

A New Cold War?

During the past few years, the international atmosphere has become pessimistic and tense. The Trump administration in the United States is only one symptom of this ambiance, not the cause, though of course it has, with its curious combination of neglects and actions, been intensifying the situation.¹ The waning of the relative power of the United States in the world system, the ending of the roughly 30-year unipolar period that began at the end of the Cold War, the general relative strengthening of various former third world countries, and, most of all, the rise of China are the usual cited reasons for the present tension. There is increased fragmentation of the rules-based international order. Autocratic forms of governance are on the rise precisely because hierarchically unified decision-making enables fast and opportunistic action, i.e., breaking established rules. Thus, we see not only middle level powers like North Korea, the Philippines, Russia, Turkey, Iran, Saudi Arabia, Poland, or Hungary act relatively opportunistically in regional power contests. We have also seen China under the Xi Jinping administration and then the United States under the Donald Trump administration move toward more authoritarian and less rule-conscious directions.

In terms of the English School, one could say that the elements of the international system have become stronger in respect to elements of the international and world societies. This raises the question about what kind of world system we are moving toward now. A new cold war is one speculative possibility often mentioned. In traditional realist theory, a confrontation between the status quo power and a rising imperialist power is a logical outcome from changes in the relative power resources of the respective states.² The classics thought that rising powers would challenge status quo powers, but newer thinkers like Mearsheimer consider that the status quo power is the one starting hostile actions at a time when the rising power is still relatively weaker.³ This appears to be the situation now. The relationship between China and the United States is not symmetric. The United States clearly has taken the initiative at the global level, intensifying various trade measures against China and engaging in constant verbal attacks. These methods are serious, but not yet at the stage where the United States would attempt to cut China off from energy and raw material sources, as it did in the case of Japan leading up to World War II in the Pacific.⁴ That step would be quite serious.

Structurally, in many ways, China is following in imperial Japan's footsteps, though in a different international environment. There is a consolidation of the national ethnic polity and a territorial outward push. The difference is that the environment where China is acting is much tighter. China is territorially surrounded by well-organized, militarily capable nation states, not crumbling empires.

A US-China War in the style of the 1930s and 1940s can be imagined, although the chances of that are rather low. The main reason is the civilizing influence of nuclear weapons as argued by Kenneth Waltz in his classical article.⁵ One can only hope that Waltz's logic will also hold true in the current era.

If not World War II, could the Cold War between the United States and the Soviet Union serve as a precedent for the current predicament? Both the United States and the Soviet Union were expansionary imperialist powers, adding large tracts of new territory into their empires, though in the anti-colonial world sometimes called alliances, sometimes spheres of interest. These empires were ideologically opposite to each other with the SU advocating a socialist world revolution and the US trying to spread capitalism. A third

¹ Bolton, John. (2020). *The Room Where It Happened. A White House Memoir*, New York: Simon&Schuster.

² Morgenthau, Hans. (1978). *Politics Among Nations: The Struggle for Power and Peace*, New York: Alfred A. Knopf.

³ Mearsheimer, John J. (2014). *The Tragedy of Great Power Politics*, New York and London: W.W. Norton & Co.

⁴ Higgs, Robert. (2006). 'How U.S. Economic Warfare Provoked Japan's Attack on Pearl Harbor,' *Independent Institute Commentary*, 1 May, <https://www.independent.org/news/article.asp?id=1930>

⁵ Kenneth Waltz. (1981). 'The Spread of Nuclear Weapons: More May Better,' London: International Institute for Strategic Studies, *Adelphi Papers*, Number 171, <https://www.mtholyoke.edu/acad/intrel/waltz1.htm>

characteristic of the system was that there was very little economic interdependence between the empires, meaning that starting a conflict did not cost them much. The result was an intensive cold war that held numerous chances of becoming a hot war. Even so, the current tension between China and the United States does not resemble the post-World War II situation. The world is nowadays a more settled place, and both China and the United States would have much to lose in a confrontation.

At least for the time being, Japan's trade war with the United States in the 1980s might serve as a precedent for understanding the situation, as Kishore Mahbubani has noted.⁶ Ostensibly, it was about trade, but at a more fundamental level, it was about economic growth and the rising technological levels of Japan, making it appear as a challenger to the United States. Then, like now, there was also a widespread discussion on the decline of the United States, as exemplified by the theory of hegemonic change.

The "Japan-US Trade War" stayed narrowly at the economic and rhetorical planes with negligible military aspects. Economic interdependence between them and the rest of the capitalistic world economy run deep, strongly restraining the effects of the conflict. Another important characteristic of the conflict was that Japan did not have any real allies nor a regional sphere of like-minded countries that could be called for help. Japan was basically alone against the United States and its established world empire - and even one piece of that empire. The whole time, Japan was securely controlled by the United States with military bases in strategic locations, including the capital area, and a blending of the Japanese military command system with US forces. This solitary situation among the East Asian nations has been a perennial problem in modern Japan's foreign policy and China's situation is not much different.

