

# Analysis of the Root Cause and Current Situation of Sino-US Trade Friction

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**Abstract:** *With the continuous increase of the amount of trade, the in-depth development of trade relations, the trade friction between each other is more and more serious, which involves a wide range, deep influence degree, caused the high attention of all parties. To deeply understand the current situation and causes of Sino-US trade friction, and predict the trend of Sino-US trade friction in a more scientific way, is not only a hot topic in the current academic research, but also an important topic to be solved urgently in the development of Sino-US relations. It is of great theoretical and practical significance to formulate targeted countermeasures to alleviate the increasingly fierce Sino-US trade friction, change China's inferior position in it, and achieve mutual benefit and win-win results between the two countries in the economic and even political fields. So, first of all, this article analyzes the current situation of the trade friction between the two countries, and secondly, thinks that the international economic competition, our country's trade treatment system is not perfect and the two countries to their respective national interests the pursuit, the American hegemonic thinking and so on is the main reason. Finally, based on the analysis of the causes of trade friction, this paper puts forward some countermeasures and reflections on the easing of trade friction between China and the United States under the current situation. For example, China and the United States can strengthen communication, build mutual trust and other aspects to ease and eliminate trade friction as far as possible, promote the sustained and stable development of Sino-US relations, and finally achieve mutual benefit and win-win situation.*

**Keywords:** Sino US trade friction, Current situation, Causes, Countermeasures and Reflections.

## 1. Introduction

### 1.1 Research Background

With the rapid development of the world economy, the interdependence between each country is also increasing, and economic and trade exchanges are also increasing. However, all countries want to maximize their national interests and stand out in the fierce competition in the international market, so the trade conflicts among countries also come, and the trade frictions among countries are constantly escalating. In the 20th century, the world economy advanced rapidly, trade competition is particularly fierce, friction is also deepening, in the ongoing trade friction also presents new characteristics, trade friction no longer exists only between developed countries in the trade exchanges, the trade friction between developed countries and developing countries has also emerged. Relatively far-reaching. The trade between China and the United States is a representative of the trade competition between developing countries and developed countries, which has far-reaching effects on the economic and political development of both China and the United States and even the whole world. After entering the 21st century, the number of trade exchanges between China and the United States has increased greatly than before. After China's accession to the WTO, China's foreign trade has been given a broader space for development and an important opportunity to develop economy. The trade line between China and the United States is also growing rapidly. Because China is the largest developing country in the world, and the United States is the largest developed country in the world, both have broad markets and greater domestic demand, this factor greatly promoted the economic and trade relationship between the two countries.

Because the economic and trade exchanges between our country and the United States are relatively frequent, which has brought many trade disputes, the friction of magic clothes

is escalating constantly. Our trade deficit with the United States has grown over the past few decades and has continued well into the 21st century. China's trade deficit with the United States has been growing (Chart 1 for details). In October 2017 alone, the trade deficit reached \$41.6 billion. This huge trade deficit is making America increasingly unhappy with our country. In the United States, the federal government has long argued that our country is suppressing American industry. In order to reduce the trade deficit, the US federal government has launched many anti-dumping and anti-subsidy legal cases against China and imposed trade restrictions and sanctions on China, which has also brought hidden dangers to the harmonious development of the two countries.

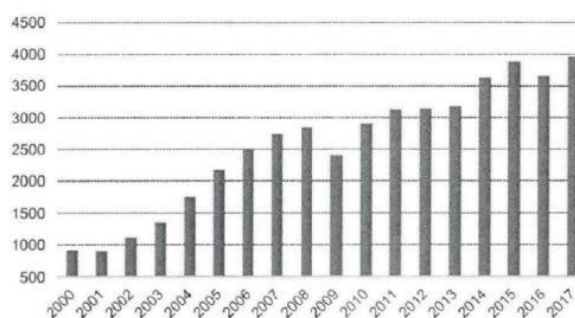


Figure 1: China's trade deficit with the US

### 1.2 Research Significance

Since the establishment of diplomatic ties between China and the United States in 1979, the economic and trade relations between the two countries have experienced ups and downs for more than 30 years. Along with the reform and opening-up of China, the economic scale of our country has been expanding continuously, and the economy has also been rapidly developing, and the trade between our country and the United States is also becoming more and more frequent. The United States is the largest developed country in the world, and China is the largest developing country in the world. The

