

Harvey Lee, H1GeneralPaper.com
RJC Prelims 2007, 27th August 2007
Content: 24, Language and Expression: 15
Total: 39/50, 99th Percentile

“The rise of China is one of the most serious threats the world has ever seen in recent years.”
Comment.

Lord Acton once said, “People fear what they do not understand”. This seems to aptly describe the stance of trade and labour unionists/lobbyists around the world, with regard to the rise of China. Often, anti-China rallies can be observed in the media, where the Chinese are blamed for dumping low cost goods in America, worsening the trade deficit and resulting in mass unemployment. China starts to seem like a threat, both on the economic, social, and political fronts.

The most common argument with regard to China being a global threat is that of it expanding its military might at a rate that makes governments around the world uncomfortable. Ex-US Defence Secretary Donald Rumsfeld often utilized the mass media to emphasize the point that China need not expand its military capabilities as quickly as the current rate of expansion. “This would strain political ties”, he was quoted as saying in the Washington Post.

He is not totally unjustified in making such a claim. History has shown us that growing states fuelled on nationalism and patriotism can result in a global threat. The two most commonly cited examples are pre-World War 2 Japan and Germany. Both countries were experiencing double digit economic growth, and an increase in national pride, and the willingness of the individual to sacrifice him/herself for the state. All these eventually culminated in World War 2, which caused the loss of millions of lives and capital, resulting in a global recession. Thus, if history were to repeat itself, China can be considered one of the most serious threats the world has ever seen in recent years.

Taking into account its population of 1.6 billion and budget surplus of \$1 trillion, China could easily pose a national security challenge to any state in the world. However, as Chinese Premier Wen Jia Bao constantly emphasizes, “China is on a peaceful rise policy. It wants to do its bit by contributing to global trade and manufacturing without causing any harm to others.” Skeptics take this with a pinch of salt; this is merely public propaganda, they say. Did Hitler not tell the world that Germany was benign, before then setting out to conquer the world? This time, however, the context is different. China has a lot to lose by going to war with another country. The billions of dollars of Foreign Direct Investment (FDIs) require a stable social-economic and political climate to flourish and return profits to both investors and China. These FDIs keep a large swathe of China’s lower to middle class citizens employed, at the same time generating multiplier effects to the economy through education, training and technology transfer. China stands to lose all of the above by going to war with another country. As the Benett Macdonald Theory suggests, “Two countries with a multinational co-operation (such as Coca-Cola or Starbucks) will never go to war with each other. The opportunity cost is just too great”. Thus we can see that China is not one of the most serious global threats, with regard to national security.

Instead, terrorism is. While China has everything to lose and nothing to gain by going to war, terrorists are in the exact opposite situation. Since terrorists operate via international cells and networks, this global threat cannot be pinpointed and eradicated. Having no economy whatsoever, these organizations have nothing to lose by going to war with any country in the world. Thus, on the issue of national security, the spotlight rightfully belongs to the terrorists organizations.

From a social-economic point of view, Western Unionists often lambast China for exploiting their own workers, denying them of their own basic human rights, in order to make them work longer

and harder, for lesser pay. This translates into impossibly low-priced goods, which, when dumped onto other countries, result in the demise of industries and their associated employment. As a result, the European Union has imposed tariffs on Chinese textile, going so far as to even ban atrociously cheap bras from Chinese bra makers. This brazen act displays the degree of discomfort felt with regards to the rise of China as an economic power house.

The European Union are not unjustified in such claims. Local brands like Mango and Mercedes have long ago shut down their production facilities in Europe and the Americas, shifting production to 3rd party manufacturers in China instead. This new phenomenon, otherwise known as the “New International Division of Labour” accounts for more than 13% of job losses in the manufacturing industries. Labour Unions make the claim that if this trend were to continue, the United States and the rest of the developed world would be facing a global recession in no time at all.

What they fail to elucidate on, however, is the fact that while China does create unemployment in inefficient, high labour cost industries in developed nations, it also adds to global demand for capital and consumable goods. Its population of 1.6 billion, with a rising middle class and high savings rate represents an untapped market for the world to exploit. Markets in the developed world have long been saturated. China represents a new oasis for global co-operations. Thus, while China’s current specialization in low-cost manufacturing might be seen as a serious socio-economic threat to some, it more than makes up for the losses of inefficient industries by the creation of new demand. The world will not suffer from mass unemployment and recession simply because China will begin importing more goods from overseas in due time, creating employment and job opportunities instead.

Others see China as an environmental threat. Already, It’s neighbours South Korea and Japan are complaining of increasing lead and carbon particles in wind currents blown from China. China’s carbon emissions add to the already worsening greenhouse effect, resulting in the catastrophic climate change events we see in the media. Hurricane Katrina levelled New Orleans, El Nino destroys Peruvian fisheries and Eucadorian farmland, while Typhoons constantly batter the coast of Taiwan. This is a serious global threat. Yet, one must question the role China has to play with regards to this. China only recently opened its doors to foreign investment, switching from a centrally planned economy to that of the free market in the 1980s. Unlike other developed nations, its contributions to carbon emissions do not span way back to the 1920s. Moreover, most of China’s products are labour-intensive goods which require little or no fuel whatsoever. Sewing together a rag doll does not contribute much to global carbon emissions. The Organization of Economically Developed Countries (OECDs), on the other hand, produces almost 72% of the world’s carbon emissions, with the United States taking the largest slice of the carbon emissions pie (36%). Thus, we can see that environmentally, China is not one of the most serious threats. The developed world is.

The statement that “China is one of the most serious threats the world has ever seen in recent years” is based on the assumption that China as the potential to become a threat, or that it is already a threat. The quantifier “one of the most serious” puts China as an extreme case. Yet, as shown above, China, like India, under the leadership of Gandhi, can develop as a nation without the use of violence or political blackmail. The only exception to its ‘peaceful rise policy’ is that of Taiwan, of which China claims to have historical ownership. However, with the United States just across the Pacific Ocean, China ceases to be a military threat to Taiwan. The World Trade Organization and United Nations also act as a check and balance on China’s power. Thus, we can see that the assumption that China is a threat does not hold true, its power can be negated by the rest of the world. In the same vein, the quantifier “one of the most serious” is too extreme to be applied to this scenario.

In sum, I disagree with the statement that the rise of China is one of the most serious threats the world has ever seen.