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**TITLE:**

**Is US President Donald Trump Trying to Provoke a Showdown with China?**

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# About the Author

## **Dr Mamdouh G. SALAMEH**

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Dr Mamdouh G. Salameh is an international oil economist. He holds a PhD in Economics specializing in the economics & geopolitics of oil and energy. Dr Salameh is also a visiting professor of energy economics at the ESCP Europe Business School in London.

Dr Salameh has presented papers to numerous international energy conferences on the economics and geopolitics of oil and energy and has been frequently invited to lecture on these topics at universities around the world. He has written three books on oil: **“Is a Third Oil Crisis Inevitable?”** (published in London in April 1990), **“Jordan’s Energy Prospects & Needs to the Year 2010: The Economic Viability of Extracting Oil from Shale”** (published in London in October 1998) and **“Over a Barrel”** (Published in the UK in June 2004) as well as numerous research papers published in international Oil and Energy Journals. Dr Salameh has undertaken research assignments for the US Department of Energy, the Institute of Energy Economics in Japan, the Indian Government, OPEC, the Canadian Energy Research Institute, Boston University working on the Encyclopedia of Energy and also the Handbook of Energy and the government of Jordan among others. He regularly appears on TV to discuss oil prices and other developments in the global oil market.

Dr Salameh is a member of many International Institutes and Associations including the International Association for Energy Economics (IAEE) in the US, the British Institute of Energy Economics, the International Energy Foundation in Canada, the International Institute for Strategic Studies (IISS) in London, and the Royal Institute of International Affairs (RIIA) in London.

# Is US President Donald Trump Trying to Provoke a Showdown with China?

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By  
Dr Mamdouh G Salameh\*

The great rivalry between the United States and China will shape the 21<sup>st</sup> century. It is a truth universally acknowledged that a great power will never voluntarily surrender pride of place to a challenger. The United States is the pre-eminent great power. China is now its challenger. **1**

“The only indispensable superpower” is also a super-indebted power, and its biggest creditor happens to be its presumed chief strategic rival. Is it logical and workable to encircle one’s own banker militarily? **2**

During his election campaign, Donald Trump repeatedly castigated China accusing it of gaining an unfair trading edge with the United States by manipulating its currency, threatening to slap tariffs on Chinese exports and announcing his intention to withdraw from the Trans-Pacific Partnership. He even mused about ending the “One China” policy that governs the US policy vis-à-vis Taiwan. **3**

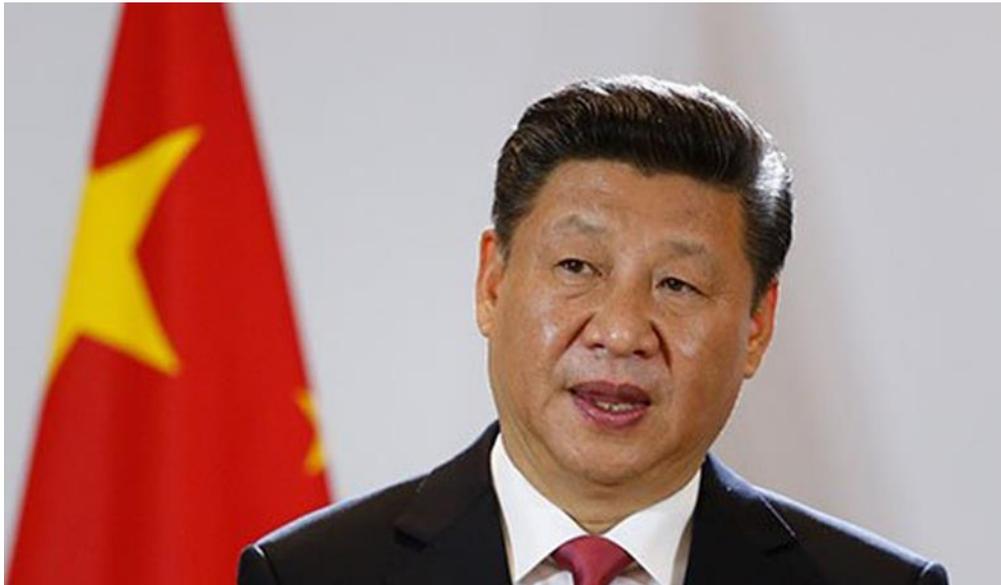
Chinese leaders are contemplating the prospect of a more assertive US president willing to upend decades of Sino-US relations. Trump’s Asia policy represents the first major reshaping of US policy toward China since the normalization of diplomatic relations in 1979 under the Nixon administration, and, from Beijing’s perspective, it is currently on a worst-case trajectory, heading toward a trade war and a military standoff over China’s basic interests in Asia, including Taiwan. **4**

