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23. From COVID War to Cold War: The New Three-Body Problem

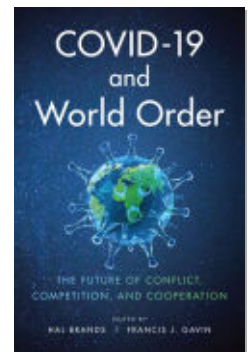
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From COVID War to Cold War

The New Three-Body Problem

Niall Ferguson

In Liu Cixin's extraordinary science fiction novel *The Three-Body Problem*, China recklessly creates, then ingeniously solves, an existential threat to humanity. During the chaos of Mao Zedong's Cultural Revolution, Ye Wenjie, an astrophysicist, discovers the possibility of amplifying radio waves by bouncing them off the sun and in this way beams a message to the universe. When, years later, she receives a response from the highly unstable and authoritarian planet Trisolaris, it takes the form of a stark warning not to send further messages. Deeply disillusioned with humanity, she does so anyway, betraying the location of Earth to the Trisolarans, who are seeking a new planet because their own is subject to the chaotic gravitational forces exerted by three suns (hence the book's title). So misanthropic that she welcomes an alien invasion, Ye cofounds the Earth-Trisolaris Organization as a kind of fifth column, in partnership with a radical American environmentalist named Mike Evans. Yet their conspiracy to help the Trisolarans conquer Earth and eradicate humankind is ingeniously foiled by the dynamic duo of Wang Miao, a nanotechnology professor, and Shi Qiang, a coarse but canny Beijing cop.¹

The nonfictional threat to humanity we confront today is not, of course, an alien invasion. The coronavirus SARS-CoV-2 does not come from outer space,

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though it shares with the Trisolarans an impulse to colonize us. The fact, however, is that the first case of COVID-19—the disease the virus causes—was in China, just as the first messages to Trisolaris were sent from China. Similar to *The Three-Body Problem*, the Chinese Communist Party (CCP) caused this disaster—first by covering up how dangerous SARS-CoV-2 was, then by delaying measures that might have prevented its worldwide spread. Yet now—again, as in Liu Cixin’s novel—China wants to claim credit for saving the world from it. Liberally exporting testing kits, face masks, and ventilators, the Chinese government has sought to snatch victory from the jaws of a defeat it inflicted. Not only that, but the deputy director of the Chinese Foreign Ministry’s Information Department has gone so far as to endorse a conspiracy theory that the coronavirus originated in the United States. On March 12, Zhao Lijian tweeted: “It might be [the] US army who brought the epidemic to Wuhan.”² Zhao also retweeted an article claiming that an American team had brought the virus with them when they participated in the World Military Games in Wuhan last October.

It was already obvious early in 2019 that a new cold war—Cold War II, between the United States and China—had begun. What started out in early 2018 as a trade war—a tit for tat over tariffs while the two sides argued about the American trade deficit and Chinese intellectual property theft—had by the end of the year metamorphosed into a technology war over the global dominance of the Chinese company Huawei in 5G (fifth generation) network telecommunications; an ideological confrontation, in response to Beijing’s treatment of the Uyghur minority in China’s Xinjiang region and the pro-democracy protesters in Hong Kong; and an escalation of old frictions over Taiwan and the South China Sea. Henry Kissinger himself acknowledged last November that we are “in the foothills of a Cold War.”³

The COVID-19 pandemic has merely intensified Cold War II, at the same time revealing its existence to those who last year doubted it was happening. Chinese scholars such as Yao Yang, a professor at the China Center for Economic Research and dean of the National School of Development at Peking University, now openly discuss it.⁴ Proponents of the era of US-China “engagement” since 1972 are now writing engagement’s obituary, ruefully conceding (in Orville Schell’s words) that it foundered “because of the CCP’s deep ambivalence about the way engaging in a truly meaningful way might lead to demands for more reform and change and its ultimate demise.”⁵ Critics of engagement are eager to dance on its grave, urging instead that the People’s Republic be economically “quarantined,” with its role in global supply chains drastically reduced. To quote Daniel Blumenthal and Nick Eberstadt, “The maglev from ‘Cultural Revolution’ to ‘Chinese Dream’ does not

