**What May Occur in China-USA Relations in the Trump Period?**

**Author: Wang Huiyao, Chairman of the Center for China and Globalization**

The 2024 US election is about to come to an end. Trump has returned strongly with a clear lead and will become the 47th President of the United States. At present, it seems that this presidential election, which is known as the most stalemate in the history of the United States, should be able to pass smoothly, and the serious violent conflicts that all parties are worried about on the eve of the election will basically not happen.

Next, Trump will embark on a series of preparatory work before taking office, including forming a transition team, making personnel arrangements, coordinating and communicating with the current government and relevant parties, and formulating policy agendas and action plans . For Sino-US relations in the new era, although Trump's return is more uncertain, his transactional and pragmatic characteristics also provide new possibilities for Sino-US relations to stop falling and stabilize and open up new cooperation space.

In this regard, the author mainly analyzes the possible policy direction and possible impact of Trump's re-election from the perspectives of tariff policy, economic and trade issues, diplomacy and political relations .

**Key points:**

**1. Trump's return to China and the United States may lead to new trade and investment negotiations**

**2. Trump’s desire to become a “peace president” cannot be separated from China’s support**

**3. Can Trump reiterate his commitment to the three joint communiqués between China and the United States?**

**Trump's return to China could lead to new trade and investment talks**

During Trump's first term, Sino-US economic and trade relations underwent major changes. The 2017 US National Strategy Report positioned China as a strategic competitor for the first time. Afterwards, Trump quickly wielded the "tariff" stick.

As the US government continued to impose tariffs on Chinese goods, Sino-US trade frictions continued to escalate into a Sino-US trade war. Against this backdrop, China and the US launched multiple rounds of trade negotiations and signed the first phase of the Sino-US economic and trade agreement in early 2020. Under the guidance of the "America First" policy, the Trump administration strengthened the review and restrictions on Chinese companies' investment in the United States, and some Chinese companies' investment projects were rejected or blocked by the US government on the grounds of national security.

This led to a downward trend in direct investment by Chinese companies in the United States in most years of Trump's first term, and the investment stock also decreased. At the same time, the Trump administration tried to promote the return of manufacturing to the United States and reduce dependence on manufacturing in China and other countries, which also affected the industrial chain cooperation between China and the United States to a certain extent.

**In terms of tariff policy, Trump may impose higher tariffs on imported goods, especially those from China.**

Trump has always tried to protect the US domestic manufacturing industry, reduce the trade deficit, and prevent the outflow of jobs by raising tariffs. Trump once said that he was considering imposing a comprehensive tariff of 10% to 20% on all imported goods, and a tariff of 60% or higher on Chinese goods. In his speech in Detroit, he even exaggeratedly mentioned that he might impose tariffs of up to 100% or even 200% on Chinese automakers' factories in Mexico to ensure that the products of such factories could not flow into the United States.

**After Trump's election, in terms of economic and trade policies, Trump may continue to promote the negotiations on the China-US economic and trade agreement, even including investment negotiations.**

Trump is a typical transactional politician who focuses on solving specific problems. During his previous term, Trump completed the first phase of the China-US trade agreement, showing his pragmatic attitude on economic issues such as deficit issues and trade surpluses.

Trump's transactional strategy means that he pays more attention to specific results rather than sticking to ideology. Therefore, in actual operations, Trump may choose to continue negotiations on economic issues to ensure US interests. In this regard, the US may further negotiate with China on subsidy policies, intellectual property protection, trade balance and other aspects, and even conduct second or even third phase negotiations based on the first phase agreement of the China-US trade negotiations, rather than focusing on forming cliques and various military and security alliances.

**Trump is relatively open to Chinese companies investing in the United States, and may encourage or require Chinese companies to invest and set up factories in the United States in a multi-pronged manner.**

During his campaign, Trump repeatedly expressed his hope to encourage the return of manufacturing through measures such as higher tariffs, and welcomed foreign-funded enterprises to set up factories in the United States. Previously, due to the Sino-US trade war, a large number of Chinese companies that tried to enter the US market set up factories in Mexico.

Trump said that if Chinese companies can achieve localization in the United States, he personally welcomes Chinese auto companies to set up factories in the United States. This will open up new space for Sino-US economic cooperation. China’s Fuyao Glass has already set up factories in the United States and taken root, and CATL is negotiating with American companies on investment and landing.

Relevant cases have proved the feasibility of this cooperation model. Moreover, Japan eased the contradiction of the United States suppressing Japan by expanding its factories in the United States. In contrast, the Biden administration's policies in this regard appear to be more conservative, and even set up obstacles to the investment of some Chinese companies. Therefore, after Trump takes office, China and the United States may enhance communication and cooperation on supporting Chinese companies to invest and build factories in the United States.

In this way, Trump can revive the US manufacturing industry with the help of China and achieve his goal of making America greater. This will help ease Sino-US relations and stop the decline in Sino-US relations. In addition, Trump has close relations with the business community, including many Fortune 500 companies such as Tesla, Blackstone, and Apple. These companies have long-term cooperation and investment in China. China is still attracting American companies to invest in China. These interactions may prompt the new Trump administration to return to some rationality, and even cancel some suppression of Chinese companies, such as TiKToK, including the simultaneous cancellation of some sanctions on personnel on both sides by both China and the United States.

