” He also approved of litigations seeking compensation from China.

Also, on 17 April, Secretary of State Mike Pompeo argued that European states should ban Huawei because Beijing was not transparent regarding the beginning of the Corona Virus outbreak. “I am very confident that this moment where the Chinese Communist Party failed to be transparent and open and handle data in an appropriate way will cause many, many countries rethink what they were doing with respect to their telecom architecture,” Pompeo said. “And when Huawei comes knocking to sell them equipment and hardware, they will have a different prism through which to view that decision.” Pompeo also accused China of “conducting secret nuclear tests,” while the commander of the US Strategic Command, Admiral Charles Richard, stated that the pandemic has “no impact” on the US ability to launch nuclear weapons.

The US has returned to increasing the pressure on China and openly discussing confrontation and war. On 25 April, White House trade advisor Peter Navarro suggested that a state of war existed between the US and China on account of the Corona Virus crisis. “This is a war. It’s a war that China started by spawning the virus, by hiding the virus, by hoarding personal protective equipment during the time it hid the virus. And now it’s ironic, in my view, disgusting that they’re profiteering from that.” Trump did not contradict Navarro. “We are not happy with China,” Trump said on 27 April. “There are a lot of ways to hold China accountable for COVID-19.” On 29 April, Trump went further and accused China of actively interfering in the 2020 US presidential election against him. “China will do anything they can to have me lose this race,” Trump said. “We are not happy with China,” he repeated.

Little wonder that there is growing pessimism in Beijing over the trade deal and the overall relations with the US. The Forbidden City fears the ramifications of the US “scapegoating” China and Trump’s repeated threats of “consequences”. On 21 April, Wu Shicun, the President of China’s National Institute for South China Sea Studies, observed in the PLA’s *China Military Online* that the COVID-19 crisis “has so far exerted great negative effects on the China-US relations as there is no sign of mitigation in the contention between the world’s top two economies over trade, technology, and industrial and supply chain, or in their decoupling tendency.”

One of the clearer manifestations of the growing tensions has been the marked escalation of US Navy operations around China. “The US has been sending warships and flying reconnaissance aircraft in the South China Sea and East China Sea and crossing the Taiwan Straits more frequently than before the pandemic,” wrote Liu Xuanzun in the 26 April issue of the *Global Times*. “Strategic anxiety [is] behind America’s muscle-flexing in [the] South China Sea,” Wang Shichun wrote in the *China Military Online* the next day. “The COVID-19 pandemic,” Wu Shicun argued, “hasn’t slowed down the US military in seeking domination on the West Pacific through military means.” Whatever the reason for the discernable escalation and growing audacity of the US Navy’s regional operations, the Forbidden City is increasingly apprehensive that a small incident or accident can spark a wider confrontation.

Professor Li Xiaobing of the School of Law of Nankai University put the recent evolution of Sino-US relations in historic perspective that goes beyond the context of the COVID-19 crisis. In a 24 April article in the *Global Times*, Li Xiaobing argued that the main long-term impact of the current crisis is in its influence on unfolding mega-



trends. "History has proven that seismic changes and chaotic relationships among nation-states are predictable due to wars, famines, and epidemics. Whether the US accelerates decoupling with China is among the top post-pandemic changes [that China should prepare for]. ... Decoupling is a remote possibility should the US make their economy its top priority. If they place security first, decoupling would become a reality, but at a higher cost to the US." Li Xiaobing concluded that the US seemed to have chosen the latter option to the detriment of both Chinese and the US-own interests. "These problems, fueled by US officials, continue to challenge the bottom-line principles of Cross-Strait relations. The South China Sea issue should also not be ignored. Irregular intrusion of US warships in foreign waters has made waves in the region and created tension for regional security." Taken together, these recent political-military developments do not bode well for Sino-US relations.

Thus, the Forbidden City has no illusions about the foreseeable future. With all its lingering problems, the US is still the world's leading super-power with a huge economy and a mighty military that are second to none. The Chinese neither belittle nor ignore the power of the US when calculating their ascent to becoming the global Hegemon comes 2049. Beijing is seriously considering a possible escalation of the new Thirty Years War. As well, Beijing is cognizant of the horrific cost and impact of economic decoupling and is desperate to avoid an all-out economic war - but Beijing has resigned to the fact that the ultimate decision lies in the Trump White House and that the Forbidden City has virtually no say. While Beijing has no doubt that China will ultimately prevail in any economic war - Beijing is also cognizant of the horrific socio-economic price of such an achievement. Consequently, China is desperate to avoid direct confrontation and war despite the US efforts at containment and provocations.

