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June 28, 2021

**A new economic war**

The G-7 Summit in Cornwall (UK) from June 11-13, 2021 was the first big step towards possible economic confrontation and cold war with China, although there have been some strong indications for such a start.

The leaders at the Summit have committed themselves to go for Build Back Better World (B3W) to offset China’s influence in world affairs through the Belt and Road Initiative (BRI). The B3W plan is supposed to help fill a gap of $40 trillion infrastructure deficiency being faced by developing countries by 2035. It seems as if a new economic war in the shape of a cold war between the US and China is in the offing.

The Chinese economy started picking up in the early 1980s when Deng Xiaoping introduced economic reforms through which China ultimately attained second position (after the American economy). China’s economic successes have compelled Western countries to seriously think about it being a successful model. The real threat is to get the number one position by crossing the US economy in the coming years.

The world is inching towards Asian brands, as China and India along with other Asian countries like Indonesia, Pakistan, Bangladesh and Malaysia are going to attain the highest positions for the 21st century. The next economic power corridor influencing world politics apparently seems to be led by China, as we see the Chinese reaction to the G-7 plan of B3W by explicitly advocating equality of all states whether small or big in the comity of nations.

We have recently observed some minor differences arising out of small conflicts like human rights issues in Hong Kong and territorial disputes in the South China Sea. The Western countries led by the US have also been intentionally highlighting human rights violations in Xinjiang and Tibet.

The Chinese government has been asking the Western world not to interfere in its internal affairs. But the US and its allies have already started building their case through a campaign against China. And now they have started banning Chinese international companies like Huawei on one pretext or the other.

The Australian government is preparing to turn to the WTO against China on the issue of dumping of barley and wine products. They have already pulled out of the BRI on so-called conflicts arising out of the Covid-19 pandemic outbreak in China. President Biden too has demanded a probe of the corona genesis. This is again a renewed attempt by the US and its allies to malign China in one way or the other to stop it from getting a top position in economic progress, which they consider a threat to their democratic system and the free world. China has never interfered in the internal affairs of any country. The democratic world today – including the US and the EU – are trading partners of China, so it is very strange to see them all ganging up against China.

The G-7 leaders in the UK have raised a voice against alleged human rights violations and trade issues, which is definitely a matter of some sensitivity for China. They have demanded full autonomy for Hong Kong, resolution of Strait issues and combined investigation of the corona origin for which China has accused them of ‘political manipulation’. The G-7 countries have declared that they will stand up to ’China’s autocracy, human rights abuses and economic rule breaking’. China is of the view that Western countries are scared of its economic domination and has very aptly responded: “the days when a small group of countries decided the fate of the world are long gone”.

The American mindset of domination by hook or by crook is, in fact, very risky entailing a lot of complexities and complications in international affairs. They won the last cold war and now are getting ready for another stunt with rising China. There is an old saying that every day is not Sunday; the same may be true this time. However, it seems that it may be the start of an end to the total domination of the US in international affairs and a new multipolar world led by China may emerge. That is why a lot of anxiety in American circles and think tanks can be seen these days.

Time and tide wait for none. It is not possible for any one country or nation of the world to unilaterally rule over the world forever. China is a new economic power and a reality in the emerging world. The new economic war can only be won through more economic prowess. It can only be won through integration and welfare contribution without resorting to new confrontations and conflicts.

The writer is an economist.