

The US-China summit

Barry Grey
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Behind the pomp and diplomatic niceties, what dominates the state visit of Chinese President Hu Jintao to Washington is the growth of tensions between the world's two biggest economies.

Contrary to the general presentation in the US media, which echoes the Obama administration in portraying Beijing as the aggressor, the primary responsibility for the escalation of tensions in East Asia lies with the United States. Since Secretary of State Hillary Clinton declared 18 months ago that the US was “back in East Asia,” Washington has worked relentlessly to isolate China and contain its growing influence in Asia and internationally.

This has involved a three-pronged attack—economic, diplomatic and military. Only a month ago the world was holding its breath in fear of the outbreak of war on the Korean Peninsula. South Korea, with US support and participation, was holding a live-fire military exercise in the same disputed waters where a similar exercise the previous month had provoked North Korea to fire on a South Korean-held island, killing two South Korean Marines and two civilian inhabitants.

Under Chinese pressure, North Korea pulled back from its threat to retaliate militarily in the face of such a provocation. This, however, has not altered the US policy of stoking up tensions in Asia in order to maintain US dominance at the expense of China.

The standoff between North and South Korea was the most recent in a series of crises in East Asia involving murky naval incidents which were utilized, at the direction of the United States, to demonize North Korea and its main ally, China.

Last July, Secretary of State Clinton intervened into longstanding disputes between China and its neighbors over islands in the South China Sea, lining up against China and declaring “freedom of navigation” in the South China to be a vital US interest. This is a direct threat to Chinese control over sea lanes that are critical to its trade and security.

Only last week, the US held a joint naval exercise with South Korea in the Yellow Sea, deploying the nuclear-

powered aircraft carrier Carl Vinson.

Notwithstanding such provocations, Obama insisted at the joint press conference with President Hu on Wednesday that the United States welcomed China's rise. At the same time, he reiterated US demands that China sharply raise the exchange rate of its currency and remove subsidies to its industries in order to provide a “level playing field” for American firms. He also criticized China's human rights record.

The carefully scripted news conference allowed only two questions each from American and Chinese reporters. Obama left it to the US reporters to express overt hostility toward Hu and China.

Ben Feller of the Associated Press asked how Obama could justify an alliance with a country “known for treating its people so poorly, for using censorship and force to repress its people.”

The question reflected the selective and hypocritical outrage of the American media over anti-democratic practices. No such questions are ever put to Obama, who has absolutely no standing to lecture China, notwithstanding that regime's repressive hand, or anyone else on human rights.

Obama has, after all, kept the gulag at Guantanamo open; ordered the assassination of alleged terrorists, including an American citizen; upheld the “right” of the president to imprison people for life without a trial; continued the practice of “rendering” people to countries that practice torture; rejected the prosecution of Bush-era torturers; expanded domestic spying; and is currently seeking to destroy WikiLeaks and Julian Assange for exposing the lies and crimes of US imperialism.

The second US reporter, Hans Nichols from Bloomberg, asked how Obama would allay the fears of congressmen who see China as “an economic threat,” and followed up by asking how badly China's “depressing its currency” harmed the White House's efforts to create jobs and lower unemployment in the US.

The US has kept up a steady drumbeat that China is manipulating and undervaluing its currency in order to

lower the price of its exports and gain an unfair trade advantage. In fact, the biggest currency manipulator by far is the United States. By keeping interest rates near zero and electronically printing hundreds of billions of dollars, the US is massively devaluing the dollar, cheapening its exports relative to rivals such as China, Japan, South Korea, Germany and Brazil.

It is also flooding the world with hot money, forcing up the exchange rates of a host of countries, stoking inflation and creating asset bubbles. China has, as a result, been hit with rising inflation, forcing it to raise its interest rates twice within the past several months.

In a speech last week in advance of the summit, US Treasury Secretary Timothy Geithner expanded Washington's economic demands, suggesting that China could gain wider access to the US market and technology only if, in addition to sharply raising its exchange rate, it reduced the role of the state in its economy, ended policies that "discriminate against US companies," and removed preferences for domestic firms.

In other words, China should open its economy to the unfettered exploitation of American capitalism and accept the status of an economic colony.

Defense Secretary Robert Gates, speaking in Japan on Friday, called on Tokyo to expand its military and step up its military cooperation with the US, praising in particular Japan's decision to shift the focus of its forces to its southwest islands—i.e., facing onto the Chinese mainland. He also invoked the US-Japan security treaty of 1960, which obliges the US to militarily defend Japan in the event of an armed conflict between it and China.

Open anti-China hysteria on the occasion of Hu's state visit was left to congressmen and senators from both parties. Democratic Senate Majority Leader Harry Reid called Hu a "dictator" and refused to attend the White House state dinner in his honor Wednesday night. Republican Speaker of the House John Boehner also boycotted the event.

Senator Charles Schumer (Democrat of New York) introduced a bill targeting China that would impose punitive tariffs on "currency manipulators" and bar firms from such countries from receiving US government contracts. "This legislation sends a message to China that says we are fed up with your government's intransigence over currency manipulation," he declared, adding, "If you refuse to play by the rules, we will force you to do so."

The *New York Times* editorialized: "For Mr. Obama, the top items include: China's currency manipulation; its enabling of North Korea and Iran; its abuse of human

rights; and its recent challenge to American naval supremacy in the western Pacific... Mr. Obama has made clear that he won't stand by while China tries to bully its neighbors."

The *Wall Street Journal* in its editorial raised the prospect of war with China and World War III, writing: "But China's new truculence is once again raising concern that Beijing is intent on dominating its region and destabilizing the world order, much as the Kaiser's Germany did a century ago."

In fact, as leaked WikiLeaks cables have shown, Secretary of State Clinton and the then-prime minister of Australia and current foreign minister, Kevin Rudd, discussed the need to prepare for the eventuality of war with China.

This year's US Joint Forces Command's Joint Operating Environment report—a strategic guide to perceived threats and future US military engagements—includes the following chilling warning: "The course that China takes will determine much about the character and nature of the 21st Century—whether it will be 'another bloody century' or one of peaceful cooperation."

The mounting danger of war between the US and China, which would almost certainly escalate into a global conflagration, is rooted in deep-going shifts in the world economy and the global balance of forces: China's rise to become the world's second largest economy and the decline in the global economic position of the United States.

American imperialism has turned ever more violently to the use of military force to offset its economic decline, and it has no intention of peacefully ceding to China the dominance of Asia or any other region.

The only answer to the growth of militarism in general and the incendiary role of US imperialism in particular is the struggle to unite the working class internationally in the fight for socialism.

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