

United States Plans to Step Up Its Economic War Against China

By Dr. Leon Tressell

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The attempt by the United States to confront, contain and undermine the economies of both Russia and China continues unabated. Having instituted an economic war against Russia through its sanctions the US is also seeking to step up its offensive against China's economy.

Over a year into his presidency Biden has not rolled back any of the punitive tariffs that Trump imposed on China's economy which have contributed to rising prices for American consumers. Instead, the Biden regime is seeking to step its efforts to undermine China's economic challenge to American hegemony over the global economy.

This comes a time when the United States trade deficit with China continues to reach all-time highs. In 2021 the <u>US trade deficit with China surged</u> from \$124 billion in 2020 to \$151 billion in 2021. This illustrates the continuing decline of the American economy.

In his State of the Union address on Tuesday 1 March Biden stated that he will seek to reduce inflation facing ordinary Americans:

"We will 'buy American' to make sure everything from the deck of an aircraft carrier to the steel on highway guardrails are made in America. But to compete for the best jobs of the future, we need to level the playing field with China and other competitors."

Of course, he could help American consumers by eliminating the trade tariffs imposed on billions of dollars worth of Chinese goods by President Trump. Instead, Biden is seeking to implement a raft of punitive measures that will seek to undermine Chinese trade and manufacturing. The outcome of these measures is probably going to intensify geo-political rivalries with China. This is at a time when the US is pushing relations with Russia to dangerous levels of hostility reminiscent of the Cuban missile crisis.

American efforts to further undermine China include the probable use of Section 301 of the Trade Act which Allows American officials to impose punitive sanctions on trading partners

whose policies violate trade law. According to the <u>Wall Street Journal</u> the United States is seeking to prevent China's challenge to American dominance in high-tech industries such as semiconductors, artificial intelligence, 5G and electric vehicles.

On Tuesday 1 March the Office of the U.S. Trade Representative Released its <u>annual report</u> which stated quite unequivocally that China is still continuing to practice unfair trade practices which the United States must take action to counter. The report however did not give any specifics on how this is to be done.

"We are clear-eyed about China's doubling down on its harmful trade and economic abuses," which it claims have harmed American workers. There is no acknowledgement that American corporations voluntarily moved most of their manufacturing to China to benefit from the low paid but highly skilled workforce in China.

The report pulls no punches when it details China's economic 'crimes':

"These detrimental actions include China's tariffs and non-tariff barriers to restrict market access, government-sanctioned forced labour programs, overcapacity in numerous sectors, industrial policies utilizing unfair subsidies and favouring import substitution, and export subsidies (including through export financing). They also include coercive technology transfers, illicit acquisition and infringement of American intellectual property, censorship and other restrictions on the internet and digital economy, and a failure to provide treatment to American firms in numerous sectors comparable to the treatment Chinese firms receive in those sectors in the United States."

It goes onto make the rather ironic claim that the US is committed to clamping down on China's use of forced labour in the province of Xinjiang as, 'Americans and consumers around the world do not want products made with forced labour on store shelves....'

This rank hypocrisy glosses over the <u>widespread abuse of prison labour in the US by over 4,100 corporations</u>. Over 63,000 inmates work in prison workshops being paid between \$0.50 to 2 dollars. Meanwhile, tens of thousands more are sent out on work release programmes working for similar wages in dangerous conditions in agricultural facilities.

The continuing efforts by American imperialism to undermine China's economic development are sign of weakness not strength. History shows time and again that empires in decline rarely leave the scene of history without a fight. Washington's economic warfare against China is symptomatic of the continued decline of American capitalism, which has a multitude of structural weaknesses that it appears unable to address. One example of this being the failure of Biden's Build Back Better infrastructure programme.

The current struggle between the US and China is reminiscent of the Punic Wars between the militaristic state of Rome and the trading state of Carthage. Geo economic and political rivalries turned former allies into deadly enemies.

We are seeing a similar scenario play out in the 21st century between China and the United States. In 1972 Nixon inaugurated a new era of positive relations with China as the US sought to isolate the Soviet Union. Now 40 years on and the US is hell bent on subjugating Beijing the way it was suppressed in the period known in China as the 'Century of Humiliation'.

It remains to be seen whether the Beijing regime learns any lessons from past history. It can continue to seek cooperation with the US while America makes moves on the economic, military and political fronts to undermine and isolate it. Alternatively, it can take action to ensure that it does end up like Carthage.

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Dr. Leon Tressell is a regular contributor to Global Research.

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