



China and the US – The Storm Intensifies

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Executive Summary

- * The real objective of the US is a regime change in Beijing.
- * While the US campaign will have no impact on the legitimacy and stability of Beijing - it does enrage not only the Forbidden City, but virtually the entire Chinese populace because of the US audacity to insult China, its heritage and core values. The new Trump policy adds a major nail to the coffin of US-Sino sincere negotiations and hope for a rapprochement.
- * There is little optimism in the Forbidden City. Beijing is convinced that greater flexibility in trade and economic issues will have no impact on the US campaign of demonization and quest for regime change. China is resigned to a new world order where the differences with the US are quintessential and irreconcilable, and where military confrontation is increasingly possible.
- * It is inconceivable for all Chinese that China will reverse its ascent under any circumstances. The escalating confrontation with the US is yet another challenge on the road to attaining global preeminence comes 2049.

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Analysis

The perfect storm intensified markedly on 21 July, when the US began to better define the objectives and time-frame of the escalating confrontation with China.¹

Mike Pompeo is the main voice of Washington.

Pompeo first raised the urgency factor during a meeting with key anti-China British Parliamentarians in London. The West “doesn’t have the tools” to tackle China, he admitted. Although the West was not ready for the “current confrontation” with China, he warned, time was running out. The US-led West has only “the next 12 to 18 months” to “halt Beijing’s aggression.” Pompeo urged global mobilization, with the UK playing a prominent role, in order to address the China challenge in a decisive manner. US senior officials asserted that the Chinese government is acting like “an organized criminal syndicate,” and thus has no legitimacy, and there is no reason why they should remain in power.

On 23 July, Pompeo articulated in a speech in California the real objective of the US in this endeavor - a regime change in Beijing. Publicly, Pompeo stopped shy of explicitly advocating regime change, but he left no doubt where the US was heading. The US intends to foster a popular revolt against the CCP Government in Beijing. Pompeo argued that the CCP “fears the Chinese people’s honest opinions more than any foreign foe.” The US must capitalize on this as a central aspect of the face-off with China. “Our approach can’t just be all about getting tough,” Pompeo explained. “We must also engage and empower the Chinese people ... a dynamic, freedom-loving people who are completely distinct from the Chinese Communist Party.” Pompeo warned that China constitutes a clear and present danger to the US and the West as a whole. “If we don’t act now, ultimately the CCP will erode our freedoms and subvert the rules-based order that our societies have worked so hard to build. If we bend the knee now, our children’s children may be at the mercy of the CCP.” Pompeo declared that “the free nations of the world, must induce change in the CCP’s behavior in more creative and assertive ways, because Beijing’s actions threaten our people and our prosperity.” There is no alternative to regime change because “[t]he Politburo can’t be sweet-talked into change.” Until the CCP is overthrown, the US-led West should adopt the “distrust and verify” principle when dealing with China.

Pompeo delivered this milestone policy announcing speech even though China experts in Washington and all key European capitals have repeatedly warned the Trump White House that there is no chance that such a scenario will ever be possible.

Over the last few years, Francesco Sisci, a leading Sinologist, has been warning against this notion. He explained that “now is no time for revolution for the Chinese people, who are experiencing a Golden Age in their history and have had no past experience with democracy to pine for.” It is the CCP, as led by Xi Jinping, that delivered this Golden Age - “the first time in Chinese history when no one need fear hunger or war.” Having gone through the erratic experimentations of Mao Zedong that cost millions of lives - the Chinese people cherish the current state of affairs. Trying to induce the Chinese people into challenging the Xi Jinping leadership will be an exercise in futility.

Moreover, the Communist Party is merely the latest reincarnation of the heritage-based ruling elite of the Empire. The Party’s cadres are the contemporary reincarnation of the Mandarins. Xi Jinping is the reincarnation of the benevolent Emperor who delivers stability, rising standard of living, and the ability of individuals to prove

¹ For background see Yossef Bodansky, A Perfect Storm in Eurasia, ISPSW Issue No. 706, July 2020



themselves. Individual citizens in present-day China have the opportunity to advance, excel and enrich themselves within a heritage-based social framework. This is just as it should be in order to guarantee the ascent and greatness of China. Washington's hopes for pitting the people against the authorities in the name of individual freedoms are out of touch with reality.

Thus, while the US-led campaign will have no impact on the legitimacy and stability of Beijing - it does enrage not only the Forbidden City, but virtually the entire Chinese populace because of the US audacity to insult China, its heritage and core values. The new Trump policy adds a major nail to the coffin of US-Sino sincere negotiations and hope for a rapprochement.

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China has not been oblivious to the dramatic change in US policies - particularly the growing assertiveness and audacity in confronting China. Therefore, Beijing has been intensifying preparations for the forthcoming escalation. Beijing considers the quintessence of relations with the US to be both profoundly wrong and untenable. "[The US] can't keep asking us to buy [American] stuff and at the same time keep beating up on us. That's not how it works," explained Chinese senior officials.

Beijing's foremost priority is to bolster China to not only be able to endure US pressure, sanctions and tariffs - but to be able to pursue the profound socio-economic and scientific-technological reforms irrespective of the US undertakings.

