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## The Divorce of Chimerica

The breakup between the world's two largest economies will shake the world.

- Jeremiah Jacques
- [01-06-2020](#)

"It is utterly unrealistic to uncouple China and the United States economically." "I don't see the two giants, the world's two biggest economies decoupling. I don't think it's feasible." "It's too late to decouple." The United States and China "are too deeply entwined to be separated."

These were the words of China experts in the latter half of last year. They matched the view of most analysts over the past 40 years or so, since shortly after U.S. President Richard Nixon changed policy from countering the massive Communist nation to partnering with it. Within a few years of Nixon's landmark outreach, the economies of the U.S. and China grew so interconnected that the pairing seemed irreversible. Some discussed the future in terms of "Chimerica" and the "Group of Two."

It is true that the two clashed over the Chinese Communist Party's (CCP) authoritarianism, human rights abuses, illegal trade practices and more. But they always managed these tensions because they were outweighed by the hundreds of billions of dollars' worth of annual trade between them.

After Donald Trump was elected president in 2016, frictions intensified regarding trade, Chinese militarization of the South China Sea, the independence of Taiwan and Hong Kong, and the CCP's human rights violations against China's Uyghur population. Yet even then, the belief that the Eagle and Dragon were too entwined to decouple remained prevalent not just among geopolitical experts, but also among U.S. multinationals. A poll in October 2019 by the American Chambers of Commerce in Beijing and Shanghai surveyed 25 of the largest U.S. companies with operations in China, asking if they could pull out of the country. Two thirds said it would be "impossible."

This was two years into the trade war, and even business stakeholders with plenty to lose still felt that, despite tensions, the clock couldn't be turned back on globalization. Like most geopolitical analysts, these company representatives felt America's economy was irrevocably dependent on cheap Chinese labor, and that the U.S. and China were simply too interlocked to come undone.

Then came 2020.

## A Pathogen Unleashed

In January, when reports first started reaching the West about a new pneumonia-like illness emerging in Wuhan, China, few would have guessed how fundamentally it would alter the world economy. But the SARS-CoV-2 virus quickly spilled over China's borders and began infecting nations around the globe with both the illness and something even more virulent: fear.

Governments worldwide enforced unprecedented directives to keep people apart, restricting or banning some or all activity at conferences, festivals, rallies, meetings, concerts, hotels, theaters, libraries, parks, sporting events, beaches, weddings, funerals, religious services, gyms, community centers, restaurants, schools, businesses, factories, distribution centers and

shops. Economic activity slowed or stopped, production plummeted, imports and exports fell, and debts of all kinds soared.

More Americans have lost jobs than at any time since the Great Depression of the 1930s. The federal government spent enormous amounts of money in handouts to businesses and individuals, adding trillions to the national debt. “The economy went into an ice age overnight,” Diane Swonk, chief economist at Grant Thornton, told the *Washington Post*. “We’re in a deep freeze” (April 22).

As the freeze deepened, American policymakers came together in rare agreement to lay the blame at the feet of the regime to which it belongs.

## ‘It Could Have Been Stopped in China’

Rep. Seth Moulton, a Democrat from Massachusetts, joined a resolution at the end of March saying China made “multiple, serious mistakes” in the early days of the outbreak, including the “intentional spread of misinformation to downplay the risks,” which increased “the severity and spread of the ongoing COVID-19 pandemic.”

Indiana Republican Rep. Trey Hollingsworth expressed similar sentiments in an April 14 interview with *WIBC* radio: “We have seen them ... hide the coronavirus, not tell us the full story, not give us the full scope of the problem in China,” he said. “[T]hat has led to a hugely deleterious outcome.”

The perception is similar among average Americans. In April, a Harris Poll survey of 1,993 American adults found that nearly 80 percent believe China lied about COVID-19 and neglected to share vital data with the world that could have been used to slow its spread. An April 21 Pew poll and an April 22 McLaughlin & Associates survey found similar sentiments.

We now know that at early as November, China’s ruling Communist Party (CCP) received warnings from medical authorities about this new pathogen that was resistant to common flu medications. Instead of taking measures to contain the virus in those early days, CCP officials ignored it and covered it up. Government agents detained journalists who reported the story, arrested citizens who posted about it online, and incarcerated doctors, forcing them to retract the warnings they had issued. The party destroyed lab samples, refused to admit medical experts from other nations, and lied to other governments and the media, repeatedly and boldly. And some Chinese critics of their handling of the outbreak—including a property tycoon, a prominent blogger and the head of Emergency at Wuhan Central Hospital—were simply disappeared by the regime.

As the outbreak spread around the globe, the CCP behaved perhaps even more viciously. It is trying to blame the U.S. military for planting the pathogen. It refused to send medical equipment manufactured in China but owned by Americans to the U.S. It tried to portray its sales of (often faulty) medical equipment to other nations as donations. It waged online disinformation campaigns to stoke fear and panic among Americans. It used the global turmoil as cover to advance China’s aggressive geopolitical agenda in the South China Sea and beyond.