relationship between China and the United States not only involves our two countries, but also has a far-reaching impact on the whole world. It is also the most important relationship in the world. However, in the process of frequent economic and trade cooperation between the two countries, trade frictions are constantly escalating, which also brings certain adverse effects on the economic and trade relations between the two countries, and also affects the harmonious development of the world economy. Therefore, as two extremely important major countries in the world, it is of utmost importance to resolve trade disputes and frictions between them.

The purpose of studying the trade friction between China and the United States is to alleviate and avoid the adverse impact of trade friction on China's economic and trade development, find out the corresponding countermeasures, better mitigate and avoid the trade friction between China and the United States, so that the trade relations between China and the United States along the direction of mutual benefit and cooperation.

## 2. The Development of China-US Trade Friction

### 2.1 Current Situation of China-US Trade Friction

In August 2017, US President Donald Trump authorized the Office of the US Trade Representative to conduct an overall "Section 301" investigation against China, which covers technology transfer and intellectual property rights. In January 2018, Trump explicitly called China a trade competitor in his first big State of the Union address. Since then, the USTR has issued a formal report in March finding unfair trade practices in China, followed by an April announcement of 25 percent tariffs on \$50 billion worth of Chinese products (followed by the possibility of an additional \$200 billion or even \$500 billion in goods, Full coverage of Chinese exports to the United States). After fruitless negotiations with Washington, China announced in June that it would impose 25 percent tariffs on \$50 billion worth of American goods. Since then, the U.S. has imposed tariffs on Chinese goods on an increasing scale, leading to escalating trade frictions. On August 1, US Trade Representative Robert Lighthizer issued a statement announcing that he would impose additional tariffs on US \$200 billion worth of Chinese goods, and raise the tariff rate from 10% to 25%. On August 3rd China also announced that it would impose tariffs ranging from 5% to 25% on \$60bn of goods from the US. On September 18, the Office of the US Trade Representative officially announced that a new round of 10% tariffs on US \$200 billion worth of imports from China will take effect on September 24, and the rate will rise to 25% in 2019. Trade friction between China and the United States is getting worse. Since the trade friction began, China and the US have held several rounds of trade talks on the issue. During the entire negotiation process, the United States repeatedly contradicted its promises and made repeated proposals to the Chinese government, which escalated the trade friction in a short period of time and caused considerable damage to the economic exchanges between the two countries.

### 2.2 Resistance to China-US Trade

In the analysis of Sino-US trade development, we should also fully analyze the current position of China in the overall trade of the US, and discuss the current trade friction between China and the US according to the ranking of the proportion of US trade. In this section, the author selects the relevant information of five countries as the research basis. Since the data of 2018 and 2019 have not been released, the period from 1992 to 2017 is taken as the node time for the research analysis.

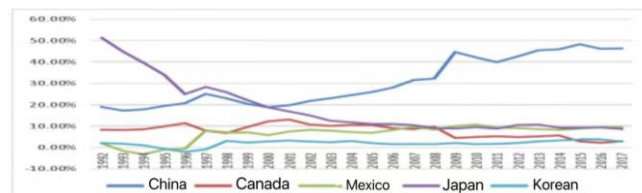


Figure 2: Proportion of five countries in the US trade deficit from 1992 to 2017

Figure 2 shows the five countries' share of the US trade deficit between 1992 and 2017. According to the chart analysis, the proportion of Canada, Japan has been declining. The share of China, the ROK and Mexico increased year by year, with the deficit of the three countries rising from US \$18.3 billion, US \$2 billion and US \$1.8 billion in 1992 to US \$375.7 billion, US \$22.6 billion and US \$76.2 billion in 2017. After sorting out the data, it is known that the root cause of the US deficit is not China's strong export trade. The problem of trade friction has existed since ancient times, but China has replaced Japan as the country with the largest trade deficit. In order to support the above views, this paper studies the import and export of different countries respectively.