On 21 July, Xi Jinping addressed a symposium with corporate leaders in Beijing in which he outlined the new priorities of the post-COVID-19 Chinese economy as the rivalry with the US intensifies. Beijing seeks to empower the domestic technology and industry leaders in order to vastly improve the drive for self-sufficiency. Xi Jinping warned them not to let the relatively smooth overcoming of the Corona Virus economic crisis overshadow the challenges ahead. "The situation is better than expected, and we must shore up confidence, face difficulties head on and try to recover the losses from the pandemic," he said. In principle, Beijing wants the growing private sector to align with the national priorities in the escalating confrontation with the US and the growing threat of decoupling. Beijing promises expanded support - both economic and technological. Xi Jinping stressed that China needs "patriotic and innovative" technology and industry entrepreneurial leaders who are attuned to the national needs in addition to their own success. Xi Jinping reminded them that "patriotism is the glorious tradition of our country's outstanding entrepreneurs in modern times."

In his speech, Xi Jinping elaborated on what he would like these entrepreneurial leaders do for themselves and China. Beijing is committed to "spurring the vitality of market entities" by "promoting entrepreneurship," he said. Xi Jinping promised "greater strides in reform and opening-up," with priority given to businesses contributing to innovation and growth in "science and technology". Presently, Chinese companies must focus on "fully leveraging the strength of the nation's huge domestic market" because of the worldwide recession induced by the Corona Virus crisis and the escalating conflict with the US. However, ultimately, Chinese economy will return to expanding in the global markets as well. "Economic globalization remains the historical trend, with division of labor and win-win cooperation among countries being the long-term tendency, and the country must pick the right side of history," Xi explained. Meanwhile, "China must focus its strength on its own affairs and work toward a new model of development in which the domestic economic network takes the primary role with the domestic and international economic networks complementing each other." In conclusion, Xi Jinping reiterated that China "must give priority to innovation in science and technology, accelerate research of key



technologies and establish new advantages in future development.” To accelerate the process, China will enact numerous reforms in regulatory, subsidies, fiscal, taxation, banking, etc. in order to expedite the recovery and reform process.

Concurrently, Beijing ordered the intensification of military preparations in lieu of the escalation of US military operations in the immediate vicinity of China. Chinese senior officials stress that this escalation contradicts the understandings on mutual restraint reached between Mike Pompeo and Yang Jiechi in their Pearl Harbor meeting on 25 June. Hence, the PLA intensifies naval and aerial operations and activities in the South China Sea and near Taiwan including military exercises, patrolling of areas frequented by the US Navy, and routine PLA flights towards and around Taiwan. The PLA is also monitoring closely the marked increase in patrols by US spy planes, both manned and unmanned, around China.

The Forbidden City is convinced that the escalation and increase in US military operations in the immediate vicinity of China are part and parcel of the US effort “to contain China.” Chinese leading military experts concur. Du Wenlong argued that “the US intention is to make, expand and use skirmishes to hype the situation in the South China Sea.” Song Zhongping noted that “the US has used the South China Sea and its military operation within the region to enhance its crackdown on China, and treated China as its prime opponent. ... Washington now is using every arrow in its quiver to crackdown China.” The PLA is increasingly apprehensive about a possible major US provocation. On 24 July, Wang Yunfei warned that “the US military has constantly sent naval vessels and aircraft to the South China Sea, the forefront of military confrontations between the two countries, for provocation and threat, pushing the region to a critical period when the US is most likely to attack Chinese islands and reefs. ... The signs are clear that the US may, to everyone’s surprise, attack China’s Nansha islands and reefs.”

Little wonder that there is growing apprehension in the Forbidden City that an accident or an otherwise minuscule incident might quickly spark a bigger war with no possibility to cap the escalation. Beijing is most apprehensive because there have been many close calls between US and PLA naval combatants and military aircraft in recent weeks, and the frequency of such incidents keeps growing. “The issue is that the consequences of these military conflicts cannot be imagined, it’s impossible to control a war once it happens,” warned Hu Bo, the Director of the Center for Maritime Strategy Studies at Peking University. Beijing has long been apprehensive about an incident, most likely in the South China Sea, escalating out of control - but now, there are growing fears of a US desire to exploit “any opportunity” to escalate quickly. To address these challenges better, the PLA is adapting the Chinese High Command in the region, and is dispatching reinforcements to bolster the regional force deployments.

Starting mid-July, the PLA Air Force and Navy have been conducting live-fire exercises in the South China Sea, as well as simulations of ballistic and cruise missile launches. In the first round, JH-7A and J-16B Naval strike aircraft fired more than 3,000 missiles in mock “strikes against enemy warships in the region.” Song Zhongping predicted that “large-scale naval drills in the South China Sea ... will become a regular activity as tensions escalate between China and the US.” This cycle of exercises peaks between 25 July and 2 August. Under the command of Unit 95180 “that is affiliated with the PLA Air Force”, the PLA conducts “live-fire drills with powerful ammunition” near the Leizhou Peninsula, Guangdong Province, “on the doorstep of the South China Sea.” The exercises include anti-ship and anti-aircraft strikes by PLA Air Force and Navy aircraft, Navy combatants, as well as joint operations with the Rocket Force that operates the anti-aircraft carrier ballistic missiles. Song Zhongping explained that these exercises “train securing air superiority and target hostile warships in the South China Sea.”



