

It is the United States that can defeat the United States,
and China that can defeat China

Chen Qizong (Ronnie Chan)

OriginalCCG[Global Think Tank CCG](#)2022-07-11 17:44Posted onBeijing



On June 19, 2022, the 8th China and Globalization Forum hosted by the Think Tank for Globalization (CCG) was held in Beijing. Chen Qizong, Co-Chairman of CCG and Chairman of Hang Lung Properties Co., Ltd., expressed the following views at the 2022 Chairman's Advisory Meeting with the theme of "Research and Judgment on the New Pattern of China and Globalization":



The world has changed so much in the past four months. At this CCG meeting in the past two years (2020 and 2021), Sino-US relations and the epidemic were hot spots, and this year it was the Russian-Ukrainian war. I have two things to say about the Russian-Ukrainian war. First, the main thing that changed the world was not the Russian-Ukrainian war itself, but the West's response to Russia's invasion of Ukraine. Second, the Russian-Ukrainian war could have been avoided. The West should respect the red line drawn by Russia in December 2021, just as the Soviet Union in 1962 should respect the US red line in Cuba. However, today the United States believes that Russia is not strong enough and did not accept the red line it has drawn, which led to the Russian-Ukrainian war, and the response of the Western world led by the United States has created today's situation and even affected the next ten or twenty years. .

The Russian-Ukrainian war had at least three consequences. The first is the sequelae of financial weaponization, which will affect the pattern of the world in the near future. Because any country or individual with dollar assets will no longer trust the United States, because she and her allies can block your assets at any time. This greatly affects the future global capital flow. In addition, SWIFT is a financial nuclear weapon, and the United States has also used it. The result is a global financial

dichotomy—the dollar and the world outside the dollar. Who will be the biggest loser? Must be America. If the dollar is hit, it will not be hit by the yuan, but by its own unwise policies that hit its position in the world. If the U.S. dollar hegemony ends, can the U.S. endure it? To deal with Russia in this way, the U.S. kills three hundred enemies and loses one thousand.

The second is the reshuffling of the global energy landscape. Russia is a single-sector-dominated economy, and energy is too important to Russia. Since Peter the Great 300 years ago, Russia has looked west. But the Russian-Ukrainian war completely made Russia understand that it may not continue in the short term. As a result, Russia will become looking east and looking south. Looking east I am not too worried, but looking south will definitely have serious consequences for the Middle East. The EU, Israel and Egypt have jointly announced two days ago that the latter two will deliver natural gas to the EU. This development has far-reaching and far-reaching implications.

The third is inflation caused by shortage of food and certain natural resources. Before Western countries reacted strongly to Russia, did they ever fully consider the consequences of inflation? I wrote an analysis a few years ago, because in the past decades, Western countries have printed a lot of money, inflation is already inevitable, and now The rise in the prices of food and some natural resources has made things worse. A badly damaged economy must have political consequences, just as politics must affect the economy.

There are two other things that have a great impact on the world situation. The first is the intensification of internal conflicts in the United States. In terms of politics, Trump and his associates may return to the DPRK after two years; in terms of social issues, there will be more trouble. Chairman He Yafei mentioned racial issues, the disparity between the rich and the poor, and of course ethnic disputes, the proliferation of guns, Gender relations, abortion bills, and more. The magnitude of this was not seen since the Civil War in the mid-19th century. It is foreseeable that in the next three to five years, the United States will experience great internal changes, which cannot be ignored when analyzing globalization.

The second is the continued deterioration of Sino-US relations. We cannot underestimate the frantic anti-China actions of the United States. In a way, it is the end of globalization. I agree with the statement that the economy cannot be divided. But if politics and economics cannot be (completely) divided, what will happen to the world? Nobody knows! This is a subject that absolutely needs to be studied. So far, we have not seen the trend of western think tanks studying international politics and economics with or without the post-globalization environment, which can be our next focus of research. China still tries its best to maintain globalization, because it is good for China and good for the world.

In the end, my conclusion is as follows: China and the United States are already in full competition (or war). There are four aspects in the economic field: currency, capital market, natural resources, and trade. There are six areas in the military field: basic science, applied science, engineering, cyber, space and deep sea.

In the game between China and the United States, China cannot win, and neither can the United States. Only these two countries in the world will not be defeated by others. The only one who can defeat the United States is the United States itself; the only one who can defeat China is China itself. For this reason, undefeated is victory, because sooner or later the opponent will defeat him. If neither side can defeat the other, then it depends on the psychological quality of both sides. Just as during the Vietnam War, the American political system made its society unacceptable for a long-term war, and there must be a strong centrifugal force in the society. China may be the opposite: foreign enemies may become more and more concentric as long as they handle their own affairs well.

Judging from the history of the United States, there are only two ways to end the war. The first is that the United States wins, and the second is that when the United States cannot win, it will withdraw as soon as possible, such as the Korean War, the Vietnam War and the recent Afghanistan War, etc.

There are many problems in the world today, which can only be solved through cooperation between China and the United States. Unfortunately, the United States does not have the wisdom to see the situation clearly. The consequence is likely to be that the United States chooses to withdraw from the world stage amid domestic and foreign difficulties. I don't think China would be so foolish as to want to replace America's hegemony. China will still try to exercise restraint and try its best to cooperate with Western countries for a win-win situation. However, the final result cannot be decided unilaterally by Beijing. The fact that the United States wants to be your enemy is a fact that China cannot change.

(This article is based on the shorthand of the speech made by Chen Qizong, Co-Chairman of CCG and Chairman of Hang Lung Properties Co., Ltd., at the China and Globalization Forum held by the Globalization Think Tank. It has not been reviewed by myself. Please indicate the source for reprinting.)