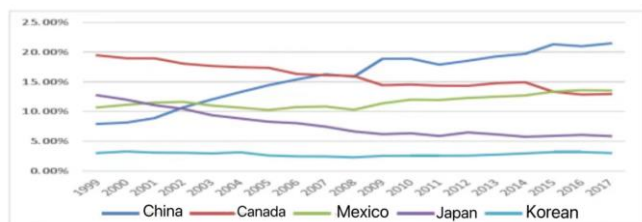


Figure 3: Proportion of Five countries in US Imports from 1992 to 2017 (%)

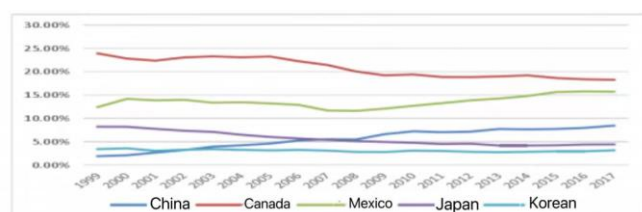


Figure 4: Proportion of Five countries in US exports from 1992 to 2017 (%)

Figure 3 and Figure 4 respectively show the proportion of five countries in US import and export. In terms of the share of imports, China accounted for 21 per cent in 2017, while Mexico and Canada accounted for 13.5 per cent and 14 per cent respectively, representing a combined share of nearly a third. In terms of export proportion, Canada and Mexico ranked first and second, accounting for 18.3% and 15.7%, while China ranked third, accounting for 8.43%, much lower than the export volume of Canada and Mexico. In terms of total trade volume, the US imports more from China and

exports less, resulting in China-US trade friction, which is the result of the joint action of all countries.

From the perspective of trade products, Sino-US trade products can be roughly divided into labor intensive and capital and technology intensive two categories.

**Table 1:** Composition of US International Trade Deficit in 2017 (US \$100 million)

	Total trade deficit	China	Japan	Canada	Mexico	Korean
0	-157.4	-4.8	-119.1	-21.8	1.3	-47.1
1	130.9	-1.5	-5.6	-6.4	23.4	0.3
2	-551.9	-334.8	-30.9	40.1	-57.5	-35.4
3	2871.8	-22.2	-20.1	855.7	161.9	15
4	17.5	-2.9	-0.2	13.9	-7.7	-0.3
5	-117.3	9.3	-36.6	-53.5	-208.2	-40.5
6	932.1	401.5	75.6	-6.69	-82.2	64.4
7	2435.1	1814.2	872.6	-378.5	599.1	218.9
8	1673.1	1255.2	0.5	-176.5	122.5	-13.1
9	56.5	36.6	26.8	58.5	60.6	3.4

As can be seen from Table 1, trade classifications 3, 6, 7 and 8 are the main sources of the US trade deficit. Besides China, the US also maintains deficits with Japan, South Korea and Mexico, which is the result of international industrial division of labor. As can be seen from the analysis in the above section, China and the United States conduct trade activities based on their respective comparative advantages. However, there is a special situation in 5, which contains high-tech products.

In 2012, the United States was in a dominant position in global trade, with large surpluses in Japan, Canada, Mexico and the Republic of Korea, but only in deficit with China. This does not accord with the theory of comparative advantage between the two countries, and may be caused by human factors such as policy restrictions.

To sum up, under the background of increasingly obvious double surplus, trade friction between China and the US will show a more and more serious development trend, China's comparative advantage of labor force will gradually decrease, and the restrictive effect of US high-tech export control policy will become more apparent.

### 3. The Causes of China-US Trade Friction

#### 3.1 The United States Restricts the Export of High-tech Products

With the continuous development of The Times, the United States has a strong development in science and technology innovation, so the production of technology-intensive products in the United States has a greater advantage. However, in our country, there are abundant resources, but the labor force is very cheap, so there is stronger advantage in the production and export of low value-added labor-intensive products. Therefore, in the fierce competition in the international market, China and the United States, based on the development of free trade, actively produce products with their own advantages, which can constantly exaggerate their own trade and economic growth, and help the country to maintain a state of sustainable development.

