China's rapid growth has generated a great amount of anxiety in the United States. Some fear that conflict with China is inevitable. But others believe that such an outcome is not pre-ordained. Do you believe that China's rise poses a long-term threat to the United States?

The rise of China is likely to be one of the most crucial developments affecting the global order in the 21<sup>st</sup> century. China, by virtue of its size, population and increasingly its economy, is shaping global events and interactions between various actors. This poses a key challenge, or maybe even an invaluable opportunity for the United States to bring to fruition its long-term efforts to integrate China into the international community, even as it continues to watch developments in China and their implications closely to identify any signs of potential confrontation or a major clash of interests.

Anti-China lobbies have always existed in the US since the Communists came to power in 1949. Recent developments that have given these lobbies ample ammunition to overplay the "China Threat" card include its rapid economic development, the much hyped-about controversy over exchange rate and trade balance issues, China's increasing defense budget and growing military presence, its engagement with the established international norms, and its diplomatic globetrotting in search of raw materials and energy sources. Given these developments, it comes as no surprise that China is increasingly being viewed as a threat to US interests by many. However, these developments should not be taken to mean that conflict with China is inevitable. While some international relations theorists like John Mearsheimer believe that conflict is inevitable with a new rising power seeking its rightful place in the international system, there are various other factors in place that cause other China watchers to believe otherwise. To examine whether China's rise poses a *long-term threat* to the United States, we must examine some key aspects of this issue in more detail.

First, let us consider the issue of China's rise. Undoubtedly, China is rising. Economically, China has seen sustained annual GDP growth rates of 9-10% over the past couple of decades with the result that the size of its economy has quadrupled since Deng Xiaoping started reforms in 1978. With the hullabaloo about China's exchange rate regime and the resulting trade imbalance along with the global shift in manufacturing activity to China, many now consider China to be threatening the sustainability of the competitiveness of the US economy in the world, drawing parallels with Japan during the 1980s. However, China's per capita income still remains at very low levels. Having started from a very low base, China is nowhere close to the standards of living in place in developed countries like the United States. Despite this, it is clear that China is developing rapidly and as a Goldman Sachs report predicted, China's economy in GDP terms could overtake the US by 2050. In a dire

situation, China could see an economic backlash from the US and vice versa, with increased protectionism potentially leading to a conflict that would eventually spill into the political and military spheres as well.

Politically, China has developed better relations with many countries in Africa, Southeast Asia, Central Asia, South Asia, the European Union, and even in the US' own backyard, Latin America. Given that China's relations with these countries have improved out of economic imperatives (buying raw materials from these countries and serving as a market for them as well), it is important to note that China is leveraging its economic prowess to gain political favors as well such as greater recognition of the One China policy. In addition, as the dissatisfaction and disillusionment with the United States among its traditional allies rises due to its unilateral foreign policy, China is moving in to provide an alternative to these countries without harping on sensitive issues like political reform, democracy, human rights etc.

On the military front, China's military has undertaken various steps to modernize its capabilities and China's defense budget has been growing by double-digit figures for quite a few years now. It doesn't help pro-China lobbies that Chinese leaders have often adopted a very tough stance against Taiwan, passing an Anti-Secession law last year that irked many Taiwanese and Americans. While many argue that China's militarily capabilities will never match those of the US, an economically robust economy with greater resources to devote to military purposes could see the PLA emerge as a credible threat to the US military capabilities. Another key consideration is China's increasing demand of energy due to rapid economic development. Demand from China is considered to be one of the key factors behind the high oil prices that we are witnessing today. In addition, Chinese companies are seeking to buy oil fields in countries in Africa, Central Asia, and Russia etc. to satisfy its needs, paying scant regard to the political records of regimes like Sudan and Iran many of which are considered to be "rogue" states by the United States.

Next, we need to examine what a *long-term threat* to the United States would entail. A long-term threat implies that the threat would probably be realized in about 15-30 years. Any country, firm, or individual could be considered a threat to the United States if it challenges and threatens its national interests and prevents the achievement of US strategic objectives in the fields of economic, political and energy security as well as undermines the position of the United States as the sole superpower in the world today.

So, given what we know about China's rise, and assuming that this rise continues uninterrupted by major socio-economic or political upheaval (which many continue to argue is inevitable in China), does China

pose a long-term threat to the United States? Potentially, yes. Is conflict between the US and China inevitable? No. Analyzing this issue in terms of economic, political, military or strategic threat, we can conclude that on the economic front, China is likely to threaten the position of the US as the hub of economic activity in the world. In addition, as China continues to attract multinationals due to its low-cost labor, the US could continue to see further jobs being lost. If the issues of exchange rate and huge trade deficits in the US vis-à-vis China gain even more momentum and portray, rightly or wrongly, China as being the root cause of the economic malaise afflicting the US economy, we could see economically unwise measures being adopted by either or both countries.

Politically, as China develops its economic strength further, its interactions with the world might become even more assertive. While currently China avoids challenging key political objectives of the US, such as the war in Iraq, it could potentially begin throwing its political weight around, and leverage its better relations with many countries if the relations of the US with these countries continue to deteriorate. Militarily, it is highly unlikely that China will pose a credible threat to the strength of the US military. However, with the concerted efforts to develop a blue-water navy for the first time, China could potentially pose a credible threat to the US military position in the Taiwan Straits, an area where a US-China military conflict might actually materialize. China also intends to use its blue-water navy to protect the Straits of Malacca through which most of its oil imports flow. China and the US could potentially come into conflict as China's energy needs explode to the extent that it starts encroaching upon territories and oil fields that the US has traditionally secured its oil from, like Saudi Arabia and Venezuela.

Clearly, the potential for China posing a threat to the vital interests of the United States in the long term definitely exists. However, the strong economic ties that bind the US and Chinese economics raises the stakes of such a conflict actually escalating into war. The situation in the years ahead is likely to be different from the Cold War era. Neither the US nor China wants to see the destruction, or anything close to it, of the other country. It would mean economic suicide for both countries. The key lies in channeling the efforts of both countries in a way that prevents them from getting embroiled in a zero-sum competition over status, resources and influence. It is clear that successful management of relations between these two countries will be crucial to maintain stability in the world in the coming decades. Restraint, diplomacy, constructive dialogue and understanding of each others' positions will prove critical in managing what probably is, and will most likely continue to be, the most crucial bilateral relationship in the world.