

China's white paper helps send message, experts say

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China's newly released white paper on trade talks with the United States doesn't represent an escalation in the dispute, but sends a message that Beijing doesn't want to be "pushed around" on any terms of the deal, according to experts and government officials.

To reach a deal that is "both sustainable and enforceable" requires the US to negotiate in good faith and not engage in yet another round of backtracking, they said.

"I wouldn't call the white paper an escalation, but it does seem like China was sending a message that it will not be pushed around," said Simon Lester, the associate director of the Cato Institute's Herbert A. Stiefel Center for Trade Policy Studies.

"China's Position on the China-US Economic and Trade Consultations", a white paper report released on Sunday by the State Council Information Office, followed an earlier white paper in September. It reiterated that Beijing does not want a trade war, but is not afraid of one, that it won't back down on "major issues of principle", and that its only intention is to reach a mutually acceptable deal.

The US has "persisted with exorbitant demands, maintained the additional tariffs imposed since the friction began and insisted on including mandatory requirements concerning China's sovereign affairs" in the trade deal with China, according to the white paper.

The US Trade Representative and the US Department of Treasury released on Monday a statement in response to the white paper.

An unnamed spokesperson for the Ministry of Commerce said in a statement on Tuesday that it is groundless to accuse China of engaging in unfair trade with the US as the latter "has benefitted tremendously" from the twoway trade, despite the trade deficit.

The US government has disregarded international obligations and duties, pressured companies from other countries and disrupted the global production and value chains, the spokesperson said, adding that it could not be more easy to see who is disrespecting international rules and resorting to "unfair" approaches.

The spokesperson said that the US government frequently made changes concerning relevant demands and pursuits during the past rounds of bilateral trade negotiations, but Washington still accused Beijing of backtracking during the talks.

That is actually shifting blame, and is unacceptable to China, the spokesperson added.

"The statement made by the US is totally calling black white and singing the same old tune, which does not make sense," Foreign Ministry spokesman Geng Shuang said at a daily news conference on Tuesday.

Dialogue and consultation are the right ways to resolve trade friction, he said, adding that slapping tariffs on others will not make the US great again, but only damage it.

Zhang Yansheng, chief research fellow at the China Center for International Economic Exchanges, said the US statement's accusations of "China backpedaling on important elements of what the parties had agreed to" is groundless.

"When consultations are in progress, and as long as China hasn't signed an agreement, there is nothing to criticize if China proposes adjustments to the agreement," he said.

On the contrary, China's white paper, which clearly discloses the history and current situation of the ongoing Sino-US economic and trade consultations, including how the US administration backtracked on its promises, sent a clear message to the international community of China's strong willingness to work together with the US to reach a mutually beneficial and win-win agreement, Zhang said.

Lester has said in an earlier article that US President Donald Trump's administration's approach to the trade dispute is tough, but is unlikely to be effective. He suggested that in negotiations with China, the US and its allies "have to be willing" to give something.

"I don't think the tariffs will help achieve a deal, and my guess is that neither side will hit the brakes unless the economy starts to decline," Lester said, adding that there is still the possibility of a deal if both sides want one.