



How can the U.S and China both come out of the trade war and declare a victory, if it is possible?

After many talks, both in Washington D.C and in Beijing, the hopes to reach a deal that suits both countries is at an all time high. The U.S and China seem very optimistic about reaching a sufficient deal that would satisfy both of them.

The U.S wishes for the China's market to be more open to U.S exported goods¹, especially agricultural goods which were hit really hard during the trade war. A change the Trump administration wants to see, realizing it would be a bit drastic, would be for China to stop forcing U.S companies to hand over valuable technology.

For the Chinese government to be satisfied with a deal concerning the trade war, they would want the US to sharply reduce or remove completely, the sanctions and tariffs that they have placed on Chinese goods. This may be slightly unrealistic as well because the United States might be reluctant to alleviate the tariffs.

Considering the goals which seem impossible to both countries, making and agreeing on a deal to reduce and take away tariffs could be a very hard thing to do. However if demands are met and negotiations are made, it is very plausible that a deal could be reached, and soon. Taking into account the fact that the U.S and China are both profiting from the tariffs imposed on each other, its also possible that neither would want to come to an accordance.

The U.S also wants, according to the *Fortune* "China to refrain from bringing up any challenges at the World Trade Organization."² This is a bit unrealistic and not in place for the U.S to demand. It is so because the U.S.

¹ Palmer, Doug, and Wendy Wu | South China Morning Post. "How the U.S.-China Trade War Ends." POLITICO. Accessed April 1, 2019. <https://politi.co/2FX3csP>.

"The US-China Trade War: A Timeline." China Briefing News, February 25, 2019. <https://www.china-briefing.com/news/the-us-china-trade-war-a-timeline/>.



has filed 23 cases against China in the WTO (world trade organization), whereas China has only filed 15 against the U.S.³

Another obstacle the two largest economies in the world might have to face to reach an accord, is President Trump himself. In the past he has been known to back out of major deals or treaties right before signing or agreeing to them. This could be very problematic for both countries. However, it is not just Trump that has backed out of talks or negotiations of peace and prosperity. Both China and the U.S have, during the trade war, cancelled or backed out of talks and conferences concerning the issue.

The U.S and China coming to a mutual accord on the tariff and trade war could have an impact on the global economy and trade worldwide. Not only would it stabilize both countries economies, the stock market would also be affected. We can see proof of this in an article by *Politico*, which stated, "Stocks tumbled Tuesday after The Financial Times [reported](#) that the United States had rejected China's offer of new, in-person, lower-level talks to be held this week because of a lack of progress on some of the main U.S. demands."⁴.

The tariff war officially began in early July of 2018 when Trump imposed China specific tariffs. China retaliated by doing the same and imposing tariffs on U.S goods. So far the U.S has imposed tariffs on over \$250 billion worth of Chinese goods and products. China has retaliated by imposing tariffs on U.S products worth \$110 billion.

Another complication is that the U.S recently accused China of cyber-interference within the trade market. This complicates the trade war and alienates the possibility of reaching a deal sooner. This is accomplished because the relationship between the two countries were already strenuous at best.

³ "U.S., China Are Close to a Trade Deal—but the Trade War Could Continue." Fortune. Accessed April 1, 2019. <http://fortune.com/2019/03/04/trade-deal-tariffs-united-states-china-donald-trump-xi-jinping/>.

"WTO | Dispute Settlement - Map of Disputes between WTO Members." Accessed April 1, 2019.

⁴ Palmer, Doug, and Wendy Wu | South China Morning Post. "How the U.S.-China Trade War Ends." POLITICO. Accessed April 1, 2019. <https://politi.co/2FX3csP>.



China is also experiencing a need for a deal to arrive and put an end to the trade war soon. They are having such difficulties because they are experiencing the slowest economic growth rate since 1992, when they began publishing their economic growth rates publicly.

Both China, and the U.S would benefit greatly from reaching a deal in the trade war. Their economies would boost and the relationship between the two would also experience very positive gains. However the only way for this to be possible would be if both countries reduced tariffs and alleviated sanctions on products from one another.

Therefore it is not only possible for both countries to reach a trade deal to reduce tariffs, but both countries would greatly benefit from doing so. When the deal that suits both countries best is drafted and agreed upon, both countries could declare a victory in the trade war.