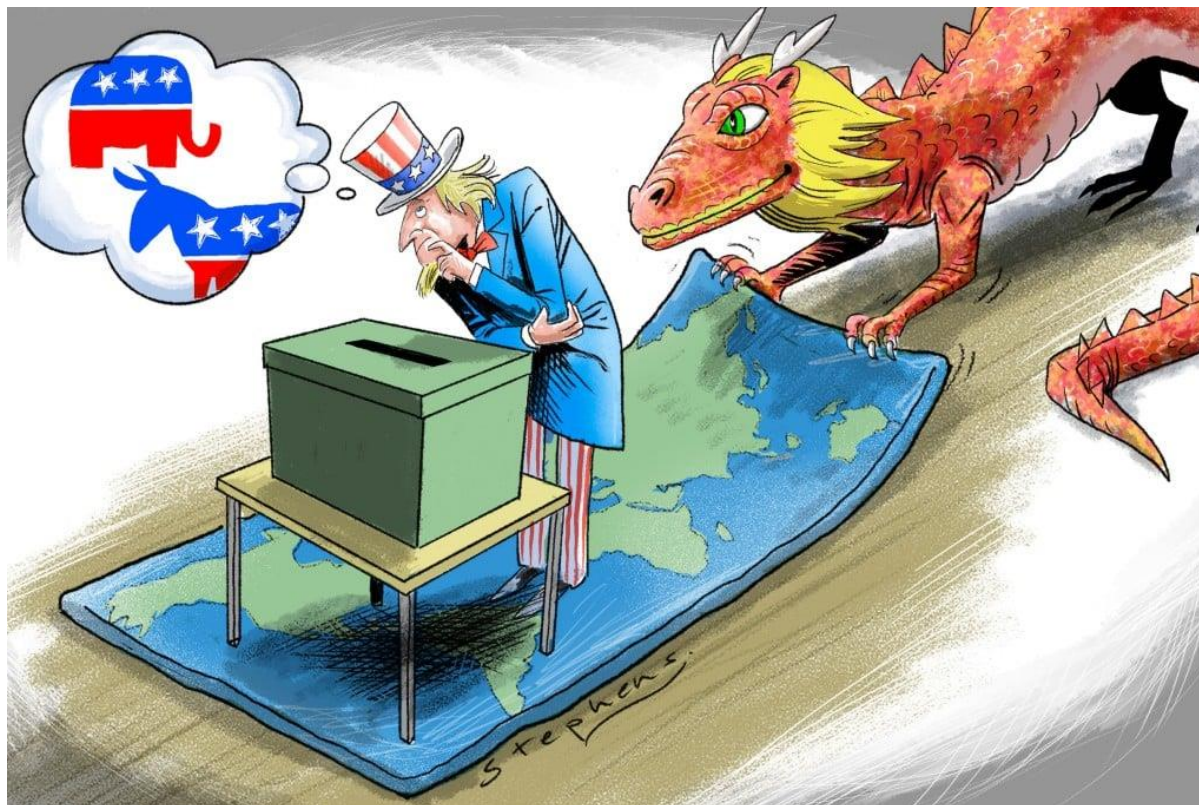


# Whoever wins the US election, America isn't stopping China's rise

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<https://www.scmp.com/opinion/china-opinion/article/3278255/whoever-wins-us-election-america-isnt-stopping-chinas-rise>



The latest issue of American Affairs goes for sensationalism with an article headlined, “China is winning. Now what?”.

The piece, by Nathan Simington of the US Federal Communications Commission, tells a detailed story of how the United States has been caught off guard by the rise of China. Taking car manufacturing as a salient example, Simington notes that the latest [Beijing Auto Show](#) “raised eyebrows with unprecedented battery capabilities, shockingly low price points, and stunningly sophisticated electronics” and that Chinese electric vehicle players “have come from nowhere to be contenders” in the world car industry with about US\$3 trillion in annual sales. He urges the next US administration “to reshore production in order to accomplish goals for the national interest”.