It is nevertheless interesting that even though both opponents were market oriented democracies, there were attempts at juxtaposing the two as opposing economic development models. There indeed was an ideological difference, but despite all verbal noise, this "trade war" always stayed within safe boundaries and dissipated as soon as Japan's economic miracle ended. As subsequent Japanese governments did not initiate any drastic political and social measures to continue growth, and the Japanese electorate certainly would not have accepted them, we can conclude that Japan as a nation simply capitulated.

Considering this sequence of confrontations from World War II to the SU-US Cold War and the Japan-US Trade War, there are not only three systemic confrontations all ending in US triumphs, but also rapidly diminishing levels of violence and damage. This is a strong trend regarding warfare in general. Although weapon systems continuously become more lethal, large-scale military conflicts become fewer and there are less casualties in them.⁷ Whether this is a result of the increasing lethality of weapons, aging societies,⁸ or increasing levels of civilization⁹ is debatable. Trends, of course, can turn, but that possibility notwithstanding, one could be inclined to observe the current China-US confrontation in an optimistic light.

Chinese economic growth has indeed been impressive and in purchasing power parity terms, it already has surpassed the United States in GDP. China is also rapidly raising its technological levels and developing its military capacities. There also exist keen foreign policy discussions in China about an ideal international system where China replaces the United States as the leading country.¹⁰ This idea appears to be quite widespread in Chinese society. When one teaches in Chinese universities, in class discussions, young students with bright eyes may claim that the future world culture will be Chinese culture. There is also clear support for president Xi Jinping's proud foreign policy. Thus, at many levels, China is presenting a challenge to the dominant position of the United States, which can also be seen in the large array of American books and articles depicting the threatening rise of China. Chinese argumentation, on the other hand, systematically presents the situation as a peaceful Chinese rise, beneficial to the world system, which does not lead to military conflict.¹¹

⁶ Mahbubani, Kishore. (2019). 'A 'yellow peril' revival fuelling Western fears of China's rise,' *East Asia Forum*, 5th June, <https://www.eastasiaforum.org/?p=186360>

⁷ Strand, Håvard; Siri Aas Rustad; Henrik Urdal & Håvard Møkleiv Nygård. (2019). 'Trends in Armed Conflict, 1946–2018,' *Conflict Trends*, 3. Oslo: PRIO, <https://www.prio.org/Publications/Publication/?x=11349>

⁸ Ochiai Emiko & Aoyama Kaoru. (2014). *Asian Women and Intimate Work*, Leiden and Boston: Brill.

⁹ Pinker, Steven. (2011). *The Better Angels of Our Nature: Why Violence Has Declined*. London: Viking/Penguin.

¹⁰ Puranen, Matti. (2020). *Warring states and harmonized nations: Tianxia theory as a world political argument*. Doctoral dissertation. Jyväskylä: University of Jyväskylä, <http://urn.fi/URN:ISBN:978-951-39-8218-8>

¹¹ Wilde, Jarrett T. & Yue Xing. (2020). 'The Historiography of China's "Rise:" A Struggle for Narrative Autonomy in IR Theory,' *Asian Studies Review*, online, <https://doi.org/10.1080/10357823.2020.1746742>

China certainly is bigger than Japan and it is not militarily controlled by the United States, which would imply that the current systemic confrontation would be deeper and longer than the Japan-US Trade War. However, China also resembles Japan in many aspects. It does not have allies, except perhaps North Korea, which is not necessarily reliable. It supports China occasionally, but definitely has its own foreign policy.¹² The same goes for Russia, which has its own agenda for Eurasia.¹³ The rest of the countries in China's vicinity cooperate economically, but remain politically aloof, partly because of China's expansionary territorial ambitions—the same that bedeviled Japan's relations with its neighbors during its imperial era. Thus, one could regard with skepticism Kim Chae-Han's prognosis on this forum of a future world divided between the American and Chinese blocks.¹⁴ The Belt and Road (一帶一路) initiative is meant to offset the situation, but it remains to be seen whether it will be more successful than Japan's lavish spending on development aid since the 1960s in East and Southeast Asia, including China and South Korea, with which Japan has constant, though small-scale, conflicts nowadays. For the time being at least, China appears to be alone against the United States. This should have a strong dampening effect on the confrontation. Chinese leadership always answers to US moves, but carefully.

