

An Analysis of "Trump Economics" and Sino-US Economic and Trade Relations

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Abstract: The politics policy of China and the United States are closely related to Sino-US economic and trade relations. Under the background of "Trump economics", the trade relationship between China and the United States has changed. To effectively promote Sino-US economic and trade cooperation, clearly define "Trump economics" and Sino-US economic and trade cooperation, form a new pattern of Sino-US economic and trade relations in a timely manner, this article focuses on the impact of Trump Economics on Sino-US economic and trade relations and its coping strategies.

1. Introduction

Trump was elected as the 45th President of the United States in 2016, opening the "Trump Times". His series of anti-free trade proposals put forward in the campaign have also become the focus of the world, and have had a certain impact on Sino-US economic and trade relations. In order to further expand the Sino-US economic and trade relations, it is necessary to clarify Trump's trade policy with China in a timely manner. The globalization strategy cannot completely solve the dilemma of American enterprises, but only change the competitive relationship among various economic entities in the world and adopting a contraction strategy^[1]. Understand the influence of Trump's economics on Sino-US economic and trade relations, re-examine the status quo of trade with the United States, strengthen the cooperation between industry organizations and business associations and participate in the economic and trade game, so that efforts can be made to strive for common interests, which can effectively strengthen the country's competitive advantages.

2. Impact of Trump economics on Sino-US economic and trade relations

2.1 Intensify Sino-US trade friction

During the campaign, Trump proposed a policy of strict trade protection against China. In that case, China should be listed as a currency manipulator and be adopted with more anti-dumping and countervailing protection measures. According to the research, if Trump's protection policy is implemented, it will not only trigger a trade war between China and the United States, but also affect the exchanges between other countries and China. It can be seen from Trump's actions after taking office, we should be vigilant to the trade protection policy against China. United States takes a large portion in China's exports, and it has imposed high anti-dumping subsidies on stainless steel strips for China, which makes China and the United States increasingly dependent on each other. Therefore, Trump's economics is not conducive to the trade between China and the United States, and it will also trigger a world trade war [2].

2.2 It may trigger an exchange rate war between China and the United States

Trump has already proposed in the election campaign to list China as a currency manipulator. According to relevant statistics, the US Treasury has not listed any country as a currency manipulator since 1994. From this point of view, Trump's idea will lead to an increase in the export pressure of Chinese goods, which is not conducive to the development of the Chinese market, and will also provoke the issue of the RMB exchange rate.

2.3 China's financial industry is affected

The US government has adopted strong measures to attract advanced foreign investment into the United States. This behavior has brought new development opportunities to the US infrastructure and manufacturing industry. When opportunities come, the United States will further increase its share in the international market and make China one of the world's top ten investment sources [3]. In the past two years, China has faced certain economic development pressures. According to China's Ministry of Investment in the United States, Chinese investors completed 428 transactions in the United States in 2017, which brought nearly 90,000 jobs in 42 states across the United States. The depreciation of the renminbi has led to the government's lack of funds, every industry in China needs to raise money. China is under great pressure economically.

3. The countermeasures to Trump economics' influence to Sino-US economic and trade relations

3.1 Prepare for a protracted war

(1) China and the United States should be prepared for a protracted war. Sino-US economic and trade relations need to be eased. China must fully realize the seriousness of the domestic economic situation and make United States a reference for economic development and establish a development strategy based on war. (2) Actively use Sino-US think tanks to ease Sino-US trade relations, promote friendly exchanges between China and the world's major powers, and jointly build a pluralistic social system. This will effectively open up China's commodity sales market and seek greater benefits ^[4]. (3) Analyze the current major economic problems, such as: ethnicity, medical insurance, income distribution, immigration, gun management, etc., pay attention to the socio-economic situation, and actively use Trump economics to improve competitive advantages. (4) Make Trump economics an important guiding force for the long-term Sino-US economic and trade relations, pay more attention to Trump and the United States think tanks, so that the training industry can flourish and play a good role.