In all this, the CCP showed that it has no moral limits and is concerned only with weakening its rivals and preserving and enriching itself.

So the mask was off. And Americans, regardless of political affiliation, began increasingly to blame China. “It’s as much of a consensus issue as you can get in today’s divided world,” said Mark Penn, chairman of the Harris Poll. “Overall,” he said, there is suddenly “very little trust” among Americans “for anything that the Chinese government says or does.”

For months, President Donald Trump refrained from pointing the finger too rigidly at Beijing. But at a White House briefing on April 18, he changed course, with a statement confirming what most Americans already understood: “It could have been stopped in China before it started, and it wasn’t,” he said, “and the whole world is suffering because of it.”

The U.S. sees that the CCP’s corruption and negligence unleashed COVID-19 on the world. Now many American policymakers, business moguls and individuals are undertaking some long overdue soul-searching about the true price of hitching the U.S.’s economic wagon to China.

## Ready for the ‘Impossible’

McLaughlin & Associates published another finding even more significant than the number of Americans who correctly blame China for COVID-19’s spread. Among the 2,075 American adults they surveyed, 72 percent seek to stop sending key manufacturing to China and to end American dependence on Chinese technology and medical equipment.

This is huge because of something that’s usually quite small: the price tag.

A “Made in China” label typically means a product is considerably less expensive than an equivalent labeled “Made in the U.S.A.” This is partly because the CCP manipulates the nation’s currency to keep Chinese goods cheap. It is also because the line between Chinese government and Chinese business is blurry or nonexistent. In 2011, for example, 43 percent of all profits generated by China came from firms that the government had a controlling interest in. In most other cases, business owners still do the CCP’s bidding for fear losing favor with the tyrannical regime.

The CCP often uses its control over the country’s businesses and 1.4 billion citizens to force people into slave labor or arrangements close to it. Chinese firms aiming to impress the CCP with strong balance sheets often do the same. In *The*

*Dark Side of Labor in China*, Karine Lepillez writes: “The country’s unique combination of Communist ideology and decentralized economic power has contributed to the use of both state-sanctioned and unsanctioned forced labor.”

Lepillez discusses China’s use of child labor, dissident exploitation, forced domestic work, withheld wages, coercions of internal migrants and ubiquitous corruption. She writes: “Systematic statistics on the extent of forced labor are not available due to China’s repressive political system. However, news articles, reports, research, and the testimonies of past forced laborers attest to the severity of the situation.”

The CCP also uses its control over China’s economy and all the money that would otherwise go to its people to instead subsidize entire industries, artificially lowering prices and bankrupting competition in other nations.

When perusing Walmart’s array of wares, American shoppers have not generally been preoccupied with thoughts of the tiny fingers in hazardous factories that made some of them, or about the CCP’s illegal subsidies that dried up American businesses large and small. Instead, they have thought mainly about the price tag. And since American factories pay their workers a fairer wage, which results in a more expensive product, many shoppers in America and around the world have chosen to buy Chinese.

But now it appears Americans are becoming so disillusioned with China over COVID-19 that they may be willing to pay more to end this “deal with the devil.”

The McLaughlin survey analysis said: “The pandemic has forged a historic consensus that crosses party lines on the need for unity, an embrace of American domestic manufacturing capability to restore our economy, and the need to recognize that China seeks to leverage the aftershocks of COVID-19 to advance their own geopolitical agenda.”

American policymakers presented a slew of bills in Congress in April, including one with bipartisan support that calls for America to greatly reduce supply chain dependence on China. Sen. Marco Rubio, who introduced the bill, said, “It is unfortunate that it took a global pandemic to make clear the ramifications of offshoring our industrial base to countries like China.”

A U.S. congressional report made public on April 21 stated: “Because China is a global manufacturing hub, domestic supply chain disruptions sparked by COVID-19 have triggered shocks across the global economy and brought into sharp relief the risk of reliance on China as a source of intermediate and finished goods.”

White House Senior Adviser Jared Kushner said during an April 26 interview with Steve Hilton that due to COVID-19, the U.S. is already “working to make sure we’re never reliant on foreign supplies again.”

Businesses, too, are now contemplating what just months ago looked “impossible.” In March, the American chambers of commerce in Beijing and Shanghai repeated the survey they had conducted in October. The change was stark: Most of the American entrepreneurs surveyed said this time around that decoupling from China appears necessary. More than a quarter were already taking steps to source materials from new locations after the coronavirus outbreak, and many expressed intentions to pull all production out of China.