make stops at Locke Junction or Tocqueville Town, and it has no connections to Planet Davos.”⁶ Moves in the direction of economic quarantine are already happening. The European Chamber of Commerce in China says that more than half its member companies are considering moving supply chains out of China. Japan has earmarked 240 billion yen (\$2.2 billion) to help manufacturers leave China. “People are worried about our supply chains,” Prime Minister Shinzo Abe said in April.⁷ “We should try to relocate high added value items to Japan. And for everything else, we should diversify to countries like those in ASEAN.” In the words of Republican senator Josh Hawley of Missouri: “The international order as we have known it for thirty years is breaking. Now imperialist China seeks to remake the world in its own image, and to bend the global economy to its own will . . . [W]e must recognize that the economic system designed by Western policy makers at the end of the Cold War does not serve our purposes in this new era.”⁸ In early May, Missouri’s attorney general, Eric Schmitt, filed a lawsuit in federal court seeking to hold Beijing responsible for the outbreak.

To be sure, many voices have been raised to argue against Cold War II. Yao Yang has urged China to take a more conciliatory line toward Washington, by acknowledging what went wrong in Wuhan in December and January and eschewing nationalistic “wolf warrior” diplomacy. A similar argument for reconciliation to avoid the “Thucydides Trap” has been made by Yu Yongding and Kevin Gallagher. Eminent architects of the strategy of engagement, notably Hank Paulson and Robert Zoellick, have argued for its resurrection.⁹ Wall Street remains as addicted as ever to the financial symbiosis that Moritz Schularick and I christened “Chimerica” in 2007, and Beijing’s efforts to attract big US financial firms such as American Express, Mastercard, J. P. Morgan, Goldman Sachs, and BlackRock into the Chinese market are proving successful.¹⁰ Nevertheless, the political trend is quite clearly in the other direction. In the United States, public sentiment toward China has become markedly more hawkish since 2017, especially among older voters. There are few subjects these days about which there is a genuine bipartisan consensus in the United States. China is one of them.

It is therefore stating the obvious to say that Cold War II will be the biggest challenge to world order, whoever is sworn in as president of the United States next January, for most of that person’s term in office. Armed with John Bolton’s new memoir—which reveals President Donald J. Trump to be privately a good deal more conciliatory toward his Chinese counterpart, Xi Jinping, than he has been in public—Joe Biden’s campaign can now claim that their man would be tougher on China than Trump.¹¹ According to the Beijing-controlled *Global Times*, Chinese

netizens have taken to mocking the American president as Chuan Jianguo, or “Build-up-the-country Trump”—a kind of parodic Manchurian Candidate.¹² By contrast, the language of some potential cabinet-level appointees in a Biden administration is so tough in places as to be indistinguishable from that of Secretary of State Mike Pompeo. Michèle Flournoy’s recent *Foreign Affairs* article featured fighting words that might equally well have been spoken by the late senator John McCain.¹³ Indeed, they echo arguments made by McCain’s former aide, Christian Brose, in his new book, *The Kill Chain*.¹⁴

Commentators (and there are many) who doubt the capacity of the United States to reinvigorate and reassert itself imply, or state explicitly, that this is a cold war the Communist power can win. “Superpowers expect others to follow them,” Kishore Mahbubani told *Der Spiegel* in April.¹⁵ “The United States has that expectation, and China will too, as it continues to get stronger.” In an interview with the *Economist*, he went further: “History has turned a corner. The era of Western domination is ending.”¹⁶ This view has long had its supporters among left-leaning or sinophile Western intellectuals, such as Martin Jacques¹⁷ and Daniel Bell.¹⁸ The COVID-19 crisis has made it more mainstream. Yes, the argument runs, the fatal virus may have originated in Wuhan, whether in one of the local “wet markets” where live wild animals are sold for their meat or in one of two biological research laboratories located in the city. Nevertheless, after an initially disastrous sequence of events, the Chinese government has been able to get the contagion under control with remarkable speed, illustrating the strengths of the “China model,” and then to bend the global narrative in its favor, recasting itself as the savior rather than scourge of mankind.¹⁹