3.2 Strengthen trade network construction

(1) Actively implement the development strategy of the free trade zone, build a network system of China's own free trade zone, and use the powerful data functions of information technology to improve China's position in the trade zone and its comprehensive strength. (2) The international system dispute is the core of the interests of the world's major powers. We should improve our international influence, promote the China-centered free trade zone strategic system, participate in the negotiation of the free trade zone agreement, be proficient in the laws of world trade, and be able to take a favorable position in the new round of investment in the world and develop itself while lay a stable foundation for Sino-US economic and trade relations ^[5]. (3) Make use of the free trade network system to grasp the US demand for industry development, actively create opportunities for cooperation with the United States, use the world economic network as a platform to strengthen domestic infrastructure investment and construction, bring financial support to China's infrastructure and make clear of the core of Trump's economic policy. (4) Promote economic growth, make use of Sino-US economic and trade relations to create a greater platform for cooperation, seek foreign investment support, promote the harmony of Sino-US relations, and let the United States be the driving force for China's development of export trade in the trade and investment of export commodities. While enhancing US export capacity, it has also enhanced China's own merchandise export experience, created more reciprocal market access to the United States, and increased market development, especially in China's finance, transportation, telecommunications, energy and other fields. Actively promote the two-way flow of funds, and make full use of the capital of China and the United States to form a Sino-US trade and investment agreement.

3.3 Optimize the industrial structure

Focus on the optimization of domestic industrial structure, timely eliminate superfluous

industries, promote the development of new industries with technologically advanced manufacturing, and promote the rapid transformation of other industries. Trade war will affect Sino-US economic and trade relations. China should conduct effective international trade negotiations with the United States, improve China's position in the world industrial chain, seize the chance of a new round of revolution, arm itself, seize opportunities for export trade, and complete trade structure in a timely manner. Encourage commodity exports, liberalize natural gas export restrictions, effectively increase natural gas import volume, and strengthen infrastructure investment. China and the United States jointly set up a joint infrastructure construction committee to facilitate China's dominant position in infrastructure construction and take advantage of the United States. The support of the economic body has allowed domestic advanced facilities, equipment and technology to go out and be international.

3.4 Strengthen legislation

(1) Legislation is the institutional guarantee for China's merchandise exports. In the Trump era, China needs to improve relevant legal policies in a timely manner, strengthen legislation, discover loopholes in current legislation, facilitate the investigation of missing vacancies, and further improve the legal system. (2) We should face up the Sino-US trade friction, deepen the research on US accession terms and trade policies, pay close attention to US trade conditions, pay greater attention to complex Sino-US economic and trade relations, strengthen the research and study of the policy and understand US anti-dumping rules. (3) Strengthen the construction of emergency response mechanism, build a sound trade knowledge communication mechanism as soon as possible according to the current domestic economic situation, strengthen the early warning of trade crisis, and establish a counter-attack mechanism to promote mutual trust between China and the United States [6]. (4) The issue of the current high unemployment rate needs to be raised. The unemployment rate in China is much higher than that in the United States. In view of this situation, it is necessary to recognize itself, analyze the root causes of the problem, and learn from each other in foreign trade. Experiences, such as the use of chambers of commerce and civil society in the two countries need to be shared, let the US government understand the actual situation of China's institutional construction, and timely ease the friction between China and the United States in the form of interviews and exchanges. (5) Pay attention to the role of the government. Under Trump's economic theory, it is necessary to strengthen the analysis of the market economy situation. Government should play an effective role in promoting world trade, understand China's current situation, intervene in time, and create a sound economic development environment.

4. Conclusion

To sum up: Trump's economics has a great impact on Sino-US economic and trade relations. To effectively alleviate Sino-US relations, we must first make ourselves strong, increase merchandise exports volume, open up foreign trade markets, and further occupy trade zones. At the same time, we will prepare for a protracted war, establish a development strategy based on war and promote the strategic system of the free trade zone with China as the core, and actively create opportunities for cooperation with the United States; timely eliminate excess industries and encourage the United States to liberalize natural gas export restrictions. We will promptly improve relevant legal policies and establish a counter-attack mechanism to promote mutual trust between China and the United States.

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