

Current Concerns with U.S.-China Trade Relations

By JaJuan Sanders, Staff Editor Vol. 39



In the current political climate, there are growing concerns in the media about the rising tensions between the United States and foreign countries and entities. Much of this concern stems from the recent tariffs imposed by President Donald Trump. The U.S.'s neighboring countries, Canada and Mexico, have faced the largest tariffs implemented thus far. China, however, is not far behind—facing 10% [tariffs](#) on all imports. Besides the economic impacts, there could be policy impacts that come from China in retaliation to the tariffs. Implementing the 10% tariffs on imports marked the end of the de minimis treatment of imports from China. Retaliatory tariffs are one of the more common retaliatory policy changes. China has already implemented [retaliatory tariffs](#) on imports of fossil fuels, agricultural machinery, and large-engine cars from the United States. Canada and Mexico have also implemented retaliatory tariffs on imports from the United States.

While the tariffs implemented by the United States and the retaliatory tariffs by other countries that have followed are not a good sign for the state of international trade and policy, these changes are potentially only the tip of the iceberg. In just the scope of tariffs, there may not be an end to the extent of retaliation. Nothing is stopping any of the countries involved from responding to retaliation by raising the percentage of the tariffs already implemented to rates so unreasonable that it would cause all trade between the countries to cease. Not only would a complete end to international trade likely cripple the economy, but it could also destroy international relations. Some of the strongest ties between countries come from economic relations; without those, leaders of the countries do not have any reason for public support of the decisions of countries they no longer have trade relations with.

The United States and China are two world powerhouses that share several allies. If U.S.-China relations took a turn for the worse and the allies were forced to pick a side, they would be in a very tough position. Considering the role that both the United States and China

play in the economic prosperity or [military protection](#) of allied countries, losing resources from one side may put them in a [vulnerable position](#). Recently, the United States has removed language published by the [Department of State](#) that stated the US does not support Taiwan's independence. China could interpret this as an act that creates a political divide along with the emerging economic divide. The political and economic divide would not immediately dismantle U.S.-China relations; however, continued slights in government actions would eventually lead to opposition. Preventing the loss of China as an ally is up to the United States, as China has regularly stated that they seek to develop U.S.-China relations so that both countries can prosper. The United States will need to make efforts to preserve its relationship with China for the greater good of the country and, in some respects, the world.

One of the ways that the United States can start to work towards mending its relationship with China is to continue the support it has continued to have regarding certain political topics, such as Taiwan's independence. While the independence of a country that a larger country has historically controlled can be a divisive topic, the US's change in stance was likely a move to limit the ties it has to China rather than a change in heart, given the timing of the statement removal. The recommendation of United States support of the Chinese government is not meant to ask the U.S. government to condone anything China does for the sake of the intercountry relationship; it only suggests that the United States should not change the stances it previously held to oppose China.

Another way to repair U.S.-China relations is to improve the economic relationship by removing tariffs. The implementation of tariffs is likely to trigger a tariff war, which would eventually cease trade between two countries that have benefited from each other's partnership. The tariffs appear to be more of a power move from the United States than a necessity for economic prosperity, so eliminating them would likely have minimal negative impact. The United States must decide whether it wants to prioritize demonstrating its power through tariffs or maintain relationships with China and other countries by taking steps to restore relations.