The exercises, noted PLA senior officials, will be conducted “amid continuous US military provocations in the region.”

Indeed, the Chinese Navy reacts more sternly to US and allied FONOPS and other military activities in the South China Sea. For example, Chinese and Australian warships “were engaged in a stand-off” after a confrontation when the Australian combatant sailed close to the Spratly Islands. The Chinese are also reacting strongly to US and allied overflights. Since early July, there has been a marked increase in US reconnaissance flights, especially over the South China Sea and close to the Chinese southern coasts. On 23 July, for example, the PLA warned an approaching US reconnaissance aircraft: “This is China Naval Air Force on guard, you are approaching Chinese air domain. Change your course immediately or you will be intercepted.” The US aircraft complied.

Meanwhile, there are growing trepidations in Beijing about the long-term regional ramifications of the Hong Kong crisis. Beijing is convinced, on the basis of ample evidence and proof, that Taiwan, the US and the UK sponsored and supported the riots in Hong Kong in order to demonstrate that the “one nation, two systems” principle - the key to Beijing’s approach to peaceful reunification with Taiwan - does not and cannot work. Hence, although China remains eager to avoid war and give peaceful reunification 20-25 years (until the early 2040’s) to evolve and mature - there is sudden apprehension that this might not be possible on account of the US encouragement of Taiwan’s bellicosity. Hence, the PLA was ordered to speed up preparations for war should the need arise even though Beijing still prefers the long-term progress toward peaceful reunification. Presently, the PLA is convinced that a war for Taiwan will quickly evolve into a regional war. “The PLA is very clear that once a war with Taiwan breaks out, their opponent will not just be the Taiwanese military, but the US-Japan alliance and other allies in the region,” explained Zhou Chenming of the Yuan Wang institute in Beijing.

Back in early July, a few Chinese experts raised the possibility that the Taiwan crisis would soon escalate to such an extent that Beijing would be compelled to use force. “We are going to fight a war to reunite with Taiwan,” Li Su, the President of the Modern Think-Tank Forum in Beijing, told John Pomfret. “Sometime around 2021,” Li Su predicted, “we are definitely going to liberate Taiwan.” In the second half of July, Chinese experts anticipated swift and strong reaction to any US provocation concerning Taiwan. “The PLA will definitely use force to take Taiwan back if the US provokes Beijing, because foreign force intervention is one of the three taboos listed by the [Chinese] Anti-Secession Law,” Song Zhongping explained. However, Beijing would resist the use of force unless the Forbidden City was convinced that China was “losing hope of peaceful reunification.”

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There is little optimism in the Forbidden City. “China-US relations” are unraveling at an unprecedented speed,” warn Chinese senior officials. “China-US relations will only end up slipping to the edge of a cliff,” observed the 24 July Editorial of the *Global Times*, “which serves the interests of neither [side].”

The Forbidden city deliberated the latest developments in Sino-US relations during the weekend (25-26 July) in preparations for the forthcoming mid-year session of the CCP Politburo. The conclusions were very grim. Chinese experts cannot fathom the logic behind the current US policies. Beijing is now convinced that greater Chinese flexibility in trade and economic issues will have no impact on the US campaign of demonization and quest for regime change.

A series of articles in the 26 July issue of the *Global Times* accurately reflected the position of the Forbidden City regarding the next phase of relations with the US. “Ties between Beijing and Washington are not only at their worst point since diplomatic relations were established, but also keeping spinning in a free fall. This is all thanks



to US' constant efforts to contain China," explained Ai Jun. Beijing dreads the next few months. An Gang of the Pangoal Institute in Beijing warned that "in the next three months, we will face the toughest period as with the intensive election campaign in the US, the decision-making of the White House could be more and more unpredictable and outrageous. The bilateral ties could spiral out of control." That said, An Gang elaborated, China should also be ready for a major long-term challenge. "Remarks by Pompeo ... do not just reflect a short-term goal of serving for Trump's reelection, they, to some extent, reflect a bipartisan consensus on US policy toward China."

China is resigned to a new world order where the differences with the US are quintessential and irreconcilable. The historic ascent of China will be adapted to the new situation. "In the eyes of the Chinese people, China's rise means their homeland's modernization and better living standards. Yet in the eyes of many US politicians and pundits, it is a nightmare and serious challenge to US hegemony," noted Ai Jun. It is inconceivable for all Chinese that China will reverse its ascent under any circumstances. The confrontation with the US is yet another challenge on the road to attaining global preeminence comes 2049. Professor Shen Yi, of the School of International Relations and Public Affairs of Fudan University in Shanghai, argues that to prevail, China must continue to pursue the current socio-economic policies. "So, if we want to win this competition that was forced by the US, we must focus on our own development and not get distracted. The US is not afraid of a cold war with us, it is afraid of our development."

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



About the Author of this Issue

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.



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