INTERCONNECTED AND INBOUND: TRADE WARS, REAL WARS, AND THE WAR AGAINST CLIMATE CHANGE

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Abstract : A trade war starts when a nation, in an attempt to protect its domestic industry, impose tariffs or quotas on its imports and the foreign nations retaliate on similar lines of protectionism. "Trade Wars are good and easy to win" said American President Donald Trump. President Trump's announcement of additional tariffs on steel imports from China, a potential military rival, was mainly a measure to curtail its dependence on imported metals threatening its ability to make weapons. Many Economists have been citing similarities between Trump's new measures of protectionism and Smoot Hawley of 1930. Since China is in the process of replacing its Soy imports from US with that of Brazil, the exports have doubled since September 2017. The Brazilian forests have become casualties of the ongoing trade war between US and China. A survey conducted by the World Economic Forum among 1000 experts and decision makers revealed that environmental risks are at the top of their list of worries. Biodiversity loss, extreme weather conditions etc. have been assessed as high-impact and high-likelihood risks. This study attempts to look at how the US-China trade war is spilling over into the political sphere. Also, the impact of trade war on the environment and the existing policies for combating climate change is looked into.

IndexTerms - **Trade Wars, Environmental risks, Climate change**

I. INTRODUCTION

"We need to remember that trade is a great peacemaker that enriches people and increases international understanding and ties between nations" said American politician Dan Quayle. History however shows us numerous instances that would disagree with Quayle. The escalating trade battle between the United States and China is the latest example. It began when American President Donald Trump imposed a 30 per cent tariff on solar panels and washing machine, in February 2018. The Trump administration took a second shot by slapping steel and aluminium tariffs across the world, including China. This move however was made for non-economic reasons as well; imports of metal were supposedly threatening the weapon-manufacturing capacity of America. Double tariffs were imposed on aluminium and steel imports from Turkey to obtain the release of American pastor Andrew Brunson. It is evident that trade policies transcend the sphere of commerce; it impacts and is impacted by geographical, political, technological, cultural, diplomatic, and even environmental aspects.

The US-China trade war began in earnest in July 2018 when US levied its first round of punitive tariffs after an investigation into Chinese trade and intellectual property practices. China retaliated by matching the tariffs. This continued well into August until China shifted its target to Trump's political base. Reports of China strengthening its military added to the apprehensions. Whether the war on trade and tariffs will turn to a real war is a worthwhile question.

The US-China trade war has brought about realignment in the global supply chain. This has proven beneficial to certain developing countries. However, deforestation, ever increasing green-house emissions, lack of clean technologies etc. is posing a bigger threat that is overlooked by world leaders. For the Trump administration, climate bill is not a priority anymore. It is possible that the ongoing trade war has deterred our attention from the war that matters: a war against climate change.

This study attempts to look at how the US-China trade war is spilling over into the political sphere. Also, the impact of trade war on the environment and the existing policies for combating climate change is looked into.

II. OBJECTIVES

1. To examine the relationship between commercial and military activities of the United States and China, in the context of the ongoing trade war.
2. To discuss the overall impact of the US-China trade war on climate change.

III. RESEARCH METHODOLOGY

The study is descriptive in nature and all data are collected from secondary source, particularly online publications.

3.1 Data and Sources of Data

For this study secondary data have been collected. All data are collected from secondary sources, online newspapers and publications.

3.2 Theoretical framework

A trade war starts when a nation, in an attempt to protect its domestic industry, impose tariffs or quotas on its imports and the foreign nations retaliate on similar lines of protectionism.

3.2.1 From Competition to Combat

Athenian historian Thucydides wrote "It was the rise of Athens, and the fear that this instilled in Sparta, that made war inevitable".

Until a few years ago, the word superpower was synonymous to America, but not so much today. A superpower is a dominant state that can exert its influence on a global scale. This is achieved by money power as well as muscle power. The term was first used to refer to the United States and the Soviet Union post World War II. Today, with an economy that is growing three times faster than the US economy, China is the biggest threat to America. President Trump's "America first" policy has created a global void which is promptly filled by China. Reports suggest that China has strategies drawn for 2025 and 2050 aiming to displace America as the world superpower. The Peloponnesian War that happened 2500 years ago destroyed both Athens and Sparta. The Thucydides Trap Project, a study conducted at Harvard University found twelve cases where the rise of a nation threatened the then dominant nation and both eventually went to war. A century ago, when an industrial Germany seemed to pose a threat to Britain, it ended in what we call today World War I.