By contrast, the United States has badly bungled its pandemic response. “America is first in the world in deaths, first in the world in infections and we stand out as an emblem of global incompetence,” retired diplomat William Burns told the *Financial Times* in May.²⁰ “The damage to America’s influence and reputation will be very hard to undo.”²¹ The editor in chief at Bloomberg, John Micklethwait, and his coauthor Adrian Wooldridge wrote in a similar vein in April. “If the 21st century turns out to be an Asian century as the 20th was an American one,” wrote Lawrence Summers in May, “the pandemic may well be remembered as the turning point.”²² Nathalie Tocci, who advises the high representative (foreign minister) of the European Union (EU), Josep Borrell, has likened this moment to the 1956 Suez Crisis. The American journalist and historian Anne Applebaum has written: “there is no American leadership in the world . . . [T]he outline of a very different, post-

American, post-coronavirus world is already taking shape . . . A vacuum has opened up, and the Chinese regime is leading the race to fill it.”²³ Those who take the other side of this argument—notably Gideon Rachman and Joseph Nye—are in a distinct minority. Even Richard Haass, who argues that “the world following the pandemic is unlikely to be radically different from the one that preceded it,” sees a dispiriting future of “waning American leadership, faltering global cooperation, great-power discord.”²⁴

Meanwhile, those who believe in historical cycles, such as hedge-fund-manager-turned-financial-historian Ray Dalio, are already writing the obituary for a dollar-dominated world economy. The historian Peter Turchin has made a similar argument on the basis of “structural demographic theory,” predicting in 2012 that the year 2020 would be “the next instability peak [of violence] in the United States.”²⁵ Who, given the circumstances of 2020, can blame the playwright David Mamet for being haunted by Cassandra’s prophecies?

As Henry Kissinger has argued, the pandemic “will forever alter the world order . . . the world will never be the same after the coronavirus.”²⁶ But how exactly will the international system change? One possible answer is that COVID-19 has reminded many countries of the benefits of self-reliance. In Kissinger’s words: “Nations cohere and flourish on the belief that their institutions can foresee calamity, arrest its impact and restore stability. When the Covid-19 pandemic is over, many countries’ institutions will be perceived as having failed. Whether this judgment is objectively fair is irrelevant.”²⁷ Not everyone shares Daniel Bell’s ecstatic assessment of the performance of the Chinese Communist Party. True, this may not be Xi Jinping’s Chernobyl. Unlike its Soviet counterpart in 1986, the Chinese Communist Party has the ability to weather the storm of a disaster and to restart the industrial core of its economy. Yet there is no plausible way that Xi can now meet his cherished goal of having China’s 2020 gross domestic product be double that of 2010: COVID-19 has necessitated the abandonment of the growth target that was necessary to achieve that. In an effort to keep down unemployment, the government has ended the prohibition against street vendors in major cities. Nor should Xi be regarded as politically unassailable. On reflection, it may prove to be somewhat naïve to have assumed that China was likely to be the net beneficiary of the pandemic.

However, that is not to say that the United States will somehow emerge from the pandemic panic with its global primacy intact. It is not just that Trump himself bungled his response to the crisis, though he certainly did. Much more troubling is the realization that the parts of the federal government that are responsible for

handling a crisis such as this also bungled it. The Department of Health and Human Services (HHS) is a mansion with many houses, but the ones that were charged with pandemic preparedness appear to have failed abjectly: not only the Centers for Disease Control and Prevention but also the Food and Drug Administration, the Public Health Service, as well as the National Disaster Medical System. This was not for want of legislation. In 2006 Congress passed a Pandemic and All-Hazards Preparedness Act, in 2013 a reauthorization act of the same name, and in June 2019 a Pandemic and All-Hazards Preparedness and Advanced Innovations Act. In October 2015, the bipartisan Blue Ribbon Study Panel on Biodefense, cochaired by Joe Lieberman and Tom Ridge, published its first report, calling for better integration of the agencies responsible for biodefense. In 2019 it was renamed the Bipartisan Commission on Biodefense “to more accurately reflect its work and the urgency of its mission.”²⁸

Since August 2017, Robert Kadlec, a career US Air Force doctor, has been assistant secretary for preparedness and response at HHS. On October 10, 2018, Kadlec gave a lecture at the University of Texas’s Strauss Center on the evolution of biodefense policy in which he quoted from Nassim Taleb’s *Black Swan* as part of his argument for an insurance policy against a pandemic. “If we don’t build this,” concluded Kadlec, “we’re gonna be ‘SOL’ [shit out of luck] should we ever be confronted with it . . . We’re whistling in the dark, a little bit.”²⁹ The previous month, the Trump administration had published a thirty-six-page report, *National Biodefense Strategy* (2018). Its implementation plan included as one of its five goals: “Assess the risks posed by research, such as with potential pandemic pathogens, where biosafety lapses could have very high consequences.”³⁰