However, in the process of development, in order to keep its own first-class level of science and technology in the world, the United States is very selfishly has very strict control over

the export of high-tech products from our country, and even restricts the export of high-tech products from our country, in order to keep its own export position of new technology products.

#### 3.2 Conflict of Political Interests

The relationship between economy and politics has always been the focus of cooperation between countries and the main support point of maintaining relations, as well as the mainstream development of international relations. With the deepening of global economic development, the links between countries are gradually getting closer, but the trade frictions between countries are also gradually showing up and deepening. At present, trade is no longer a simple economic issue, but now it is a political issue between countries, and its impact is not only

The politics of this country also have a great influence on the politics of the world.

##### 1) Pursuit of their respective national interests

In the state of continuous economic development, a country will continue to develop for the purpose of obtaining more benefits in order to continuously increase its income of economic profits and consolidate its position in the international market. In the process of development, the United States creates trade frictions between China and the United States. In the process of export, we try every means to restrict the export of our products, so as to give its Allies the opportunity to develop and export, and to attract its Allies politically, so as to obtain the support of political Allies for the United States. At the same time, many countries with competitive relations with China continue to show goodwill to the United States, and restrict the export of Chinese products. On the basis of this, the United States continues to make difficulties to China, and then squeeze out China's share in international shopping malls, and reserve these share for the countries that show goodwill to China. So they can get more information about the United States

##### 2) China's rapid rise brings conflicts with the United States

At present, the economic development is still centered on the hegemonic powers led by the United States. In this development pattern

Below, our country is still developing rapidly, national influence is also being improved, and international influence has been improved rapidly. At the same time, the economic status of the United States has been declining, and its hegemonic position has gradually become insufficient. On this basis, the United States regards China as an imaginary enemy. For the American government, they see the trade friction between China and the United States as no longer a simple economic issue, but sublimated it into a political issue between China and the United States. Therefore, there is no small strategic intention behind the trade.

Therefore, under the background of this development, the United States in the course of trade friction with a variety of excuses to our country.

To make things difficult and restrain the development of our economy and peace in the world. In order to suppress the rapid rise of our country, the United States unilaterally imposed an increasing amount of trade tax on our country, and on the basis of this, trade frictions are constantly emerging. And in the process of trade friction, the United States hyped the "China threat theory" and told the whole country about the rise of China. It will greatly affect the economic development of the United States, which will have a huge impact on the development of the United States and the development of the exchange rate. In a word, it will not have a huge impact. Therefore, it is hoped that the Chinese people can support the trade friction between China and the United States. In fact, these views of the United States are very one-sided, which greatly restricts the economic development of China and other countries and is more detrimental to the peace and stable development of the world.

### 3.3 Us Trade Protectionism

At present, the United States has been sending a huge trade deficit to China, and has been trying to retaliate against China, causing a series of trade frictions. First of all, the United States has talked to the Chinese government, put pressure on the Chinese government, and condemned China's massive sales of products. In addition, the products sold have seriously threatened the damage of their counterparts in the country, and thus the unemployment rate in the United States has been declining and the economy has been declining. On the other hand, the United States, starting from China's products, implements trade protection against some of China's comparative advantages, such as imposing high tariffs and applying import quotas. According to China's Ministry of Commerce, the US launched 20 trade remedy investigations against China in 2019, a year-on-year increase of 81.1 percent. In 2019, the US launched 11 anti-dumping investigations and nine anti-subsidy investigations against Chinese products, data showed. The amount involved reached \$3.7 billion, up 131% from a year earlier.

Recently, the US has announced a series of rulings on trade remedy cases involving Chinese products, including tires and stainless steel plates. Relevant industries in China reacted strongly to this, and the Ministry of Commerce also made a statement. Wang Hejun, head of the trade remedy Bureau of the Ministry of Commerce, said it is normal for trade frictions between China and the US to occur due to the large scale of trade between the two countries. However, we have noted that the US has ruled that the tax rate in China's case is excessively high and there are many wrong practices that do not comply with WTO rules. The Ministry of Commerce opposes relevant US practices, has repeatedly expressed China's concern and demanded the US to correct them as soon as possible.