The other strong factor conducive to a relatively peaceful confrontation is international economic interdependence. During the past four decades, China has inserted itself deeply within the world economy. At the moment, both the United States and China are in parallel processes of disentangling to some extent from each other's economies,¹⁵ but it is uncertain how far the process will go. Many American and multinational companies reportedly do not wish to leave China because the existing production networks are efficient with Chinese value added.¹⁶ Also, the rest of the world appears to be extremely reluctant to participate in a systematic anti-China offensive.¹⁷ The US's relative position in the world system is certainly weakening, but China also has its weaknesses, in addition to its lack of allies. It is a rapidly aging society with slowing growth rates¹⁸ and rising wage levels. This also is an aspect that closely resembles Japan during its miracle period. Also, the Chinese miracle may one day end, which would change the politico-psychological situation.

On the basis of these considerations, one would expect that the China-US rivalry will not become a hot war of the style of World War II nor even a military cold war like the SU-US confrontation. The situation would probably involve a fair amount of technological military innovations, but that game is continuously ongoing. The current confrontation staying at the economic and political fields, involving lots of demagoguery and endless, but not too successful, attempts at coalition building, would look like the most likely prospect for a future world system within, say, the next 20 years. By that time, the world situation would again be so different that this particular conflict would recede, if not into oblivion, at least in importance.

He Kai & Feng Huiyun. (2019). 'Leadership Transition and Global Governance: Role Conception, Institutional Balancing, and the AIIB,' *The Chinese Journal of International Politics* 12 (2), pp. 153–178, <https://doi.org/10.1093/cjip/poz003>

Yuan Yang. (2018). 'Escape both the 'Thucydides Trap' and the 'Churchill Trap': Finding a Third Type of Great Power Relations under the Bipolar System,' *The Chinese Journal of International Politics*, 11 (2), pp. 193–235, doi: 10.1093/cjip/poy002

¹² Korhonen, Pekka & Tomoomi Mori 森類臣. (2019). 'North Korea as a Small Great Power,' *The Asia-Pacific Journal*, Vol. 17, Issue 5, No. 2, <https://apjif.org/2019/05/Korhonen.html>

¹³ van der Togt, Tony. (2020). 'The EU and the Eurasian Economic Union: Dealing with a Common Chinese Challenge,' *Institut für Sicherheitspolitik*, 30 April, <https://www.institutfuersicherheit.at/the-eu-and-the-eurasian-economic-union-dealing-with-a-common-chinese-challenge/>

¹⁴ Kim Chae-Han. (2020). 'Global Attitudes and Structural Balance,' Center for East Asian Peace and Cooperation, 9 July, <http://en.ritsumei.ac.jp/file.jsp?id=463608>

¹⁵ Tunsjø, Øystein. (2020). 'The new US-China superpower rivalry,' *East Asia Forum*, 4th April, <https://www.eastasiaforum.org/?p=243687>

¹⁶ Lardy, Nicholas. (2019). 'Foreign firms in China resist Trump's trade war,' *East Asia Forum*, 1st October, <https://www.eastasiaforum.org/?p=208052>

¹⁷ Thompson, Jack. (2020). 'China, the US, and World Order,' Chapter 1 in Center for Security Studies ETH Zurich, *Strategic Trends 2020* ed. by Michael Haas, Oliver Thränert, www.css.ethz.ch/publications/strategic-trends

¹⁸ Lei Xiaoyan & Bai Chen. (2020). 'Meeting the challenge of China's changing population,' *East Asia Forum Quarterly*, Vol. 11, No. 4, <https://www.eastasiaforum.org/2020/01/08/meeting-the-challenge-of-chinas-changing-population/>

Nevertheless, for the time being, life would be interesting for countries in between China and the United States. The confrontation would be global, though much maneuvering would probably again be on the Eurasian landmass with an emphasis on Asia this time. States able to maintain relative autonomy and rapid adjustment to changing economic and political challenges would certainly be the winners in this kind of gaming environment. Switzerland and Singapore have always thrived during great power confrontations because big actors have needed to treat them cordially. Otherwise, falling too closely under the command of either big power would be rather dangerous because, in the minds of any big power's leadership, the temptation to test the opponent in a proxy conflict on foreign territory would be irresistible in the long run. Similarly, being slow in adjusting to shocks, whether economic, political, epidemic, or climatic, would also be seen as a weakness to be exploited.

Thus, countries like North Korea, the Philippines, Russia, and Iran are already adjusting themselves to the next phase in the development of human civilization. South Korea, Japan, Taiwan, and Vietnam will also certainly be star actors at the stage with the rest of the states in Southeast and South Asia likewise having important roles. The rest of the world will likely be occasionally participating spectators, but continuous betterment of their national organizations will be demanded from all states in the system. In theory, the development of humankind could take place in a more peaceful way, but only periodic waves of confrontation seem to be offered.