

# The Second Cold War is more dangerous than the first

By [Chris Wright](#) (Posted Apr 04, 2023)

Originally published: [Common Dreams](#) on April 2, 2023 (more by [Common Dreams](#)) | [Culture](#), [Empire](#), [Imperialism](#), [WarAmericas](#), [Asia](#), [Australia](#), [Europe](#), [Global](#), [Latin America](#), [Middle East](#), [United StatesNewswireNuclear War](#)

Twenty years ago, [Noam Chomsky](#) published a bestselling book called *Hegemony or Survival*. Since then, the stark choice he posed has only become more urgent. Depending on how humanity responds to the challenges of ecological destruction and imperialistic war, in the coming decade that terrifying question “Hegemony or survival?” may well be answered.

Modern history shows that the most dangerous periods are when two or more great powers are struggling for hegemony. The eighteenth century in Europe was a time of “multipolarity,” as Britain, France, Prussia, Austria, and Russia were almost continually at war, competing for geopolitical advantage and to divide up the continent between them. The conflicts escalated in the era of the French Revolution and Napoleonic Wars, as a mighty France, bursting with revolutionary energy, strove for absolute dominance against, in the end, Britain and Russia.

The 1815 Congress of Vienna led to a century-long relative balance of power presided over by an industrializing Britain, which soon became the supreme world power. Once industrialization swept the rest of Europe, however, particularly Germany, Britain’s hegemony began to be challenged, not only in the Scramble for Africa but even in Europe itself. German elites wanted their country to be the next Britain, and to a great extent it was their desire for hegemony that caused World War I. As well as World War II, of course.

Since 1945, the United States has been the global hegemon, or something close to a hegemon. As John Ross notes in the recently published [Washington’s New Cold War](#), even at the height of its relative economic achievement in the mid-1970s, the Soviet Union’s GDP was only 44 percent of the U.S.’s. The Soviets had vast power in their limited sphere

encompassing Eastern Europe and Central Asia, but they were not a capitalistically expansive, dynamically growing imperial power in the mode of the United States—or, more recently, of a resurgent China. China's GDP is 74 percent of the U.S.'s, and its growth rate is higher (it has grown seven times faster than the American economy since 2007). Measured by purchasing power parities, the U.S. accounts for only 16 percent of the world economy, and China's economy is 18 percent larger. In short, for the first time since World War II, we are entering an era of real competition between two mammoth economies, a declining hegemon and an aspiring hegemon.

When people talk about “the China threat,” this is all they mean. In the long run, China poses a greater threat to U.S. power than the Soviet Union ever did. Mainstream commentators and politicians will prate about China's threat to democratic values and human rights—there always has to be an ideological rationalization for geopolitical strategy—but U.S. foreign and domestic policy since the Second World War tells us how much its elites care about democracy and human rights. From the Vietnam War to the catastrophic invasion of Iraq, and from U.S. support for thugs like Batista, Diem, Iran's Shah, Suharto, Duvalier, Trujillo, Somoza, Pinochet, Marcos, Rios Montt, Mobutu, Saddam Hussein, Mubarak, Sisi, Modi, Mohammed bin Salman, and Netanyahu to CIA coups and attempted coups against countless governments, it is self-evident that policymakers couldn't care less about the moral values they pretend to espouse.

Americans have to ask themselves: Is it worth risking nuclear war—and an apocalyptic nuclear winter—for no loftier purpose than to maintain their country's violently enforced grasp of overwhelming global power?

## Threats to U.S. Power

The current flashpoint, of course, is the war in Ukraine, which is helping to midwife a “partnership” between China and Russia, both of which are also deepening their ties with Iran.

Decades ago, Zbigniew Brzezinski wrote that “a coalition allying Russia with both China and Iran can develop only if the United States is shortsighted enough to antagonize China and Iran simultaneously.” He would presumably not be very happy with U.S. policies that are bringing about

exactly this coalition. At the same time, U.S. missteps in the Middle East and its relative disengagement from the region since the Obama presidency are allowing China to improve its position there, as illustrated by the deal it recently brokered between Iran and Saudi Arabia to normalize relations. China's burgeoning economic interests not only in the Middle East but across most of the world, a function of its colossal, globe-spanning Belt and Road Initiative, necessitate that the country play an ever-greater diplomatic role in fraught regions. Saudi Arabia, for its part, has shown it is happy to defy Washington, even joining much of the world in disregarding Western sanctions on Russia.

While Washington's failure to convince most countries to economically and diplomatically isolate Russia highlights the U.S.'s declining "hegemony," the real threats to American power run deeper than diplomatic embarrassments. In the coming years, the very status of the dollar as the world's dominant currency may be threatened. A kind of "de-dollarization" has been happening for some time now, as, for example, the share of dollar reserves held by central banks declined from 71 percent in 1999 to 59 percent in 2021. But in the last few years, and especially since Russia's invasion of Ukraine, the ongoing effort by many countries to undermine the dollar's dominance of the global financial system has intensified.

