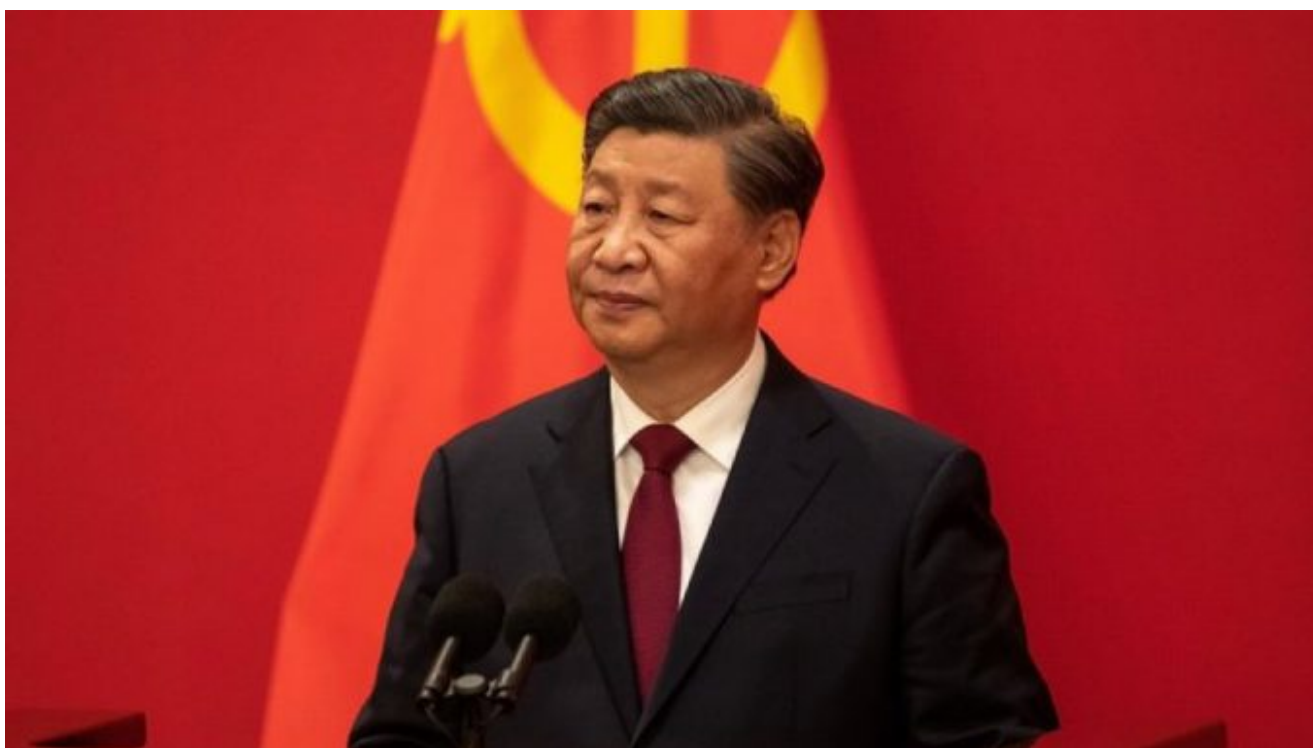


# China's response to Trump's escalating trade war

written by Tings Chak  
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President of China Xi Jinping

Since U.S. President Donald Trump signed an executive order in February to impose a 10% tariff on all imports, the world has witnessed a confounding series of

unilateral tariffs placed on both friends and foes of the U.S.. On self-declared 'Liberation Day', on 2 April 2025, Trump unleashed a series of 'reciprocal' tariffs on 57 countries, with China being amongst the hardest hit with an additional 34% tariff. A week later, Trump abruptly announced in a Truth Social post a 90-day reprieve of tariffs on countries that 'have not, at my strong suggestion, retaliated in any way', while those on Chinese goods soared to 125%. The tariff on China was then raised to 145% on 10 April 2025.

These developments represent the most sweeping escalation of the U.S. trade war against China to date and have injected significant instability into the global economic and political scenario. The justifications behind the tariff hikes are on multiple grounds, including China's alleged unfair trade practices and failure to meet commitments under an agreement to purchase U.S. goods, as well as an effort to 'level the playing field'. These thinly veil the United States' broader strategy aimed at containing China's rise as a geopolitical and economic actor. The trade measures also come amid broader Trump's stated aims of reducing trade deficits, revitalising domestic manufacturing, addressing perceived unfair trade practices, enhancing national security, and generating revenue. How the broad waves of tariffs will achieve those aims remains to be seen.

