

## U.S. Policy towards China: The Skirmish in the Spratlys

Beating Uncle Sam at His Own Game

By [Mike Whitney](#)

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*"Washington is not looking for peace or war. They're looking for domination. If they can achieve domination peacefully - that's fine. If they can't, they'll use war. It's that simple."*

— William Blum, Interview with [Russia Today](#)

*"The U.S. is frantically surrounding China with military weapons, advanced aircraft, naval fleets and a multitude of military bases from Japan, South Korea and the Philippines through several nearby smaller Pacific islands to its new and enlarged base in Australia.... The U.S. naval fleet, aircraft carriers and nuclear submarines patrol China's nearby waters. Warplanes, surveillance planes, drones and spying satellites cover the skies, creating a symbolic darkness at noon."*

— Jack A. Smith, "Hegemony Games: USA vs. PRC", [CounterPunch](#)

The vast build up of military assets in the Asia-Pacific signals a fundamental change in U.S. policy towards China. Washington no longer believes that China can be integrated into the existing US-led system. Recent actions taken by China- particularly the announcement that it planned to launch an Asian Infrastructure Investment Bank (AIIB) that would compete head-to-head with the World Bank and IMF— have set off alarms in the Capital where behind-the-scenes powerbrokers and think tank pundits agree that a more "robust" policy is needed to slow China's ascendancy. The current confrontation in the South China Sea-where the US has demanded that China immediately cease all land reclamation activities-indicates that the new policy has already been activated increasing the prospects of a conflagration between the two nuclear-armed adversaries.

There's no need to go over the details of China's land reclamation activities in the Spratly Islands since reasonable people can agree that Washington has no real interest in a few piles of sand heaped up on reefs 10,000 miles from the United States. The man-made islands pose no threat to US national security or to freedom of navigation. The Obama administration is merely using the Spratlys as a pretext to provoke, intimidate and harass Beijing. The Spratly's provide a justification for escalation, for building an anti-China coalition among US allies in the region, for demonizing China in the media, for taking steps to disrupt China's ambitious Silk Roads economic strategy, and for encircling China to the West with US warships that threaten China's access to critical shipping lanes and vital

energy supplies. This is the ultimate objective; to bring China to its knees and to force it to comply with Washington's diktats. This is what Washington really wants.

In a recent speech at the Shangri La Dialogue in Singapore, US Secretary of Defense Ashton Carter said that "there is no military solution to the South China Sea disputes." Just moments later, and without a trace of irony, Carter rattled off a long list of military assets the Pentagon plans to deploy to the Asia-Pacific to shore up US offensive capability. The list includes

"the latest Virginia-class [nuclear] submarines, the Navy's P-8 Poseidon surveillance aircraft, the newest stealth destroyer, the Zumwalt, and brand-new carrier-based E-2D Hawkeye early-warning-and-control aircraft."

The Pentagon is also going to add "new unmanned systems for the air and sea, a new long-range bomber, (an) electromagnetic railgun, lasers, and new systems for space and cyberspace, including a few surprising ones."

For someone who doesn't believe in a military solution, Carter is certainly adding a lot of lethal hardware to his arsenal. The question is: Why? Is Washington preparing for war?

Probably not. The United States does not want a war with China. What Washington wants is to be the dominant player in this century's most promising and prosperous market, Asia. But China's meteoric growth has put Washington's plan at risk, which is why Obama is wheeling out the heavy artillery. The anti-China coalition, the China-excluding trade agreements (TPP) and the unprecedented military build up are all aimed at preserving Washington's dominant role without actually starting a war. The administration thinks that the show of force alone will precipitate a change in behavior. They think China will back down rather than face the awesome military power of the American empire. But will it? Here's another clip from Carter's speech at Shangri La:

The United States will continue to protect freedom of navigation and overflight – principles that have ensured security and prosperity in this region for decades. There should be no mistake: the United States will fly, sail, and operate wherever international law allows, as U.S. forces do all around the world.

America, alongside its allies and partners in the regional architecture, will not be deterred from exercising these rights – the rights of all nations. After all, turning an underwater rock into an airfield simply does not afford the rights of sovereignty or permit restrictions on international air or maritime transit.

Who is Carter kidding? China poses no threat to freedom of navigation or overflight. The real threat is China's participation in the \$100 billion BRICS Development Bank which is set to finance some of the "largest projects of the modern history (including) the construction of new Eurasian infrastructure from Moscow to Vladivostok, in South China and India." The so called BRICS (Brazil, Russia, India, China and South Africa) "represent 56% of world economic output, and account for 85% of world population. They control about 70% of the world's foreign exchange reserves. They grow annually by an average of 4% —5%." (Sputnik News) In other words, US-backed institutions are going to lose their exalted role as "underwriter for the global economy" because the world's biggest infrastructure projects are going to be funded by China and its allies. Naturally, this doesn't sit well with Washington

where policy bigwigs are worried that US influence will gradually erode as global power inevitably shifts eastward.

US hegemony is also threatened by China's Sino-centric economic policy which author Robert Berke sums up in an article on Oil Price.com titled "New Silk Road Could Change Global Economics Forever". Here's an excerpt from the article:

China is building the world's greatest economic development and construction project ever undertaken: The New Silk Road. The project aims at no less than a revolutionary change in the economic map of the world...The ambitious vision is to resurrect the ancient Silk Road as a modern transit, trade, and economic corridor that runs from Shanghai to Berlin. The 'Road' will traverse China, Mongolia, Russia, Belarus, Poland, and Germany, extending more than 8,000 miles, creating an economic zone that extends over one third the circumference of the earth.

The plan envisions building high-speed railroads, roads and highways, energy transmission and distributions networks, and fiber optic networks. Cities and ports along the route will be targeted for economic development.