In part, this is because of the U.S.'s "weaponization" of the dollar: in the recent past, Cuba, Venezuela, Iran, Afghanistan, and Russia have all suffered from financial and trade sanctions that have included even freezing overseas assets and removal from the SWIFT messaging system that underpins the world's financial infrastructure. Other countries, understandably worried about suffering the same fate, share Russia's interest in developing new financial institutions and networks outside of the U.S.-led system. Apart from this motivation, they simply want to reduce their exposure to the effects of U.S. economic and monetary policy, which can devastate economies. And as China rises, it makes sense for it to promote use of the renminbi, or at least non-dollar currencies.

To that end, the BRICS countries, for instance, have been establishing new institutions and market mechanisms to bypass the dollar, and are even exploring the possibility of creating a new reserve currency based on the BRICS basket of currencies. Institutions like the New Development Bank,

the Shanghai Cooperation Organization, new payment infrastructures that are alternatives to SWIFT, central bank digital currencies, bilateral trade conducted in currencies other than the dollar, and a renminbi oil futures market to partially de-dollarize the global oil trade all point toward a future currency regime that is at least multilateral, if not bilateral. The famous economist Nouriel Roubini argues that, “in a world that will be increasingly divided into two geopolitical spheres of influence,” a bilateral currency regime is likely to emerge, perhaps in the next decade.

Given that “the dollar’s dominant position in the global financial system [is] the very foundation of [the U.S.’s] global leadership,” as two experts note, Washington can hardly be viewing all these developments with equanimity. Loss of the dollar’s status as the world’s reserve currency would have severe consequences for the American economy. But this outcome is exactly the end goal of Washington’s bellicose policies toward its perceived rivals! Through economic sanctions and aggressive military actions—expanding NATO to Russia’s borders and encircling China with U.S. bases, military forces, and militarized partner states like Japan, South Korea, Australia, the Philippines, and even Taiwan—the United States is driving into existence a hostile bloc of great powers and medium-sized powers that are necessarily committed to its defeat. Their policies, then, will become increasingly belligerent, which will serve to justify even more belligerent U.S. policies, in a vicious circle that amounts to an extraordinarily dangerous “hybrid war” and arms race.

History shows that imperial hubris goes before a fall. In this case, though, it won’t be only the empire that falls; it will, in all likelihood, be civilization itself.

## Addicted to War

The Pentagon has made a record budget request this year of \$842 billion, which it says is necessary to counter China. This claim should inspire skepticism, given that the U.S. has around 750 overseas military bases and China has about eight—one in Djibouti and a few on man-made islands in the South China Sea. China’s military budget, which has been increasing since America’s “Pacific Pivot,” is \$225 billion, not a small sum but still a fraction of the Pentagon’s.

It is an interesting thought experiment, incidentally, to imagine how Washington would react if China had scores of military bases off the U.S. coast and had deputized countries in the Americas to act as its armed sentinel states. Most probably, we wouldn't be around to talk about it, because a world war would already have wiped us out.

In fact, contemporary China is probably the most pacific great power in world history, as Craig Murray observes. As the U.S. has rampaged all over the Middle East and expanded its direct or indirect military presence to virtually every region of the globe, what wars has China started? What territories has it annexed? What countries has it invaded? The usual response is that sometime in the future it might invade Taiwan—but given the harm such an invasion would likely inflict on the Chinese economy (because of Taiwan's cutting-edge semiconductor industry, whose physical facilities could well be damaged or destroyed in an invasion), we should be skeptical of this claim too. Even hawkish Chinese generals seem to think war with Taiwan would be "too costly." In any event, are annual military budgets of almost a trillion dollars necessary to defend Taiwan?

The conclusion is inescapable that the U.S. is simply trying to intimidate an economic rival, a country that, like Putin's Russia (only more so), challenges its unfettered dominance of the entire world economy. The record of Washington's foreign policy since 1945 is to seek and enforce compliance in any way it can, whether through carrots or sticks—blandishments and economic or military aid in some cases, coups, invasions, sanctions, paramilitary operations, and militaristic bullying in others. Defiant regimes cannot be tolerated. Accordingly, policymakers want a compliant (or weakened) Russia and a compliant or weakened China. The calculus is evidently that military buildup, whatever crises it leads to and however unpredictable its long-term effects, is the surest means of achieving these ends. It also has the virtue of projecting overwhelming power, which is something powerful states value for its own sake.

Even if the United States doesn't succeed in provoking military conflicts with China (as it did with Russia), the new Cold War of which Washington is the primary instigator is profoundly damaging to the interests of humanity. As the *Washington Post* reports, this new Cold War "may see the world divided into opposing camps for decades, stymieing cooperation on climate change,

choking global action on human rights abuses, paralyzing international institutions and increasing tensions in contested regions.” If only for the sake of cooperating to tackle global warming, nothing is more imperative than for great powers, first among them the U.S., to adopt conciliatory policies.

But that means Americans have to pressure their government to this end. And that, in turn, means building an anti-imperialist left. From Bernie Sanders to Alexandria Ocasio-Cortez (not to mention right-wing legislators), there isn’t a single principled anti-imperialist in Congress. In a time of staggering dangers from war and ecological destruction, this is an astonishing and shameful fact.

For now, it seems that humanity is choosing the path of battling for hegemony rather than surviving.

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