As a consequence of the failure of the public health bureaucracy during the pandemic, the United States has fallen back on the 1918–19 playbook of pandemic pluralism (states do their own thing; in some states a lot of people die) but has combined it with the 2009–10 playbook of financial crisis management. A significant part of the national economy was shut down by state governors in March and April; meanwhile the national debt exploded, along with the Federal Reserve system’s balance sheet. By May, lockdowns had become intolerable for most Republicans, but state governments were nowhere near having the integrated systems of testing and contact tracing necessary for economic reopening to be anything other than “dumb,” in the formulation of John Cochrane.³¹ As this debacle has played out, it has been like watching all my earlier visions of the endgame of American empire—in the trilogy *Colossus* (2004), *Civilization* (2011), and *The Great Degeneration* (2012)—but speeded up.

The truth is that this crisis has exposed the weaknesses of all the big players on the world stage: not only the United States but also China and, for that matter, the European Union. This should not surprise us. History shows that plagues are generally bad for big empires, especially those with porous frontiers (witness the reigns of the Roman emperors Marcus Aurelius and Justinian);³² city-states are generally better at limiting the spread of pathogens. In 2019 the new Global Health Security Index ranked the United States first and the United Kingdom second in the world in terms of their “global health security capabilities.”³³ It proved otherwise. A league table of coronavirus health safety published in early April by the Deep Knowledge Group puts Israel, Singapore, New Zealand, Hong Kong, and Taiwan at the top. (Iceland deserves an honorable mention, too. And some second-tier great powers—notably Germany and Japan—have also done well, minimizing infections and deaths without inflicting protracted lockdowns on their economies.) The key point is that there are diseconomies of scale when a new pathogen is on the loose. Four of those countries, in their different ways, had reasons to be paranoid in general as well as focused on the specific danger of a new coronavirus. Israel, Singapore, Hong Kong, and Taiwan had learned the lessons of SARS and MERS. By contrast, the big global players—China, the United States, and the EU—have all done quite badly, each in its own distinctive way. (Among members of the Organisation for Economic Co-operation and Development, the United States rates below Austria, Denmark, and Germany in one recent assessment, but above Belgium, Italy, and Spain.)³⁴ The winners in the short run are none of the above empires. The winners are today’s equivalents of city-states.

The question is, Who gains from this stunning demonstration in Israel, Singapore, and Taiwan that, in a real crisis, small is beautiful? On balance, I would say that the centrifugal forces unleashed by the pandemic are a much bigger threat to a monolithic one-party state than to a federal system that was already in need of some decentralization. To which of the three empires do the successful city-states feel most loyalty? That is the question.

As Kissinger observes, “No country . . . can in a purely national effort overcome the virus . . . The pandemic has prompted an anachronism, a revival of the walled city in an age when prosperity depends on global trade and movement of people.” Ultimately, Taiwan cannot prosper in isolation; no more can South Korea. “Addressing the necessities of the moment,” Kissinger writes, “must ultimately be coupled with a global collaborative vision and program. Drawing lessons from the development of the Marshall Plan and the Manhattan Project, the U.S. is obliged

to undertake a major effort . . . [to] safeguard the principles of the liberal world order.”

The reputation of the Trump administration is currently at rock bottom in the eyes of most scholars of international relations. The president is seen as a wrecking ball, taking wild swings at the very institutions on which the liberal world order supposedly depends, notably the World Trade Organization and, most recently, the World Health Organization, to say nothing of the Joint Plan of Action on Iran’s nuclear program and the Paris Agreement on the climate. Yet reasonable questions may be asked about the efficacy of all of these institutions and agreements with respect to the Trump administration’s core strategy of engaging in “strategic competition” with China.³⁵ If an administration is judged by its actions in relation to its objectives, rather than by presidential tweets in relation to some largely mythical liberal international order, a rather different picture emerges. In four distinct areas, the administration has achieved, or stands a chance of achieving, meaningful success in its competition with China.

