

Washington threatens China over aid to Russia in Ukraine war

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As Washington suffers a debacle in the war with Russia in Ukraine, US officials are threatening China with severe consequences if Russia defeats the NATO-backed Ukrainian regime.

Speaking yesterday at the National Committee on US-China Relations, US Deputy Secretary of State Kurt Campbell blamed Chinese and North Korean trade with Russia for Russian victories. Strategic stability in Europe, Campbell said, is “our most important mission, historically.” Russian territorial gains in Ukraine, Campbell warned, could “alter the balance of power in Europe in ways that are, frankly, unacceptable.”

“We have told China directly, if this continues, it will have an impact on the US-China relationship. We will not sit by and say everything is fine,” Campbell continued. “We will see this not as just a Russian unique set of activities but a conjoined set of activities backed by China but also North Korea. This is antithetical to our interests.”

Chinese officials were alarmed by the Russian army’s initial setbacks after its 2022 invasion of Ukraine, Campbell said, and rebuilt a “whole variety of capacities” in Russia. “Initially, that was a defensive endeavor. They did not want to see regime change” in Russia, Campbell said. However, he claimed, “Russia has almost completely retooled, and they now pose a significant threat going forward to Ukraine [and] to the surrounding region.”

Chinese Foreign Ministry spokeswoman Mao Ning immediately rejected Campbell’s remarks. “China and Russia have the right to engage in normal economic and trade cooperation,” Mao said, adding: “This kind of cooperation should not be interfered with or limited, and China also does not accept criticism or pressure.”

The day before, Russian Foreign Minister Sergei Lavrov had traveled to Beijing for friendly talks with

his Chinese counterpart, Wang Yi, and Chinese President Xi Jinping. There, Wang pledged: “Beijing and Moscow will continue to strengthen strategic cooperation on the world stage and provide each other with strong support.”

Lavrov, for his part, thanked Beijing for applauding the recent reelection of Russian President Vladimir Putin. “The election results confirmed the deep trust of the Russian people in our leader and the ongoing domestic and foreign policies,” Lavrov said. “This applies not least to the course to strengthen strategic interaction and partnership with the PRC [People’s Republic of China].”

US threats against China underscore that the war with Russia in Ukraine is part of a war for world domination which the NATO imperialist powers are escalating out of control. Already, US officials have denounced Russian imports of artillery shells from North Korea and excavation machinery, semiconductors and ball bearings from China. With these threats ineffective—as Ukrainian troops keep suffering defeats, and Moscow and Beijing keep pledging closer cooperation—US officials find no other response than menacing an escalation.

The Ukraine war is heightening military tensions in Asia. Last week, Campbell called to include Japan in the Australia-UK-US (AUKUS) alliance, as this could be key to winning a war with China over Taiwan. Today, top Chinese legislator Zhao Leji is starting a three-day visit to North Korea, China’s *Global Times* reported, for “deeper and closer strategic communication” on “profound changes of the international situation.”

At the heart of these military tensions are US threats of economic war on China—using the US dollar’s dominant world role to strangle China with sanctions

like those Washington used, after it scuttled the 2015 Iranian nuclear treaty, to lock Iran out of US dollar transactions. The devastating global impact of isolating China—a \$17.5 trillion economy which is the largest or second-largest trading partner for most of the world’s major economies—would dwarf even the impact of US sanctions on Iran.

On April 8, at a press conference in Beijing, US Treasury Secretary Janet Yellen bluntly threatened China. She said, “President Biden and I are determined to do all that we can to stem the flow of material that is supporting Russia’s defense industrial base and helping it to wage war against Ukraine. We continue to be concerned about the role that any firms, including those in the PRC, are playing in Russia’s military procurement.”

“I stressed that companies, including those in the PRC, must not provide material support for Russia’s war, and that they will face significant consequences if they do,” Yellen said, adding: “[A]ny banks that facilitate significant transactions that channel military or dual-use goods to Russia’s defense industrial base expose themselves to the risk of US sanctions.”

Reporting on Yellen’s remarks, the Bloomberg news agency noted: “America’s ultimate weapon against financial institutions is the Treasury’s ability to cut off their access to US dollars, an existential threat for any bank operating internationally.” In 2020, after using this weapon against Iran, the Trump administration threatened China with it during Beijing’s crackdown on Hong Kong independence protests.

Blocking Chinese access to the US dollar would, at least for an initial period, lock China out of much of world trade. The US dollar still plays a dominant role in world finance, now totally out of proportion with the United States’ real economic weight, after decades of US industrial decline. Fully 88 percent of world trade and 60 percent of bank deposits are denominated in US dollars, even though in 2022 the United States accounted for just 15 percent of global economic output and 8 percent of global exports.

For fear of such US sanctions, many countries are already trying to partially evade the dollar. China has set up swap deals to bypass the dollar and directly trade Chinese yuan for local currencies in countries including Russia, Kazakhstan, Brazil, Argentina, Turkey, Pakistan, Saudi Arabia, Thailand and Laos. These

swaps are worth 20 billion yuan (US\$2.76 billion) per day with Russia, 190 billion yuan in total for Brazil, 130 billion yuan in Argentina, and 23 billion yuan in Turkey.

US sanctions targeting China would also spell disaster for billions of working people around the world, who rely on purchasing cheap Chinese consumer goods.

It is now self-evident that the war in Ukraine involves more than simply who fired the first shot in February 2022. Over 30 years since the Stalinist bureaucracy dissolved the Soviet Union, capitalism is again in mortal crisis. At its heart lie the same fundamental contradictions that, as the great Marxists explained, underlay the world wars of the 20th century: between world economy and the nation-state system, and socially organized production and private appropriation of profit.

Washington and its NATO imperialist allies have launched a global conflict to consolidate their place in the balance of power and in world finance. The declarations of French President Emmanuel Macron this winter that France might send ground troops to Ukraine to fight Russia underscore the danger that this emerging Third World War will lead to direct armed conflict between nuclear powers.

Moscow and Beijing, despite Russian victories in Ukraine and China’s vast growth after 45 years of integration into the world economy, have no perspective to halt the imperialist war. The regimes that emerged from the Stalinist bureaucracies’ restoration of capitalism in China and dissolution of the Soviet Union in 1989-1991 are organically incapable of appealing to working class opposition to war. Instead, US officials’ remarks show that imperialism reacts to these regimes’ successes in one or other field simply by further escalating the provocations against them.

The only force that can stop the war is the working class, mobilized in an international anti-war movement against capitalism and for socialism.



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