He reasons that during the Cold War, it would have been unthinkable for the US “to source key components in logistics and telecommunications” from the Soviet bloc, because integrating these hypothetical Soviet bloc goods into American life would have been

“considered too absurd to take seriously”. But the “long history” of peaceful US-China relations “has led us to sleepwalk into exactly this unacceptable state of dependency”.

Let’s zoom out a bit. Henry Kissinger, the late former US secretary of state, had understood in his twilight years that it was a major mistake for America to enter the contest with China without a comprehensive strategy, to paraphrase Kishore Mahbubani, a retired Singaporean diplomat who twice served as the country’s ambassador to the United Nations.

Why not blame the US’ lack of planning on the fact that China is rising too fast? Ezra Vogel, the late revered scholar specialising in China, and Ronald Coase, the late Nobel laureate in economics, were among the numerous people awed by the velocity of Chinese development. As early as 2008, Coase, for one, said what had happened in China in the years since 1978 “was a complete surprise to me, its scale, its character and speed” because his expectations of the country’s transformation had been “in terms of 100 or 200 years, not 25 or 30 years”.

The US’ defining response to China’s ascendance was a trade war suddenly launched in 2018, in an abrasive Trumpian way. This was so definitive that the singular biggest legacy of the four-year Trump administration is now widely agreed to be a seismic change in Washington’s China policy, from engagement to containment.

The contest was even elevated to a civilisational level in 2019 by Kyron Skinner, then policy planning director with the US State Department. She observed that America’s competition with China was “a fight with a really different civilisation and a different ideology”, with China posing a “unique challenge” to the US. Skinner said the Cold War with the former Soviet Union had constituted “a fight within the Western family”, while the contest with China was “the first time that we will have a great power competitor that is not Caucasian”.

Joe Biden has since largely taken on Trump’s antagonistic China policy mantle, amid a bipartisan consensus, although in execution Biden’s strategy is more nuanced, more methodical and puts emphasis on the US’ [alliances](#) worldwide.

However, China is proving resilient and continuing to rise in spite of all the difficulties it has found itself in – including the US’ “[small yard, high fence](#)” [stratagem](#), meaning selective tariffs and ruthless hi-tech embargoes against Chinese producers.

China has countered with more [subsidies](#) for major chip players led by national champion Huawei. Meanwhile, Chinese EVs, lithium-ion batteries and solar panels are finding markets internationally, due to their producers’ cost competitiveness and expertise.

Looking ahead, one should see that any emotional or ideological assertion that the US can reverse the trend of Chinese technological proliferation and become a dominant manufacturing juggernaut again is not a serious argument. Washington would have to kill economics to stop China’s rise, a position Janet Yellen came pretty close to taking in Beijing earlier this year, but Smithian economic laws will continue to hold regardless.

Some foretelling signs are flashing. [Jake Sullivan’s first trip](#) to Beijing in August as US National Security Adviser has been generally viewed as a mundane success, against a subtle backdrop of the Biden administration intending to keep a steady hand on hostile bilateral relations while helping [Kamala Harris](#) with her presidential campaign against Trump.

Further in the background, the two governments recently held a fifth meeting of their joint [financial working group](#), before Federal Reserve chairman Jerome Powell signalled that interest rates would be [coming down](#). Having failed to strike down the Chinese economy despite keeping the dollar exorbitant in the past two-and-a-half years, Washington now finds itself in the position of having to climb down and needing to secure China's tacit agreement not to pull the rug.

Zoom out a little, and the key geopolitical variables of Russia and Britain are readily seen. When Europe's dread of being impoverished by the dragged-out [war in Ukraine](#) can no longer be held in check, Brussels might very well rebel against Washington. This could take the form of a Franco-German-led rapprochement initiative with Russia or even, as far-fetched as it sounds, Britain's return to the European Union.

Would Washington eventually come to terms with Beijing and the need for a paradigm shift to a Group of 2, either in anticipation, or as a result, of such a power rebalancing in Europe? Two more US administrations may be needed for this to transpire – that is, if Trump is to be proved wrong when he warns, as recently as at a rally in Wisconsin last week, that 2024 “may be our last election”.

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