

Trump threatens to cut all ties with China

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16 May 2020

In the latest escalation of the US confrontation with China, President Donald Trump threatened to cut off all relations with Beijing over claims that it failed to take steps to prevent the COVID-19 virus from becoming a global pandemic. These bogus allegations have now been integrated into Washington's trade war measures, which pre-dated the virus outbreak and are aimed at undermining China economically and militarily.

Speaking on Fox Business News, the US president said China "should have never let this [the COVID-19 pandemic] happen," adding: "So, I make a great trade deal and now I say this doesn't feel the same to me. The ink was barely dry and the plague came over." Having previously hailed his personal relationship with Chinese President Xi Jinping, Trump declared that "right now I don't want to speak to him."

Asked what penalties he intended to impose on China, Trump blurted out: "There are many things we could do ... We could cut off the whole relationship." He added: "Now, if you did, what would happen? You'd save \$500 billion." This was a reference to estimated US annual imports from China, described by Trump as "lost money."

The Trump administration has rapidly ramped up its attacks on China over the pandemic. It has not only repeatedly accused Beijing of a lack of transparency, but also promoted the big lie that the virus came from a Wuhan virology laboratory.

Facing re-election in November, Trump is attempting to make China the scapegoat and deflect attention from his own administration's criminal negligence, which has resulted in the United States having the world's largest number of COVID-19 cases and the highest death toll. Globally the number of cases has passed 4.4 million and deaths stand at more than 302,000, with 1.47 million cases in the US and 85,884 deaths.

However, Trump's denunciations of Beijing over the pandemic are also part of a trade-war agenda and

military build-up against China. In recent days, the US has imposed or threatened a range of new economic penalties against China and Chinese companies, including:

- The US announced new export controls yesterday aimed at blocking access to semi-conductor technology for China's hi-tech giant Huawei. While the Chinese corporation previously was barred from semi-conductors sourced in the US, the new rules aim to choke off supplies from third countries, such as Taiwan and South Korea. Companies in those countries using US technology will be required to obtain a US license before exporting to China.

US Commerce Secretary Wilbur Ross accused Huawei of trying to "undermine" earlier export controls, claiming it was not "a responsible corporate citizen" for doing so—in other words, for attempting to find new sources for essential semi-conductors in response to unilateral US trade war measures.

Ross declared that the rules were needed to "prevent US technologies from enabling malign activities contrary to US national security and foreign policy interests." The US claims that Huawei equipment facilitates Chinese espionage. In reality, the chief concern is that Chinese equipment will inhibit the extensive electronic spying operations conducted by American intelligence agencies such as the NSA.

- China has threatened to retaliate against US technology firms. The Chinese foreign ministry called on the US to immediately stop "its unreasonable suppression against Huawei," saying it would not only harm Chinese corporations, but also US enterprises, and "cause damage to the global industrial chain, supply chain and value chain." According to the state-owned *Global Times*, Beijing has threatened to penalise US companies by placing them on an "unreliable entity

list.”

- This week Trump directed that the board overseeing a pension fund for 5.9 million federal employees, present and retired, halt plans to allow investment in the shares of Chinese companies. The board, which was due to shift some money into investments based on an all-world index that includes Chinese shares, delayed the move on Wednesday. The White House is also seeking to replace three of the pension board’s five directors.

- On Thursday, Trump threatened to impose new taxes on American companies that produce goods outside the US. He told the Fox Business Network that taxation was an “incentive” for companies to return manufacturing to the United States. “You know, if we wanted to put up our own border, like other countries do to us, Apple would build 100 percent of their product in the United States,” he said. “That’s the way it would work.”

As it intensifies its propaganda war against Beijing over the COVID-19 pandemic, the Trump administration is discussing a range of penalties it could impose on China. These include: bans on sensitive exports, additional tariffs on Chinese goods, restrictions on Chinese companies listing on US share markets, and even the cancellation of Chinese-held US debt.

The Chinese regime has no progressive answer to the US threats and punitive measures. Its responses vacillate between making concessions to Washington in the hope of a deal and threatening penalties of its own. In reply to Trump’s latest threat to cut ties with China, the hawkish *Global Times* lashed out at the US president as “insane,” denouncing “the proverbial anxiety that the US has suffered from since China began its global ascension.”

The intensification of the US confrontation with China has produced alarm in ruling circles internationally, with warnings of a new cold war and a breakdown of the international trading and financial system. A lengthy article this week in *Foreign Policy* pointed out that in the 1930s rising tensions between the United States and Japan rapidly led to the outbreak of all-out war in the Pacific at the cost of millions of lives.

The article noted that the US ambassador in Tokyo, Joseph Grew, warned Washington in 1935 about the

necessity of not imposing economic restrictions on Japan. “But Washington was in the grip of economic nationalists battling a historic economic downturn [and was deaf to his pleas],” the article observed. “Within a few years, the United States ramped up economic pressure on Japan, culminating in a trade and oil embargo. Six years after Grew wrote his dispatch, the two countries were engaged in total war.”

In the midst of the worst global economic crisis since the 1930s, US imperialism is engaged in a desperate attempt to maintain its global hegemony through all means, including military confrontation, and regards China as the chief obstacle to its interests. As in 1941, the rapidly intensifying US diplomatic and economic attacks on China are lurching toward to a military conflict between nuclear-armed powers with incalculable consequences for humanity.



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