These measures, while increasing the level of trade friction between the two countries, have also damaged the welfare level of the two peoples to some extent.

### 3.4 Our Country's Trade Remedy System is Unsound

According to Sun Jiwen, spokesperson of China's Ministry of Commerce, 119 trade remedy cases were filed by 27 countries or regions in 2019, an increase of 37 percent over 2018. The

number of cases and the increase is at an all-time high. Among the 119 cases, there were 90 anti-dumping cases, 19 anti-subsidy cases and nine safeguard cases. The total amount of money involved in these cases was \$14.34 billion, up 76 percent from 2018. In 2019, half of all trade remedy cases involved products from the steel industry, with 21 countries and regions filing cases and 49 targeted investigations involving \$78.95 billion, an increase of 32.4 percent year-on-year. The amount of money involved went up by 63.1 percent. Most of the products involved in trade friction are in the chemical and light industries. As early as 2016, our trade friction incident involved more of these industries, such as photovoltaic motor, ceramic tile.

And tire manufacturing industry. As trade frictions began to move toward politicization, there was a more obvious extreme situation, resulting in a continuous increase in tax rates. However, with the deepening of trade friction, relevant main management departments need to develop targeted measures, so as to actively respond to. In more than 30 cases of trade friction in 2019, it can be seen that China has gradually changed from passive to more proactive. It has gradually secured the international market of nearly 3.4 billion US dollars for foreign trade enterprises in China, and to some extent reduced the economic retardation caused by trade friction. For the direct impact of our industry also has a certain delay. Trade remedy measures have both benefits and risks. In the current world economy is very weak, it is hoped that all countries in the world will pay attention to this complex international situation. China can actively cooperate with all countries, carry out commercial interaction and exchanges, and promote the continuous development of national economy.

### 3.5 China Relies Heavily on the US for Trade

Nowadays, in the process of economic trade between China and the United States, compared with the degree of dependence of the United States on China, China is very dependent on the economic trade of the United States. In recent years, the trade between China and the United States has become more and more frequent, and the total volume of trade is also increasing. The United States has become the main import and export country of China, and the United States imports a lot of labor-intensive products from China, including manufactured and semi-manufactured products included in the processing industry. The specific categories include textiles, clothing, toys and steel products. Most of them are low value-added products, which can easily be replaced in other countries. However, because China has a very cheap labor force, it occupies a dominant position in the overall labor price. Therefore, China can obtain a series of effective economic values by manufacturing these low value-added products and re-adjusting the price to export them to the United States. However, due to the large number of exports, a large number of local American enterprises have focused on it, and the result must be corresponding restrictions on its export process. If the US government promulgates relevant policies and systems to improve employment opportunities for American people, it will inevitably charge corresponding fees for Chinese imports, which will directly affect China's foreign trade market to a large extent.

In addition, because the United States has the world's leading level of scientific and technological development, it has a very prominent advantage in technology-intensive products. Therefore, it exports more of these products to China. Therefore, in the competition of these products, there are few countries to replace them. To some extent, this difference in the degree of trade dependence will assert the arrogance of the United States in this trade friction between China and the United States. Therefore, in the process of China-US trade friction, China has been in a very passive position. Because China is too close to the US trade market, it is sure to be subjected to economic sanctions from the US side.

#### **4. The Impact of China-US Trade Frictions**

##### **4.1 Positive Impact**

One is to accelerate the structural upgrade of the product. Our country is mainly affected by the trade friction is the export volume of large labor-intensive goods, the trade friction makes the export of these products reduce, the relevant domestic industry scale will be reduced, and the exit resources and capital will flow into the higher industry, thus promoting the upgrading of our industrial structure. And some special trade frictions, such as technical trade barriers and other technical measures, directly require the improvement of the technical level, to improve the industrial structure of the use of more obvious. Second, it is helpful to cultivate our competitive advantage industry. Trade friction between China and the United States has forced some domestic enterprises with poor competitiveness to withdraw from the market. Competitive enterprises introduce advanced management methods and technologies through mergers and other forms, which promotes the optimal allocation of resources and the formation of economies of scale. The gap between Chinese enterprises, including photovoltaic enterprises, and American enterprises in scale, technology and management has been narrowed, enabling competitive enterprises to participate in market competition with better products and more effective management means, and enhancing their competitive strength. Third, we will encourage Chinese enterprises to go global. Setting up factories in export target countries is an important means to avoid trade friction between China and the United States. With the increasing trade friction between China and the United States, Chinese enterprises are stepping up their efforts to go global. In 2005, China's non-financial direct investment in foreign countries was 6.92 billion yuan. By 2018, non-financial foreign direct investment reached 10.8 billion US dollars in January alone. According to statistics from the Think Tank for China and Globalization, Chinese enterprises made 156 investments in the US in 2019, with a total investment value of 85.1.6 billion US dollars, a year-on-year increase of 76 percent. China has surpassed other countries to become the largest trading partner of the US.