The first is financial. For many years, China toyed with the idea of making its currency convertible. This proved to be impossible because of the pent-up demand of China’s wealth owners for assets outside China. More recently, Beijing has sought to increase its financial influence through large-scale lending to developing countries, some of it (not all) through its Belt and Road Initiative. The crisis unleashed by the COVID-19 pandemic has presented the United States with an opportunity to reassert its financial leadership in the world. In response to the severe global liquidity crisis unleashed in March, the Federal Reserve created two new channels—swap lines and a repo facility for foreign international monetary authorities—by which other central banks can access dollars. The first already applied to Europe, the United Kingdom, Canada, Japan, and Switzerland and was extended to nine more countries, including Brazil, Mexico, and South Korea. At its peak, the amount of swaps outstanding was \$449 billion. In addition, the new repo facility made dollars available on a short-term basis to 170 foreign central banks. At the same time, the International Monetary Fund—an institution the Trump administration has shown little inclination to undermine—has stepped in to manage a spate of requests for assistance from around a hundred countries, canceling six months of debt payments due from twenty-five low-income countries such as Afghanistan, Haiti, Rwanda, and Yemen, while the G20 countries have agreed to freeze the bilateral debts of seventy-six poorer developing countries. As international creditors brace themselves for a succession of defaults by countries such as Argentina, Ecuador, Lebanon, Rwanda, and Zambia, the United States is

in a much stronger position than China. Since 2013, total announced lending by Chinese financial institutions to Belt and Road Initiative projects amounted to \$461 billion, making China the single biggest creditor to emerging markets. The lack of transparency that characterized these loans long ago aroused the suspicions of Western scholars, notably Carmen Reinhart, now chief economist at the World Bank.³⁶

It is one thing to lament the dominance of the dollar in the international payments system; it is another to devise a way to reduce it.³⁷ Unlike in the 1940s, when the US dollar stood ready to supplant the British pound as the international reserve currency, the Chinese renminbi remains far from being a convertible currency, as Hank Paulson and others have pointed out. Chinese and European experiments with central bank digital currencies pose no greater threat to dollar dominance.³⁸ As for Facebook's grand design for a digital currency, Libra, it "has about as much chance of displacing the dollar," one wit observed, "as Esperanto has of replacing English."³⁹ The most that can be said is that the United States now lags worryingly behind Asia, Europe, and even Latin America when it comes to innovations in financial technology. But it is hard to see how even the most ambitious scheme—the projected East Asian digital currency consisting of the Chinese yuan, Japanese yen, South Korean won, and Hong Kong dollar—will come to fruition, in view of the profound suspicions many in Tokyo feel toward the financial ambitions of Beijing.

The second area where US dominance seems likely (though not certain) to be reasserted is in the race to find a vaccine against SARS-CoV-2. According to the Milken Institute, there are over 170 vaccine research projects under way at the time of writing this, ten of which are now in human trials.⁴⁰ The most advanced candidate is AZD1222, first developed by researchers at Oxford and Vaccitech. It and six others—including those of Moderna and Pfizer—are being given US government funding as part of the Trump administration's Operation Warp Speed, the White House program for accelerating vaccine development. True, there are also five vaccines in clinical trials in China, but four of them are inactivated whole-virus vaccines, an earlier generation of medical science than Moderna's mRNA-1273. An early April survey in *Nature* noted that "most COVID-19 vaccine development activity is in North America, with 36 (46%) developers of the confirmed active vaccine candidates compared with 14 (18%) in China, 14 (18%) in Asia (excluding China) and Australia, and 14 (18%) in Europe."⁴¹ It is possible that one of the Chinese contenders will beat the odds and produce a vaccine. It is nevertheless worth remembering the recurrent problems the People's Republic has had in

recent years with vaccine safety and regulation, most recently in January 2019, when children in the province of Jiangsu received out-of-date polio shots, and before that in July 2018, when 250,000 doses of vaccine for diphtheria, tetanus, and whooping cough were found to be defective. It was only thirteen years ago that Zheng Xiaoyu, the former head of the Chinese State Food and Drug Administration, was sentenced to death for taking bribes from eight domestic drug companies.