China was taken aback by Donald Trump’s willingness even before taking office to publicly castigate it, threaten to end the “One China” policy and also deny China access to its reclaimed islands in the East China Sea. In briefly seizing a US Navy underwater drone last month in international waters near the Philippines, the Chinese were making clear that Barak Obama’s pivot towards the Asia-Pacific region has been ineffective and that Trump’s rhetoric does not scare them. Yet their repeated warnings to Trump that he is flirting with potential disaster indicate that they take his statements seriously and are trying to deter him from harming Chinese interests. Nobody yet knows what either side will do if Beijing fails in that attempt and a more direct confrontation becomes inevitable. **5**

Taiwan could indeed be a flashpoint between the United States and China. Over the past decade, the military balance across the Taiwan Strait between Taiwan and China has shifted in favour of China. **6** Taiwan’s 2013 *National Defence Report*, a publication

of Taiwan's Ministry of National Defence (MND), asserts that China plans to build comprehensive capabilities for using military force against Taiwan by 2020. Moreover, China is now capable of denying foreign forces (meaning the United States) from intervening in disputes across the Taiwan Strait. **7**

Anticipating such a possibility, Chinese President Xi Jinping (see photo) made it clear in a New Year's speech that his country will protect its national interests and prevent any foreign moves to restrict its freedom of action in Asia, hence, the alarming warnings of a potential "devastating confrontation." **8**



Chinese President Xi Jinping.

China's greatest fear is that Trump will encourage, if not support, moves toward Taiwan's independence. This potentially threatens the geopolitical integrity of the country, as it could strengthen similar movements in other separatist regions, such as Hong Kong and Xinjiang. More threateningly, the government has stated that any attempt by Trump to change the status quo over Taiwan would cross a "red line" and incur "revenge." **9**

Also growing tensions between Japan and China over the Senkaku islands in East China Sea could escalate into armed conflict that could potentially bring the United States into it. The commander of US Marine Corps Forces in Japan claimed that if the Chinese invaded the Senkaku Islands, the US Navy and Marines could recapture them. **10**

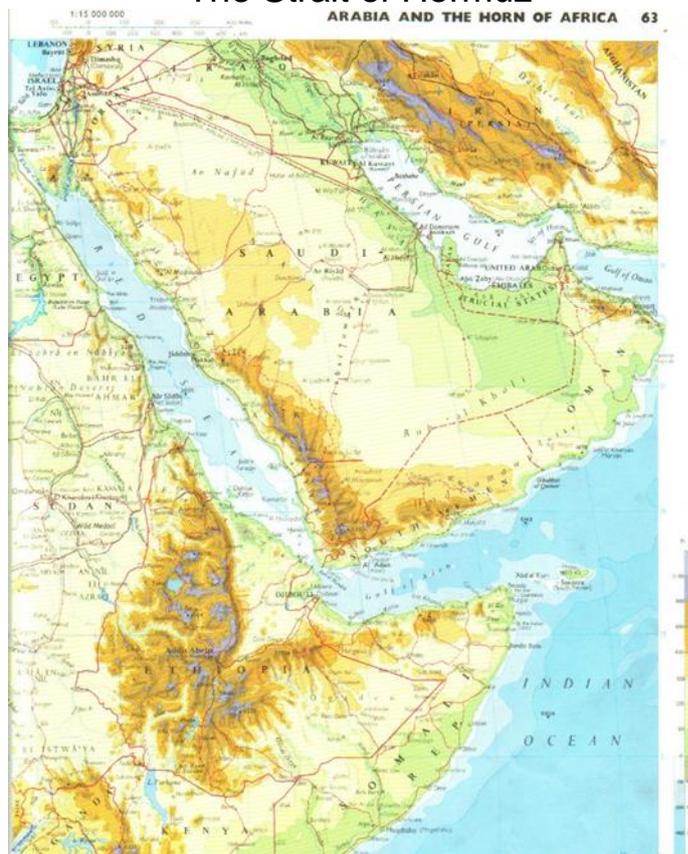
In response to Trump's provocative statements, China has been doing some sabre-rattling of its own. In recent weeks, it has very publicly sailed its sole aircraft carrier through the Taiwan Strait and past Japanese waters. China is also reported to be working with Russia on ways to defeat a new American anti-ballistic missile system to be based in South Korea by the end of this year. And Beijing could further rattle Japanese nerves by increasing its military activities near the contested Senkaku Islands. China could also increase economic aid to North Korea, dropping support for

recent United Nations sanctions and ending any attempt to restrain Pyongyang's nuclear and missile programmes. With Pyongyang about to test a new intercontinental ballistic missile that can potentially reach US territory, any such Chinese assistance would alarm America's national security establishment and also put South Korea and Japan, two of Washington's closest allies in the region, further on edge. **11** And to punish the United States financially, China could also offload its holdings of US Treasury bills estimated at \$1.2 trillion. **12**

The United States could retaliate by trying to starve China of oil by blocking any oil supplies from the Middle East passing through the Strait of Hormuz or the Strait of Malacca. **13** Chinese robust economic growth and its emergence as an economic superpower would falter without oil particularly from the Middle East.