An equally essential part of the plan is a sea-based "Maritime Silk Road" (MSR) component, as ambitious as its land-based project, linking China with the Persian Gulf and the Mediterranean Sea through Central Asia and the Indian Ocean. When completed, like the ancient Silk Road, it will connect three continents: Asia, Europe, and Africa. The chain of infrastructure projects will create the world's largest economic corridor, covering a population of 4.4 billion and an economic output of \$21 trillion...

For the world at large, its decisions about the Road are nothing less than momentous. The massive project holds the potential for a new renaissance in commerce, industry, discovery, thought, invention, and culture that could well rival the original Silk Road. It is also becoming clearer by the day that geopolitical conflicts over the project could lead to a new cold war between East and West for dominance in Eurasia. The outcome is far from certain. ("New Silk Road Could Change Global Economics Forever", Robert Berke, [Oil Price](#))

China is perfectly situated to take advantage of Asia's explosive growth. They've paid their dues, built up their infrastructure and industrial capability, and now they're in the catbird seat fully prepared to benefit from the fact that "Half of humanity will live in Asia by 2050" and that "more than half of the global middle class and its accompanying consumption will come from that region." US corporations will be welcome to compete in these new markets, but they won't do nearly as well as businesses located in China. (This is why the Pentagon has been asked to intervene by powerful members of the corporate establishment.)

Washington's gambit in the Spratly's is an attempt to reverse the tide, derail China's current trajectory and insert the US as the regional kingpin who writes the rules and picks the winners. As Sec-Def Carter said in an earlier speech at the McCain Institute in Arizona, "There are already more than 525 million middle class consumers in Asia, and there will be 3.2 billion in the region by 2030." US corporations want the lion's-share of those customers so they can peddle their widgets, goose their stock prices and pump up their quarterly profits. Carter's job is to help them achieve that objective.

Another threat to US global rule is the aforementioned Asian Infrastructure Investment Bank

(AIIB). The danger of the AIIB is not simply that it will fund many of the infrastructure projects that will be needed to integrate Europe, Asia and Africa into one giant free trade zone, but that the bank will replace key US-backed financial institutions (The IMF and World Bank) which have helped maintain Washington's iron-grip on the global system. As that grip progressively loosens, there will be less need for cross-border transactions to be carried out in US dollars which, in turn, will threaten the dollar's role as the world's reserve currency. As author Bart Gruzalski notes in his excellent article at Counterpunch, "China and Russia are creating alternatives that threaten the dollar's status as the sole dominant international currency. By instituting trade alternatives to the dollar, they challenge the value of the dollar and so threaten the US economy." ("An Economic Reason for the US vs. China Conflict", Bart Gruzalski, [CounterPunch](#))

Former Treasury Secretary Larry Summers offered a particularly bleak assessment of the AIIB flap in an editorial that appeared in April in the Washington Post. He said:

This past month may be remembered as the moment the United States lost its role as the underwriter of the global economic system. True, there have been any number of periods of frustration for the United States before and multiple times when U.S. behavior was hardly multilateralist, such as the 1971 Nixon shock ending the convertibility of the dollar into gold. But I can think of no event since Bretton Woods comparable to the combination of China's effort to establish a major new institution and the failure of the United States to persuade dozens of its traditional allies, starting with Britain, to stay out. (Washington Post)

Summers goes on to acknowledge the threat that political dysfunction (on Capitol Hill) poses to "the dollar's primary role in the international system". It's clear that Summers grasps the gravity of what has unfolded and the challenge the AIIB poses to US hegemony. Readers should note that Summers ominous warnings were delivered just months before Washington dramatically revamped its China policy which suggests that the announcement of the AIIB was the straw that broke the camel's back. Shortly after, the Obama administration made "crucial changes" to the existing policy. Containment and integration were replaced with the current policy of intimidation, incitement and confrontation. Beijing was elevated to Public Enemy Number 1, America's primary strategic rival.

What happens next, should be fairly obvious to anyone who has followed US meddling in recent years. The US is now at war with China, which means that it will use all of its resources and capabilities, except it's military assets, to defeat the enemy. The United States will not militarily engage an enemy that can fight back or inflict pain on the US. That's the cardinal rule of US military policy. While that precludes a nuclear conflagration, it does not exclude a hyperbolic propaganda campaign demonizing China and its leaders in the media (Sadly, the comparisons to Hitler and the Kaiser have already started), asymmetrical attacks on Chinese markets and currency, excruciating economic sanctions, US-NGO funding for Chinese dissidents, foreign agents and fifth columnists, intrusions into China's territorial waters and airspace, strategic denial of critical energy supplies, (80 percent of China's oil supplies are delivered via the Malacca Strait to the South China Sea) and, finally, covert support for "moderate" jihadis who are committed to toppling the Chinese government and replacing it with an Islamic Caliphate. All of these means and proxies will be employed to defeat Beijing, to derail its ambitious Silk Roads strategy, to curtail its explosive growth, and to sabotage its plan to be the preeminent power in Asia.

Washington has thrown down the gauntlet in the South China Sea. If Beijing wants to preserve its independence and surpass the US as the world's biggest economy, it's going to have to meet the challenge, prepare for a long struggle, and beat Uncle Sam at his own game.

It won't be easy, but it can be done.

**Mike Whitney** lives in Washington state. He is a contributor to [Hopeless: Barack Obama and the Politics of Illusion](#) (AK Press). *Hopeless* is also available in a [Kindle edition](#). He can be reached at [fergiwhitney@msn.com](mailto:fergiwhitney@msn.com).

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For media inquiries: [editors@asia-pacificresearch.com](mailto:editors@asia-pacificresearch.com)