Third, the United States is pulling ahead of China in the “tech war.” The Trump administration’s pressure on allied countries not to use 5G hardware produced by Huawei is yielding results. In Germany, Norbert Röttgen, a prominent member of Chancellor Angela Merkel’s Christian Democratic Union, helped draft a bill that would bar any “untrustworthy” company from “both the core and peripheral networks.”⁴² In Britain, Neil O’Brien, Conservative member of Parliament and founder of the China Research Group, and a group of thirty-eight rebel Tory backbenchers appear to have succeeded in changing Prime Minister Boris Johnson’s mind about Huawei, much to the fury of the editors of *China Daily*. Perhaps more significant are the US Commerce Department rules announced on May 15 that would cut Huawei off from using advanced semiconductors produced anywhere in the world using US technology or intellectual property. This includes the chips produced in Taiwan by the Taiwan Semiconductor Manufacturing Company, or TSMC, the world’s most advanced manufacturer. The new rules pose a potentially mortal threat to Huawei’s semiconductor affiliate HiSilicon.

Finally, the United States’ lead in artificial intelligence research, as well as in quantum computing, would appear still to be commanding, although the recent decision by President Trump to restrict visas for computer programmers and other skilled workers who enter the country with H-1B visas could ultimately reduce that lead. One recent study showed that, while “China is the largest source of top-tier AI researchers, . . . a majority of these Chinese researchers leave China to study, work, and live in the United States.”⁴³ Frey and Osborne concluded a recent survey of the tech war as follows: “If we look at the 100 most cited patents since 2003, not a single one comes from China . . . A surveillance state with a censored Internet, together with a social credit system that promotes conformity and obedience, seems unlikely to foster creativity.”⁴⁴ If Yan Xuetong, dean of the Institute of International Relations at Tsinghua University, is correct in contending that Cold War II will be a purely technological competition, without the nuclear brinkmanship and proxy wars that made the first one so risky and so costly, then the United States is the favorite to win it.

It can hardly be claimed that the Trump administration is “safeguard[ing] the principles of the liberal world order.” It would nevertheless be fair to say that, in practice, the administration has been quite effective in at least some of the steps it has taken to execute its stated goal of competing strategically with China.

The great achievement of the various strategies of containment pursued by the United States during the Cold War was to limit and ultimately reverse the expansion of Soviet power without precipitating a World War III. Might strategic competition prove less successful in that regard? It is possible. First, there is a clear and present danger that information warfare and cyberwarfare operations, honed by the Russian government and now being adopted and enacted by China, could cause severe disruption to the US political and economic system.⁴⁵

Second, as Christian Brose has argued, the United States could find itself at a disadvantage in the event of a conventional war in the South China Sea or the Taiwan Strait, because US aircraft carrier groups, with their F-35 fighters, are now highly vulnerable to new Chinese weapons such as the DF-21D, the world’s first operational anti-ship ballistic missile (“the carrier killer”).⁴⁶

Third, the United States already finds it difficult to back up words with actions. China has signaled that it will impose new national-security laws on Hong Kong, dealing a blow to the territory’s autonomy and surely violating the terms of the 1984 Sino-British Joint Declaration, which guarantees a “one country, two systems” model until 2047. Adding various Chinese agencies and institutions to the US Commerce Department’s entity list will not deter Beijing from going ahead. Nor will similar economic sanctions threatened by indignant senators. Secretary of State Pompeo has gone out of his way to show friendliness toward the Taiwanese government this year, publicly congratulating President Tsai Ing-Wen on her reelection in January. Yet how effectively could the United States react if Beijing decided to launch a surprise amphibious invasion of the island? Such a step is openly proposed by nationalist writers on Chinese social media as a solution to the threat that Huawei will be cut off from TSMC. One lengthy post on this subject was headlined “Reunification of the two sides, take TSMC!”