Trump's desire to become a "peace president" cannot be separated from China's support

Trump's diplomatic thinking is centered on realism, with a more "trading" and "transactional" tone. Trump emphasizes the supremacy of American interests, focuses on the acquisition of practical interests in foreign policy, and is willing to negotiate and trade with other countries to achieve American goals. Therefore, compared with the Biden administration's emphasis on ideological and value alliances, Trump pays more attention to the exchange of practical interests.

In terms of allies, Trump requires the US allies to assume more responsibilities and obligations, believes that the US should not bear too much burden in the alliance, and even proposes that the allies should pay for the security protection provided by the US.

This approach has caused dissatisfaction among some allies and may negatively affect the relationship between the US and its allies. Trump's coming to power will bring about a reshaping of the world pattern. China, the United States and Europe may form a new triangle and a new geopolitical competition pattern, which will help ease international geopolitical pressure, promote more pragmatic cooperation between China, the United States and Europe, expand China's economic and trade cooperation space, and enable China to gain greater autonomy in multilateral diplomacy.

In terms of foreign policy, Trump may seek cooperation with China to fulfill his promise of being a "peace president". Trump has repeatedly claimed that he has the ability to end the Russian-Ukrainian conflict and the Palestinian-Israeli conflict within 24 hours, and said that once elected, Trump will end the Russian-Ukrainian war as soon as possible and end military aid to Ukraine.

**Although this claim is controversial, given the complexity of the Russian-Ukrainian conflict and the Palestinian-Israeli conflict, Trump cannot fulfill these promises without China's help.**

China is the largest trading partner of Russia and many Middle Eastern countries, and has maintained close diplomatic interactions and high-level dialogues with Russia and many Middle Eastern countries. China not only facilitated the reconciliation between Saudi Arabia and Iran, but also organized the leaders of 14 Palestinian factions to gather in Beijing for a meeting, demonstrating China's great appeal for peace and soft power. China is also Ukraine's largest trading partner and can play an active role in helping Ukraine rebuild after the end of the Russian-Ukrainian war.

The diplomatic philosophy of mutual respect, equality, mutual benefit and win-win cooperation advocated by China has also been widely recognized and supported by Middle Eastern countries. Previously, given China's influence in Northeast Asia, Trump had sought China's assistance on the North Korean nuclear issue. In the future, Trump will also most likely seek China's assistance to fulfill his promise of being a "peace president". We can even consider upgrading the armistice agreement at Panmunjom in North Korea among China, the United States, North and South Korea to a new four-party talks on the North-South Korean peace agreement.

**Can Trump reiterate his commitment to the three Sino-US joint communiqués on Taiwan Issue?**

Taiwan is China's core interest. The Democratic Progressive Party, which advocates Taiwan independence, only received 40% of the votes in this year's Taiwan election, and 60% of voters do not support Taiwan independence.

On the Taiwan issue, Trump may continue to maintain a pragmatic attitude. China and the United States may continue to communicate on the basis of maintaining the status quo in the Taiwan Strait to avoid further tensions and even accidental conflicts due to the Taiwan Strait issue. Trump once said that Taiwan stole the chip technology of the United States and did not pay insurance premiums to the United States. If Trump comes to power, can Trump reiterate the three Sino-US joint communiqués like previous US presidents?

China and the United States can restart negotiations on the implementation of the three Sino-US joint communiqués, even stop arming Taiwan, clearly oppose "Taiwan independence", promote peaceful reunification, and even form a new joint communiqué.

**Overall, Sino-US relations have entered a stage of structural competition and long-term confrontation.**

The competition between the two sides for global influence has gone beyond the scope of short-term policy adjustments and has gradually evolved into a deep-level strategic game.

Sino-US relations are at a new low in history. In my conversation with Professor Joseph Nay, the proponent of American soft power, Nay pointed out that Sino-US relations have a cycle of about 20 years, and neither side can change the other.

**Sino-US relations may stop falling and rebound in the new Trump administration.**

The key to the future lies in whether the two sides can reach a new consensus on cooperation and coexistence in competition, form a benign competition and cooperation plan for both competition and cooperation between China and the United States in the new era, maintain a relatively stable bilateral relationship, and include this goal in the priority agenda of Sino-US relations.

Although Trump's policy uncertainty is high, his pragmatic and transaction-oriented style may bring a certain buffer space to Sino-US relations. In terms of the Russian-Ukrainian war and the Israeli-Palestinian conflict, the revitalization of the US manufacturing industry and the Taiwan issue, if Trump intends to adopt a pragmatic attitude, Sino-US relations are expected to become pragmatic to a certain extent.

In this regard, when Trump takes office, China and the United States can "check their schedules" as soon as possible, list a series of cooperation lists, and work to build a stable and predictable cooperation framework. As the two largest economies in the world, China and the United States have an obligation to make more contributions to human peace and development, which is also the expectation of more countries in the world which do not want to take sides.