### **China 'will by no means sit by'**

China responded swiftly and determinedly to the wave of tariffs by announcing a symmetrical 34% tariff on nearly all U.S. goods. These retaliatory measures represent a significant escalation from China to Trump's initiation of the trade war [in 2018 and 2019](#), when China had gradually increased duties on about \$110 billion worth of U.S. goods. Now, virtually every category of U.S. goods - agriculture, energy, manufactured products, and consumer goods - faces extra import taxes at the Chinese border. China has focused its response on some of the sensitive sectors of the bilateral trade, with hefty tariffs on soybeans, grains, and meat to reduce

China's reliance on U.S. agricultural goods. Beijing also raised duties on U.S.-made automobiles and auto parts. Likewise, machinery, chemicals, aircraft, and other high-value manufactured goods are on China's tariff lists. In addition to tariffs, China also introduced a series of other measures, from renewing intellectual property investigations into U.S. firms operating in the Chinese market, new restrictions on Hollywood film releases, and a suspension of cooperation on the regulation of fentanyl.

In its official discourse, Beijing has stood firmly in indicating it has 'abundant means' to retaliate and 'will by no means sit by' if its interests are harmed. It has consistently emphasised the need to oppose economic coercion and protect national sovereignty. China has been increasingly put in a position to defend the very international norms and multilateral frameworks that the U.S. has built in its own favour. This is highlighted by China's complaint filed to the World Trade Organisation, arguing that the U.S.'s 'reciprocal tariffs' violate the international trading system.

### **Patriotism is not just a feeling - it is an action**

Domestically, the trade war has generated widespread public attention, including on China's social media platforms. From 4 to 11 April, the hashtag 'China's countermeasures are here' accumulated over 180 million posts on the Weibo platform in less than a week. Chinese social media platforms such as Weibo, Xiaohongshu, and Zhihu have been filled with patriotic expressions of support for the government's strong stance, represented by posts such as, 'Patriotism is not just a feeling - it is an action'. Meanwhile, the increased price of imported goods has also motivated Chinese consumers to move to domestic alternatives, with one user [writing](#), 'Who needs Starbucks when we have Luckin Coffee? Why buy an iPhone when you can get a Huawei? Forget Tesla, go with BYD'. Others expressed scepticism of the effectiveness of the U.S. tariffs in protecting its economy and its

people's interests, and confidence that China can withstand these escalations. Echoing this view, one user wrote, 'Congratulations to the U.S.A for receiving a 34% tariff on all its products! Fortunately, very few of the things that ordinary Chinese people eat or use come from the U.S.A'. With every escalation from the U.S., the voices that may have initially called for negotiation have also given way to the overwhelming unity among the Chinese people that the tariffs have provoked.

While the U.S. is a major trading partner, it's not China's only trading partner. Learning from the trade war launched during Trump 1.0, China has been steadily strengthening its domestic production and consumption while diversifying its trade in recent years, strategies which are beginning to bear results. [Chinese exports](#) to the U.S. in 2023 constituted about 2.9% of its Gross Domestic Product (GDP), falling from 3.5% just five years ago. The combined value of exports and imports between China and the U.S. is about \$688.3 billion in 2024, representing about 3.7% of China's GDP, which, although significant, is not decisive to the Chinese economy. Meanwhile, Belt and Road Initiative countries [accounted for 50%](#) of China's total foreign trade in 2024, up from 44% in 2021. Trade within the Regional Comprehensive Economic Partnership (RCEP), which includes ASEAN members Japan and South Korea, as well as others, [represents 30% of China's total trade](#), growing 6.3% from 2021 to 2023.

Despite these gains, structural challenges remain. High-tech industries are still dependent on U.S.-aligned supply chains for critical components, including advanced semiconductors and specialised software. Meanwhile, foreign direct investment inflows have shown signs of slowing amid geopolitical tensions and concerns over regulatory risk.

## **The Global South in an uncertain landscape**

Trump's trade measures have not been limited to China. Countries across Asia and Latin America, including Vietnam, Cambodia, Mexico, and Brazil, have also seen

higher tariffs on goods ranging from textiles to steel and agricultural products. Smaller economies may have less means and political willingness to retaliate against these punitive unilateral measures, especially in the face of Trump administration strongarm tactics, which U.S. Treasury Secretary Scott Bessent summarised, 'Do not retaliate and you will be rewarded'. Within this context, South-South cooperation frameworks are receiving increased attention, together with renewed calls to strengthen trade within the BRICS, RCEP, and other multilateral platforms.

The trajectory of the trade war remains uncertain. On the one hand, Trump's administration appears committed to an aggressive strategy of economic decoupling, regardless of the costs to global supply chains. On the other hand, China is likely to double down on domestic economic strengthening and continue building ties with trade partners outside the U.S. orbit, especially prioritising Global South countries. What is increasingly evident is that the old assumptions of global economic integration are eroding; meanwhile, U.S. imperialist aggression is on full display.

On April 8, recalling the words of President Xi Jinping from 2018, Chinese Foreign Ministry spokesperson Mao Ning posted the following quote on her social media: A storm may churn a pond, but it cannot rattle the ocean. The ocean has weathered countless tempests – this time is no different.

That China has stood firmly against this storm, characterised by U.S. belligerence and bullying, is something of political significance, not only for the Chinese people but for countries of the Global South.

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