The reunification of Taiwan and the mainland is Xi Jinping’s most cherished ambition and is one of the justifications for his removal of term limits. Xi may well be asking himself if there will ever again be a more propitious time to force the issue than this year, with the United States in a lockdown-induced recession and just months away from a contentious and decisive election. While the Pentagon is skeptical of China’s ability to execute a successful invasion, the People’s Liberation

Army is rapidly increasing its amphibious capabilities. With good reason, Graham Allison has warned that the administration's ambition to "kill Huawei" could play a role similar to the sanctions imposed on Japan between 1939 and 1941, culminating in the August 1941 oil embargo.⁴⁷ It was economic pressure that ultimately drove the imperial government to gamble on a war that began with a surprise attack on Pearl Harbor.⁴⁸ If it were the United States that suddenly found itself cut off from TSMC, the boot would be on the other foot, as the Taiwanese company's new foundry in Arizona will take years to complete and will be no substitute for the much larger facilities it has in Taiwan.⁴⁹

Cold wars can deescalate in a process we remember as *détente*. But they can also escalate: a recurrent feature of the period from the late 1950s until the early 1980s was fear that brinkmanship might lead to Armageddon. At times, as John Bolton has shown, President Trump inclines to a very crude form of *détente*. There are important members of his administration who lean in that direction, too. We hear occasional melodious mood music about the phase one trade deal announced late last year,⁵⁰ despite abundant evidence that it is being honored by Beijing mainly in the breach.⁵¹ Yet the language of the secretary of state remains consistently combative. To be sure, his meeting with Yang Jiechi, the director of the CCP Office of Foreign Affairs, in Hawaii on June 17 was notable for the uncompromising harshness of the language used in the official Chinese communiqué released afterward.⁵² But that might have been exactly what Secretary Pompeo wanted on the eve of his hard-hitting speech to the Copenhagen Democracy Summit, which was clearly intended to galvanize his European audience.

How likely is this appeal to be successful? In some quarters, not at all. The Italian foreign minister, Luigi Di Maio, was one of a number of Italian politicians all too ready to swallow Beijing's aid and propaganda back in March, when the COVID-19 crisis in northern Italy was especially bad. "Those who scoffed at our participation in the Belt and Road Initiative now have to admit that investing in that friendship allowed us to save lives in Italy," Di Maio declared in an interview.⁵³ The Hungarian prime minister, Viktor Orbán, was equally enthusiastic. "In the West, there is a shortage of basically everything," he said in an interview with Chinese state television. "The help we are able to get is from the East," he continued.⁵⁴ "China is the only friend who can help us," gushed the Serbian president, Aleksandar Vučić, who kissed a Chinese flag when a team of doctors flew from Beijing to Belgrade.⁵⁵ However, mainstream European reaction, especially in Germany and France, has displayed a rather different sentiment. "Over these

months China has lost Europe,” Reinhard Bütikofer, a German Green Party member of the Bundestag, declared in an interview in April.⁵⁶ “The atmosphere in Europe is rather toxic when it comes to China,” said Jörg Wuttke, president of the EU Chamber of Commerce in China.⁵⁷ On April 17, the editor in chief of Germany’s biggest tabloid, *Bild*, published an open letter to General Secretary Xi Jinping titled “You are endangering the world.”⁵⁸ In France, too, “wolf warrior diplomacy” has been a failure.

One reason for its failure is that, after an initial breakdown in early March, when *sauf qui peut* was the order of the day, European institutions have risen to the challenge posed by COVID-19.⁵⁹ In a remarkable interview published on April 16, the French president declared that the EU faced a “moment of truth” in deciding whether it was more than just a single economic market. “You cannot have a single market where some are sacrificed,” he told the *Financial Times*.⁶⁰ “It is no longer possible . . . to have financing that is not mutualized for the spending we are undertaking in the battle against Covid-19 and that we will have for the economic recovery.”⁶¹ He continued: “If we can’t do this today, I tell you the populists will win—today, tomorrow, the day after, in Italy, in Spain, perhaps in France and elsewhere.”⁶² His German counterpart agreed. Europe, declared Angela Merkel, was a “community of fate” (*Schicksalsgemeinschaft*). To the surprise of skeptical commentators, the result was very different from the cheese-paring that characterized the German response to the global financial crisis.⁶³ The Next Generation EU plan, presented by the European Commission on May 27, proposed 750 billion euros of additional EU spending, to be financed through bonds issued by the EU and to be allocated to the regions hardest hit by the pandemic.⁶⁴ Perhaps even more significantly, the German federal government adopted a supplementary budget of 156 billion euros (4.9% of gross domestic product) followed by a second fiscal stimulus package worth 130 billion euros (or 3.8% of gross domestic product), which—along with large-scale guarantees from a new economic stabilization fund—was intended to ignite recovery with a “ka-boom,” in the words of Finance Minister Olaf Scholz.⁶⁵ Such large-scale fiscal measures, combined with large-scale asset purchases by the European Central Bank, have done much to dampen support for the populist right in most EU member states.

