

U.S.-China Trade: Status quo Predicted

ANBOUND predicts the Chinese government has actually determined that maintaining the status quo of U.S.-China trade war is better than striking a deal but paying a high price.

This does not mean that China's plan is to drag the negotiations until a new U.S. President replaces Donald Trump.

The Chinese high-level officials must have known that the next U.S. President will be similar too, or indeed even more challenging than President Trump, and they know that the trade talks have to continue in any case.

The core focus of China's current concern is that the concessions of international trade should not be positioned as a certain kind of failure.

This is because once the outcome of the trade negotiations is positioned in that way, it will mean that the overall situation of China and the United States would be fixed.

Therefore, ANBOUND's chief researcher Mr Chen Gong points out the U.S.-China trade negotiations will not have clear results,

and there will be no clear comprehensive agreement seen in the usual trade negotiations.

Instead, there will only be constantly changing scopes and contents of the negotiations; in addition, there could also be reduced versions of partial agreements.

The aim is to drag the talks as long as to maintain the status quo. Yet, even so, the price to maintain this status quo could be very high, though it would still be better than reaching the trade agreement.

In the case that the United States makes major concessions in the face of this prolonged confrontational strategy, the outcome would be good in China's perspective, as this signifies the United States is the losing side in the trade war.