Much of China's imported oil from the Middle East must pass through a major chokepoint: the Strait of Hormuz which is guarded by the US navy (see Figure 1).

Figure 1  
The Strait of Hormuz

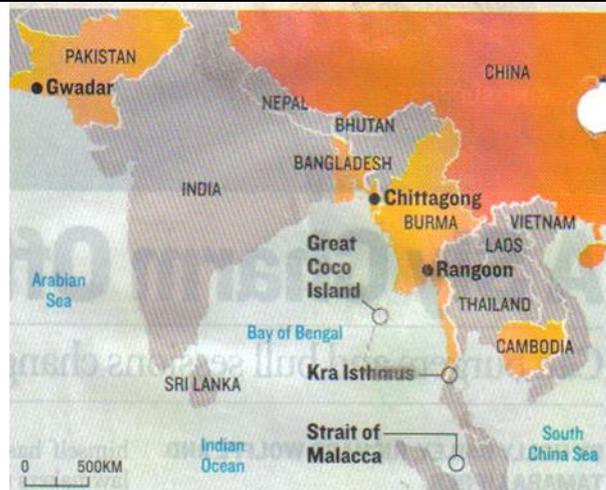


Another chokepoint is the Strait of Malacca between Malaysia and Indonesia, through which 80% of China's imported oil pass. The channel is 625 miles long, and less than two miles wide at its narrowest point (see Figure 2). With the Indian navy guarding the northern end of the Strait, and the US navy the southern end, China feels sandwiched in and strategically vulnerable. The former president of China, Hu Jintao, has referred a number of times to what he describes as the 'Malacca dilemma'. **14**

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The Chinese defence minister stridently asserted in 2014 that Beijing will never compromise on disputed territory, raising fears that words will increasingly become assertive action. **15**

Figure 2  
The Malacca Strait



Source: Courtesy of Newsweek, March 28, 2005.

The toxic combination of Chinese fear and confidence makes some kind of miscalculation or accident more likely. With tensions running high, US military leaders in the Pacific should prepare for even more aggressive action from Chinese naval and air forces, possibly risking a repeat of the April 2001 collision between a Chinese fighter jet and a US Navy surveillance plane. **16**

There are good reasons, however, why a confrontation between China and the United States might not take place. Both great powers are aware that they risk losing so much from any conflict between them. And it will be more difficult to contain the aftermath of any new accident between them. In time, President Trump will realize that China will not bend the knee before him and drop his inflammatory rhetoric against it and, likewise, China will try to focus on the slim olive branches held out by the new president, such as his choice of a pro-China US ambassador in Beijing and his talk about having normal relationship with China.

Still, the Sino-American relationship will increasingly run into trouble as the American leaders will hardly give up their hegemonic policy or 'unipolar' status. And should a conflict arises, China knows that it has in its arsenal a very special strategic partnership with Russia, which will remain a healthy check on Washington's "unipolar folly". **17**

China-Russia ties are at their best and will remain stable for a very long time. Observers in the West tend to underestimate the solid foundation of the current Chinese-Russian relationship. The intimacy between Beijing and Moscow is often referred to as a "marriage of convenience." Both Beijing and Moscow, however, rank their ties as the "peak" in mutual history. This can be judged by two analytical frameworks: their converging visions of the future world order and their harmonized national interests.

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Russia and China share a strategic vision against the unipolar world: both see the United States in relative decline and the world already becoming multipolar. In the process of mismanaging its decline, the US suffers from a psychological problem that manifests itself in the unfounded fear of power challenge from potential rivals, hence its persistent attempts to hinder their rise. The world is changing and the world order must be revamped. Pax Americana is over and Washington must adjust to the new world. **18**

Coincidentally, the Chinese view on the world order at this historical juncture is shared and dovetailed by Putin's Russia. Both sides hold the view that Washington's alienation from both Beijing and Moscow is reflected by the deeply rooted fear of the US losing hegemonic status as the "only indispensable superpower". The indications of the US fear are plenty. From Beijing's point of view, the U.S. decision to restart a Cold War containment strategy with the pivot towards Asia was driven by misguided fear. From Moscow's perspective, the Western alliance took advantage of post-Soviet chaos to push the Western sphere of influence towards the Russian border.

In sharp contrast to mutual suspicion and deteriorating relationship between Washington and Beijing, the Chinese-Russian tie has proved to be a stable strategic partnership built on mutual understanding, respect and national interests.

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## Footnotes

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