Yet this successful reassertion of European solidarity—made easier by the departure of the United Kingdom from the EU negotiating table—has had an unexpected consequence from the vantage point of Washington. Europeans, especially young Europeans and especially Germans, have never since 1945 been more disenchanted with the transatlantic relationship. In one pan-European survey

conducted in mid-March, 53% of young Europeans said they had more confidence in authoritarian states than democracies when it came to addressing the climate crisis.⁶⁶ In a German poll published by the Körber Foundation in May, 73% of Germans said that their opinion of the United States had deteriorated—more than double the number of respondents who felt that way toward China.⁶⁷ Just 10% of Germans considered the United States to be their country's closest partner in foreign policy, compared with 19% in September 2019. And the proportion of Germans who prioritized close relations with Washington over close relations with Beijing has decreased significantly, from 50% in September 2019 to 37%, roughly the same share as those who preferred China to the United States (36%).

In the Cold War with the Soviets, it is sometimes forgotten that there was a Non-Aligned Movement (NAM), which had its origins in the 1955 Bandung Conference hosted by Indonesian president Sukarno and attended by the Indian prime minister Jawaharlal Nehru, the Egyptian president Gamal Abdel Nasser, his Yugoslav counterpart Josip Broz Tito, and the Ghanaian president Kwame Nkrumah, as well as the North Vietnamese president Ho Chi Minh, the Chinese premier Zhou Enlai, and the Cambodian prime minister Norodom Sihanouk. Formally constituted in 1956 by Tito, Nehru, and Nasser, the NAM's goal was (in the words of one of Nehru's advisers) to enable the newly independent countries of the Third World to preserve their independence in the "face of [a] complex international situation demanding allegiance to either of the two warring superpowers." For most Western Europeans and many East and Southeast Asians, however, non-alignment was not an attractive option. That was partly because the choice between Washington and Moscow was a fairly easy one—unless the Red Army's tanks were rolling into a country's capital city. It was also because the NAM's geopolitical nonalignment was not matched by a comparable ideological nonalignment, a feature that became more prominent with the ascendancy of the Cuban dictator Fidel Castro in the 1970s, finally leading to a near breakup of the movement over the Soviet invasion of Afghanistan.

Today, by contrast, the choice between Washington and Beijing looks to many Europeans like a choice between the frying pan and the fire or, at best, the kettle and the pot. As the Körber poll mentioned above strongly suggests, "The [German] public is leaning toward a position of equidistance between Washington and Beijing." Even the government of Singapore has made it clear that it "fervently hope[s] not to be forced to choose between the United States and China." Moreover, "Asian countries see the United States as a resident power that has vital interests in the region," the Singaporean prime minister wrote in a recent issue of *Foreign Affairs*.

“At the same time, China is a reality on the doorstep. Asian countries do not want to be forced to choose between the two. And if either attempts to force such a choice—if Washington tries to contain China’s rise or Beijing seeks to build an exclusive sphere of influence in Asia—they will begin a course of confrontation that will last decades and put the long-heralded Asian century in jeopardy . . . Any confrontation between these two great powers is unlikely to end as the Cold War did, in one country’s peaceful collapse.”⁶⁸

Lee Hsien Loong is right in one respect at least. The fact that both world wars of the 20th century had the same outcome—the defeat of Germany and its allies by Britain and its allies—does not mean that Cold War II will have the same outcome as its predecessor: the victory of the United States and its allies. Cold wars are usually regarded as bipolar; in truth, though, they are always three-body problems, with two superpower alliances and a third nonaligned network in between. This may indeed be a general truth about war itself: that it is seldom simply a Clausewitzian contest between two opposing forces, each bent on the other’s subjugation, but more often a three-body problem in which winning the sympathies of the neutral third parties can be as important as inflicting defeat on the enemy.⁶⁹

The biggest problem facing the president of the United States today, and for years to come, is that many erstwhile American allies are seriously contemplating nonalignment in Cold War II. And without a sufficiency of allies, to say nothing of sympathetic neutrals, Washington may well find Cold War II to be unwinnable.

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