##### **4.2 Negative Impact**

Our right to free trade has suffered. The right to free trade is the rule of international trade, which is a right enjoyed by all countries. As the most developed country in the world, the United States has the most developed trade market in the

world. My country, like other countries, wants to have the right to free trade and fair competition in international trade markets, and should enjoy the right to enter the American market. But the United States implements anti-dumping, anti-subsidy and so on on Chinese products, means of trade friction, which will not only damage the power of free trade of Chinese enterprises, but also block the power of Chinese products to enter the American market, and even provide an excuse for similar measures taken by other developed countries to restrict China's economy and trade. This will result in the developing countries including China being at a disadvantage in global trade and the development of the global economy being unbalanced. When the trade friction between the two countries occurred, the interest rate increase measures carried out by the Federal Reserve led to the continuous narrowing of the interest rate spread between the RMB and the US dollar. The outside world expected that China would reduce its trade surplus accordingly, and the exchange rate also depreciated continuously. Although this situation will not last for a long time, the exchange rate situation is not optimistic. At the same time, capital outflows are highly likely if the exchange rate continues to fall. In addition, relevant scholars are not optimistic about the future prospects of trade friction, which will have a huge impact on the domestic securities market, so they will take relatively large risks.

#### **5. Countermeasures and Reflections on Avoiding Sino-US Trade Frictions**

##### **5.1 Improving the Mix of Export Products**

The trade deficit between the two countries is large. In 2019, the trade deficit between the two countries reached 347 billion dollars, accounting for 47 percent of the total foreign trade deficit of the United States. However, the export of products invested by the United States in China to the United States is also the export of China. Some parts of the products that China imports from other countries are assembled and produced in China, and the products that are re-exported to the United States are also the export of China.

Therefore, in order to reduce our trade deficit with the United States, we should accelerate the upgrading of industrial structure, stimulate domestic enterprises to strengthen technological research and development by means of market competition, accelerate the level of industrial technology and adjust enterprise structure, and eliminate the backward production technology and equipment. In this way, we will promote the adjustment of the structure of the upgrading of industrial technology, encourage and support Chinese advantageous enterprises to invest in foreign enterprises, strengthen the export of goods and services, expand the trade of new and high-tech products, strengthen the research and development of their own core technologies, and develop their own knowledge brands. To improve the technological content and added value of export products, from imitation innovation to independent innovation, is the fundamental.

##### **5.2 Adjusting Foreign-related Economic Policies**

Economic changes, residents' savings demand, and insufficient domestic demand are the reasons for the double



surplus. These factors are difficult to solve effectively in a short period of time. The situation of double favorable balance of payments is closely related to our country's present economic level and international competitive ability, and the double favorable balance phenomenon will continue to exist for a long time

Control policy, only on the growth of the double surplus to inhibit. Policy strategies that can be adjusted in the short term can be divided into the following two aspects. 1. Shift trade policy

"Export to earn foreign exchange" is the core principle of traditional trade strategy to guide industrial export. Under the background of increasingly obvious surplus of foreign trade structure, industrial export must change the original strategy, make full use of the regulatory role of the market, shift the crude oil "export first" trade strategy to the development strategy of balancing export, import and domestic demand. Further adjust the structure of export commodities, speed up the integration and allocation of resources, and expand the participation in the international division of labor. In short, from the perspective of changing trade policy, for