However, the US behavior since the outbreak of the Corona Virus crisis exposed two contradicting trends China cannot ignore. On the one hand, there is the burst of vitriolic hatred, racism and scapegoating that rattled the Chinese public. On the other hand, there is the exposure of America's inner weakness, uncertainty and self-doubt that stunned the Chinese elites. Both phenomena now compel the Forbidden city to conduct a major reassessment of their reading of the US, and an all-out effort to complete the reassessment and ensuing policy formulation in time for attaining the main objectives of July 2021.

An escalation in the confrontation with the US is now considered in Beijing to be an inevitable part of the ascent of China. The 27 April Editorial of the *Global Times* articulated the point. "It is our century-old dream to see China become a power that makes the US feel uncomfortable. ... It is time for China to withstand challenges. Washington from now on would say nothing positive about China, but constantly condemn us. .... China only needs to manage its own business well and fix its own shortcomings. This has nothing to do with US recriminations, but continuing to progress is our goal." Under these circumstances, Beijing must focus on returning as soon as possible to relentlessly pursuing the historic ascent of China. Despite the setbacks wrought by the COVID-19 crisis, "China's continuous development will eventually work," the Editorial asserts. "Time is on our side."

Writing in the 19 April issue of the *Global Times*, Li Jiaming considered the ongoing face-off with the West, especially the US, as a motivation for accelerating the ascent of China. "Chinese media should ... record the words and deeds of foreign politicians and media who stigmatize China every day. The data table should be recorded, published and updated daily." The Chinese people "should remember them. Memory brings thinking, thinking boosts strength, and strength creates history. The strength of China today comes from its history of about 5,000 years. With such a long history, China has not only strength, but also incomparable patience." Ultimately, however, it is China's own record during the COVID-19 crisis that affirms China's ability to confront



and triumph over all the challenges coming from the West, argues Li Qingqing in a 27 April article in the *Global Times*. “China has shown its ability to mobilize and manage during the epidemic. It has subverted some Western people’s belief that the Western model is the only correct model worldwide, and thus [it is] difficult for them to accept the Chinese model. They will be fiercer in containing China. However, their attempt will be in vain and history will prove that China’s rise is unstoppable.”

Xi Jinping and his Forbidden City believe in this historic manifest destiny. They are committed far more than most to the ascent of China to becoming a global Hegemon comes 2049. The new Thirty Years War was launched to make this ascent happen despite all adversity. But Xi Jinping and his Forbidden City are also very knowledgeable, prudent and pragmatic. The future of China is in Eurasia, the Eastern Hemisphere and their littoral waters. China has no aspirations in the Western Hemisphere and the deep seas other than hope for commerce. Beijing knows that petrified of another destructive global war; the Europeans will gravitate eastward into under the Russian-Chinese umbrella because they are convinced that this will protect them from future war. Since the end of the Cold War, the Chinese forecasting of future non-nuclear wars with the US have focused mainly on the US attacking the Chinese coastlines and Xinjiang - not on Chinese invasion and striking of the continental US. (Subsequent nuclear escalation is a different matter. That said, China is committed to a no-first-use nuclear doctrine.)

The intensifying US scapegoating of China for the COVID-19 in order to divert attention from Washington’s own failures at crisis management is perceived in Beijing as proof that the US efforts at the containment, stifling and outright capitulation of the Communist administration will keep growing and that no viable compromise is in sight. The US dreads the ascent of China and will try to prevent it even at the specter of a nuclear war that is likely to involve Russia as well. Nevertheless, the Forbidden City has offered modalities for co-existence where China and its allies will rule the Eastern Hemisphere while the US and its allies will rule the Western Hemisphere and the deep oceans. Accepting Beijing’s vision of a shared future will require Washington to acknowledge that the US is not the single self-anointed hyper-power the US insists on being. The great quandary for Xi Jinping and his Forbidden City is whether a US humbled by the unfolding socio-economic and health crises will be sufficiently pragmatic to realize that this option is far better than the aggregate ramifications of an economically devastating decoupling and a new Cold War that might escalate to a nuclear war. The answer is at the Trump White House, and the prospects, as analyzed by Xi Jinping and his Forbidden City, are not good.

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**Remarks:** Opinions expressed in this contribution are those of the author.