

Ties between the USA and China at the lowest point of the past 40 years

Relations between China and the United States arrived in  the worst point since 1972, when President Richard Nixon flew to China to meet Mao Tse-tung launching what would be known as 'ping pong diplomacy' (remember 'Forrest Gump'?) and a gradual improvement of relations between the two countries. Now, more than forty years later, diplomacy between the two superpowers is deteriorating because of disputes in the South China Sea and East China Sea, involving Japan and other countries of South-east Asia. East Asia is now less stable than any other period since the end of the Cold War.

The Sea of Japan (also known as East China Sea) has been at the center of a dispute between China and Japan that also, and so far indirectly, affects the United States. The situation has reached crisis level and it concerns a dispute over the Senkaku/Diaoyu islands, which intensified in 2012, when Japan decided to formally annex the territory. China maintains that it is willing to compromise with Japan over the Islands, even as it has avoided any diplomatic language. China's Ministry of Foreign Affairs has insisted that it would defend "every inch of the territory that belongs to us", which means that Beijing in no way recognizes Japan's sovereignty over any part of the Islands. China is also at odds with other Asian neighbors, triggered by spats over territorial control in the South China Sea, which has caused the kind of anxiety that could break the thin rope that binds Beijing to Washington and blast cooperation on international issues such as the Middle East, climate change, nuclear weapons proliferation and North Korea. The world will get a better idea of how the US and China will manage their ever more complicated relationship at the sixth annual edition of the Strategic and Economic Dialogue (SED)

summit between the two powers to be held in Beijing this week.

Since last May, the Government of Vietnam warned its citizens that China is preparing to launch a war – albeit, an economic one – as demonstrated by the fact that it entered unilaterally in Vietnamese territorial waters in order to install a massive oil drilling rig. In fact, China wants to ensure it increases its control natural resources and disputed sea areas and waterways in its ‘sphere of influence’. The violation of Vietnam’s maritime sovereignty has produced an underground climate war among the people on the streets. Many men have responded to the call for arms, many are ready to fight against what they see as the enemy, China. In fact, the unexpected intensification of the crisis has led to an extensive militarization of the area with dozens of Chinese vessels, repeated attacks on Vietnamese fishing vessels (the sinking of a fishing vessel May 26). However, the whole world is affected, as it happens that the South China Sea, affected by China’s encroachment where is also the stretch of sea where over 80% of global maritime traffic moves. The question, of course, is not a problem exclusive to the Hanoi government, nor is it just a regional agenda topic. The issue was the chief concern at the Summit on the security of the ASEAN meeting in Singapore in early June (Shangri-La Dialogue).

Whatever the reasons for China’s apparent impromptu unilateral actions in Vietnam, they seem to serve the purpose of diverting domestic and increasingly frequent demonstrations of workers against the conditions of employment in their country, the presence of a dynamic urban middle class, largely inspired by Western models, has to confront a much poorer rural reality and the growing inequalities of today’s Vietnam. The World Bank now places Vietnam among the middle-income countries (middle income countries), which means exclusion from many international development cooperation mechanisms.

China, meanwhile, announced – in the wake of more tensions in the Island dispute with Japan – that it would increase its

military budget 12.2% in 2014. China's military budget has increased six fold since 1992. China's neighbors and critics say that reducing the U.S. military budget could leave it weakened against the potential of the Chinese threat. China has been known to have conducted military exercises in the fall of 2013 aimed at destroying the Japanese fleet in the East China Sea with the ultimate goal of capturing the Senkaku/Diaoyu islands. China has established an air defense zone in the East China Sea. Any non-Chinese passenger and military aircraft must identify themselves and follow the instructions of the Chinese Air Force when flying over the area. There are no international tools or provisions to stop China. The UN Security Council is powerless, meanwhile, because China can count on Russia's full support in matters related to Beijing's territorial claims and interests. Therefore, the US, NATO or any other Western power would be powerless to enforce meaningful sanctions under the auspices of the UN Security Council.

If China adds defense concerns and military prestige to its already intense plans for economic domination, it will generate a serious risk to global growth. The current geopolitical climate suggests that superpowers and emerging powers will be fighting over these resources.