As much as U.S. firms and consumers profited from “Chimerica,” it was even more beneficial to the CCP, which used it to transform a fragile economy into a global powerhouse. But the Chinese, too, are now readying to decouple. They know that the days of exchanging slave labor for cash, investing in American assets, getting a free pass on stealing U.S. technology, and flouting World Trade Organization rules are ending. They see that the Trump administration is now serious about constraining the export of any American goods to China that could have a military application—including the semiconductors that the Chinese desperately need.

China is preparing to reroute its supply lines. And this seemingly distant, macroeconomic shift will ultimately shake all of us.

Alex Capri of the National University of Singapore explained in an interview with the *South China Morning Post*: “As the U.S. tightens the chokehold, tech companies in China ... will double-down on efforts to de-Americanize their supply chains.”

The unthinkable is suddenly not just thinkable. It is already in the early phases. The two largest economies in world history are beginning to tear away from each other.

## **U.S. Resurgence Vs. ‘Mart of Nations’**

In the short term, reducing supply chain dependence on a duplicitous and vicious nation, and bringing manufacturing back home, particularly at a time when unemployment rates are soaring, could significantly benefit America. This could extend the temporary resurgence now underway in the United States.

But decoupling from China also sets the stage for America to suffer a catastrophic economic, political and military defeat. That defeat is forecast in your Bible.

Some 2,700 years ago, God inspired the Prophet Isaiah to write about a globe-girdling, anti-American trade bloc that would arise in our lifetime. Isaiah 23:3 describes it as a “mart of nations.”

Verse 1 names “Chittim” as one of the head countries in this conglomerate. In his booklet *Isaiah’s End-Time Vision*, Mr.

Flurry writes: “*Kittim* is synonymous with the *Chittim* of Isaiah’s prophecy. ...After their migration through Central Asia, the Kittim made their appearance in modern-day northeastern China and Mongolia under the name of *Khitan* in the fourth century A.D. ....”

Isaiah goes on to say that “Tyre” will also be a lead power in this mart of nations. Mr. Flurry explains that this city represents modern Europe’s “commercial center.” He writes: “The *spiritual center* of the [modern European] Holy Roman Empire is called *Babylon* in your Bible (Revelation 17:5; 18:1-3). But here in Isaiah, the Bible refers to Tyre (and its allies Zidon, etc) as the *commercial center* of this European power. By understanding the spiritual and the commercial powers, you can understand what a colossus is rising in Europe.”

A related passage in Ezekiel 27 also lists “Meshech” and “Tarshish,” ancient names indicating modern Russia and Japan, showing that they too will be part of this enormous trade bloc.

The Scriptures show that connections between these Asian and European nations will continue to develop in the years ahead, and that these nations will all turn more radically against the U.S. and some of its allies.

Mr. Flurry examines these passages alongside Deuteronomy 28:52 and shows how this mart will wield its power. “The Bible contains many prophecies of that European power attacking America—and many other prophecies of America being *besieged*,” Mr. Flurry writes. “China and the giants of Asia” will form a “brief alliance” with the German-led European bloc, and they are all “going to besiege America, Britain and the Jewish nation.”

With “Chimerica” intact, it would be terribly costly and painful for China to target the U.S. in such a way. Suddenly shutting out its largest trade partner would pulverize its own economy. That’s not to say that the attack cannot happen if China and America remain linked; aggressors often wage acts of aggression despite short-term cost and pain—in pursuit of long-term gain. But if China and the U.S. continue the decoupling that COVID-19 has catalyzed, the costs for China to carry out this besiegement would be far lower.

These Bible passages are painful to read. The “mart of nations” prophecy means America, Britain and Israel are headed toward a time of horrifying hardship and suffering. It means that in a short time, children across these countries will be asking their parents why the family hasn’t had a proper meal in days, why their neighborhood has erupted into violence, and when it will all end.

If those parents would study their Bibles, they would be able to give their children answers—and hope.

They would be able to explain that the Creator God takes no pleasure in seeing these nations suffer so horrendously, but that He is trying to *reach* them (Ezekiel 33:11). He wants the U.S., UK and Israel—and all the world—to “have life” and “have it more abundantly,” but as long as they are in rank rebellion against Him and His law, this is impossible (John 10:10; Matthew 5:17). But by sending punishment onto the nations, He can lead them to repent, and then turn the peoples’ hearts of stone into hearts of flesh (Hebrews 12:6-11; Ezekiel 11:19; Jeremiah 31:33).

The parents could teach their children that the calamity is loving correction from our Creator, and that just beyond the siege and fall of these nations He will bring in the most abundant era in human history.

“[T]hat trading partnership won’t last long,” Mr. Flurry writes. “Soon they will clash, just before Jesus Christ returns and destroys both of them” (ibid). Christ will return to Earth, bring a swift end to mankind’s self-destruction, and usher in an epoch of peace and prosperity for the peoples of China, America and all the world.