### 5.3 Adjust Export Incentives

We will integrate existing export incentive measures, eliminate some ineffective or ineffective incentive measures, impose additional export taxes on some resource-based and pollution-causing export products, control the export scale of high-consumption products, increase the export level of high-tech products, enhance the technological value of export products, and enhance their international competitive advantages. We will adjust the industrial structure and the composition of export products, and increase the export scale of high value-added and high-tech products. The export strategy of quantity expansion, resource waste, low technology and low added value in the past will be changed to the export strategy of high quality and efficiency, resources and environmental protection, high technology and high added value. At the same time, the government management department should encourage foreign trade enterprises to carry out innovative activities, help foreign trade enterprises to establish good brand awareness, enhance the competitive advantage of Chinese foreign trade enterprises in the international market, adjust the original preferential measures for foreign investment enterprises in China. In addition, some resources related to national life and social construction should be encouraged to import, and more projects should be added to help absorb and absorb the budget. The advantages of industrial development should be fully integrated, structural changes and technological innovation within the industry should be accelerated, and enterprises should be allowed to subsidize export, so as to improve the effect of domestic demand.

### 5.4 Improve Our Country's Trade Remedy System

At present, along with the economic integration of world trade is developing continuously. Therefore, in the process of foreign trade, we should take our current national conditions as the foundation, modify the perfection of the relevant system in the current law system, so as to further guarantee

our country's legislation system in foreign trade. Secondly, for the establishment of the current rescue system in our country's legal system, it should be clearly established fundamentally, only so as to ensure the scientific nature in the trade relief system in our country. In addition, through the reference of foreign relevant legislative system, through the improvement of the legislative system of the developed countries to improve our trade remedy system, through the operability for foreign trade to complete the legal system, so that the current Chinese trade remedy in the case of the legal basis.

At the national level, we should attach great importance to dealing with trade frictions, improve national countermeasures and take effective measures to improve the international trade environment. Only in this way can we safeguard the legitimate rights and interests of enterprises.

### 5.5 Expand Domestic Demand and Reduce Dependence on Foreign Trade

With the continuous development of the current form of international integration, the risk modes brought by the current economic globalization are increasing without breaks. Especially with the development of the current epidemic situation, China's foreign trade began to suffer serious damage, which has caused the external market of our country to decrease continuously. I also realize that China is currently too dependent on the United States for foreign trade. Therefore, through the expansion of domestic demand, it has become the most critical point against the development of foreign trade.

For the expansion of domestic demand, can further avoid the whole international market related risk factors, so for our country with other countries the appearance dependence on reduce. For example, with the United States, counter-dumping and counter-vailing phenomenon often appears, which has improved our international image to a certain extent, and also created a certain condition for the economic level of our country's development. In addition, the trade friction, especially the reduction of Sino-US trade friction form has brought opportunities, and also provided the conditions for China's Sino-US trade to realize sustainable development.

## 6. Conclusion

Starting from the current situation and causes of trade friction between China and the United States, this paper analyzes the impact of trade friction between the two countries and the corresponding solutions.

The trade friction between China and the United States is generated with the development of the trade relationship between China and the United States, and the trade relationship between China and the United States is the unity of the trade development and the trade friction between China and the United States. The relationship between China and the United States begins with policy, grows on trade, begins with economics, is bound by economics, and is bound by politics. This is also the eternal logic and spiral of China-US relations. The inherent contradictions and dynamic contradictions in the spiral process have doomed the normality of trade friction between China and the United States.

In this paper, the cause of the trade friction between China and

the United States is the economic and trade imbalance between the two countries. Therefore, to solve the trade friction between China and the United States, we should start from the economic aspect and find out the corresponding countermeasures. For example, we should optimize the structure of export products, strengthen the communication between the two countries to establish mutual political trust, improve our trade remedy system, and expand domestic demand to reduce the dependence on foreign trade. So we can play to our advantages and try to establish ourselves in an undefeated position in the trade competition with the United States. However, everything should be carried out with the overall interests in mind, in accordance with and around international rules. Guiding bilateral trade with the idea of building a harmonious world and a new model of major-country relations is a good way to solve the trade friction between China and the United States.

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