In May 2018, Senior Policy Analyst (China Program) Patricia Kim reported that President Xi Jinping is all set to modernize the People's Liberation Army (PLA). China is on a quest to expand its military and widen its reach abroad and making her presence felt in the East and South China Seas. The Trump administration is reinforcing alliances with the Latin American nations since China has become the largest export market for Brazil, Chile, Cuba, Peru, and Uruguay. Experts say that "China is a master at leveraging trade and direct economic investment for geopolitical gains". China's strategy to support non-democratic Venezuela, Nicaragua, and Bolivia is aimed at arousing non-American sentiments. By extending their commercial and military influence in Latin America, China is ensuring that she is keeping her enemy closer. Meanwhile, America has replaced its stance of engagement with a confrontational approach since a Chinese ship aggressively interfered with the US Navy's military operations in the disputed islands of the South China Sea in October 2018. Reports suggest that China may have issued new policies on their approach towards US aircrafts and ships; it may have installed anti-ship missiles and military jamming equipment in the area.The cancellation of the meeting between the defense officials of both countries in October has brought tensions to a boiling point.

A key aspect of President Xi Jinping's "Chinese dream" is reforming the military capabilities of China. Strategies have been outlined to complete the modernizing of the military by the year 2035 and become a "world-class military" by 2050. Since President Xi came to power in 2012, he has sought to increase his personal control over the military and keep it completely loyal to the Chinese Communist Party. Some of the reform measures include reducing the size of ground troops by 300,000 and focusing on amping up the air force and the navy; the formation of a Strategic Support Force (SSF)that focuses on cyber and electronic warfare. Steps have been undertaken to modernize military intelligence with artificial intelligence as the focal point. America, on the other hand, is hoping to extend the reach of its military in Asia. It is strengthening alliances with countries around China; until recently America had maintained a neutral approach in the India-Pak conflict, but in recent years, it has signaled willingness to ally with New Delhi. America's relation with Japan is also cordial and this is a cause of worry for China. The Congress is expanding its funding on ships, missiles, and submarines in order to counter China's military restructuring. America is determined to retain its global superiority or "overmatch" at any cost. The commitment of the Trump administration is clear from Acting Secretary of Defense Patrick Shanahan's words on his first day in office, "remember China, China, China".

3.2.2 The Climate Crisis

Trade wars may be "good and easy to win", but a war against climate change is not easy to win. A meta-analysis of the factors causing deforestation found out that agricultural prices are the strongest drivers. China imposing tariffs on US agricultural products has increased demands in South American nations, particularly Brazil. Brazil has taken advantage of the situation by applying preferential pricing. However, unplanned and unscientific expansions of agriculture and land use changes have put certain tropical ecosystems like Amazon and Cerrado at risk. The effects have spilled over to Paraguay, Argentina, and Bolivia as well. It has also interfered with Brazil's emissions and its ability to meet the Nationally Determined Contribution (NDC) commitments to the Paris Climate Agreement. Despite adopting measures that take carbon dioxide from the air, China and America continue to be the largest emitters of greenhouse gases. Even though many US companies are factoring in the effects of climate in their economic risk forecasts, America has set a terrible example by abandoning the Paris Agreement. The Trump administration continues to ignore warnings of climate experts and refuse to accept that climate change is a problem. The cost of fighting the trade war has affected China's ability to contribute towards cleaner technologies as well. Also, the refusal of certain countries, major economies like US, Russia, Brazil, and India, to adopt the practice of putting a price on carbon or a carbon-based tariff forces the forty plus countries, including all members of the European Union, Mexico, Chile, Colombia, Norway, Switzerland, South Korea, and China, that have carbon-based tariffs in place to find other means to protect their industry. This scenario hints at the possibility of a "climate change trade war".

V. DISCUSSION

It may be argued that the US and China are already at war; depending on how you look at it. What constitutes war is a different question. Although, the trade war between the United States and China is public, both the countries are constantly trying to undermine the other on technological and diplomatic fronts as well. The Cold War between China and US might have begun is September when President Trump said that "he (President Jinping) may not be my friend anymore". There was a time when Washington had hoped to have a "sister-city" relationship with Shanghai. However, with China's sudden growth, which is three

times that of US as of now, the preaccustomed dominance of America has been threatened. Some experts say that China is only hoping to be an influential figure in Asia, and not the world. The Belt and Road Initiative of China and restructuring of the military suggests otherwise. Clearly, both America and China are beefing up their warfare capabilities; ensuring that they are "prepared" if something should happen. However, policy analysts and experts expect that the two countries will desist from a military showdown as so much is at stake. An even more long term threat that can have long lasting and permanent impacts is climate change. While China is working in Emission Trading Systems, it also advocates jobs in clean energy. However, it cannot accommodate the financial burden owing to the ongoing trade war. For America, under President Trump, climate change is not a priority. Clearly, the world needs someone at the helm of the war against climate change. Acknowledging that there is a bigger problem in hand and adopting measures like replacing blanket tariffs on imports with a carbon-based tariff could be a step towards change. An unnatural "long peace" has prevailed since the Second World War; largely because of trade ties (a paradox) and international agreements and treaties. Joined efforts by world leaders is inevitable to prolong the peace and save the planet that we take for granted.

VI. ACKNOWLEDGEMENT

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