

Trump's china policy

[Food & Diet](#)



**ASSIGN
BUSTER**

The 2016 presidential election created a shockwave around the world. President elect Donald J. Trump creating new friends with other world powers and forming unhealthy relationships with the United States then allies.

It was unclear at the time what would become in the years to follow. With the northern and southern borders of the United states being affected to across the Atlantic ocean. Donald Trump has imposed tariffs on China, Canada, Mexico, etc. Every country had their own form of retaliation but there has not been a positive solution to all the Trump tariffs. The United States has had tariffs introduced onto them due to these practices. This begs the question, how has the implications of all the tariffs to our trading partners affected the economy? The United States, under President Donald. J Trump, has introduced billions in tariffs to China, Canada, and Mexico and it has affected both the relationship and diplomacy between countries as well as the economies.

It has been clear to many that Trump has an issue with China. He has publicly denounced China and believes the United States is being taken advantage of . With this idea in his mind, diplomacy has been removed from the table. In June 2018 Donald Trump issued the statement, “ China apparently has no intention of changing its unfair practices related to the acquisition of American intellectual property and technology, rather than altering those practices, it is now threatening United States companies, workers, and farmers who have done nothing wrong.” The first rounds of tariffs trump issued on China came at the beginning of the 2018 year. The United States issues a twenty-five percent tariff on thirty four billion worth in Chinese Goods. With this action came retaliation from China with tariffs on <https://assignbuster.com/trumps-china-policy/>

American goods. China insisted The Trump administration's announcement of new measures was " unacceptable." It warned that China would have to respond with " necessary countermeasures" without providing details (Horowitz).

In the middle of September during the 2018 year, Trump announced a second round of tariffs on China. This second round sent a clear message of where Trump stands. Today's 10 per cent tariffs from the White House on a further \$200bn of Chinese imports hitting handbags, rice and textiles, along with several thousand other items take the total value of trade affected by Trump to \$250bn (Chu) . Donald Trump even made the threat of a third round of tariffs that would include also willing to place tariffs on items such as Apple's iPhone and laptops imported from China (Bryan). There has been a lot of back and forth with China about the tariffs and it has hurt both economies. American businesses will feel the tariff war directly. The effect on the businesses would come from increasing their operational costs and putting pressure on profit margins (Coppola). The tariffs will also cause The tax will raise headline CPI inflation (Coppola). Trump's tariff war has caused a lot of headache and destruction of diplomacy between both the United States and China. As of now, there has not been a non problematic solution between the countries.

Trump recently turned on longtime allies, identifying Mexico as a threat on goods. Mexico will be affected billions of dollars on their exports to the United States. Mexico stated they will participate to fight with the United States, which is unexpected because Mexico depends on U. S for many resources. After the tariffs were said Ildefonso Guajardo declared, we always

<https://assignbuster.com/trumps-china-policy/>

said that we were going to be ready to react. (O'Neil) Mexico has created a plan and ready to fight back. Before Trump resistants, Mexican and American truckers were allowed to take goods straight from factories to final destination. Trump has now came up with an idea of building a wall to stop immigrants from crossing the border to the United States. When Mexico sends its people, they're not sending their best...They're sending people that have lots of problems??; They're bringing drugs, crime, rapist??;.(Manning) Trump does not want more problems for people that live in the United States nor does he want illegal immigrants being dropped off here.

This impacts the United States economy by stopping trade with Mexico until the wall is built and more laws, it has its pros and cons. The amount of jobs that will be impacted during this time is a lot including Mexican and American citizens. Mexico highly depends on the U. S. to buy their goods, therefore Mexico has agreed to pay for the wall. Although the number of immigrants has gone down, Trump wants it lower and more strict rules. Trump is trying to keep citizen in the U. S. safe from the immigrants, he believes that they play no good role in the U. S for the most part. Trump has also threaten Mexico that if they do not pay for the wall, he will tax 20% off goods to pay for the wall. Mexico says they have a plan to pay for the wall but also has a plan if war happens to start out. Trump wants peace with Mexico and more laws.

The election of President Donald Trump has caused many issues in countries all around the world, but none more so than in Mexico, where the Trump administration has plans to not only stop illegal immigration into the United States from Mexico but also renegotiate the NAFTA (North American Free

<https://assignbuster.com/trumps-china-policy/>

Trade Agreement) to ensure that Mexico will stop, as Trump says, taking unfair advantage of the United States under NAFTA. While many people believe that the Trump administration has negatively affected the Mexican economy by changing the amount of trade between the two countries, the value of the peso is now trading at a higher rate than at any point since the beginning of the Trump Administration. Mexico and the United States are still doing negotiations over the NAFTA being updated, but both countries report that great steps are being taken in order to improve relations.

Canada has a lot to be concerned about when it comes to Trump's presidency. The most disturbing for Canada's economy is change in U. S. trade policy. Recently president Trump has vowed to terminate the US from certain global trade deals such as NAFTA. The North American Free Trade Agreement is an agreement signed by Canada, Mexico, and the United States, creating a trade bloc in North America. The trade relationship of the United States with Canada was the second largest in the world after China and the United States. While Canada should expect it's trade relationship with the US to remain strong, Trump's presidency will create a few changes in the economy in Canada. Trump wants Canada to open its market to dairy products. " Canada has made business for our dairy farmers in Wisconsin and other border states very difficult," Trump tweeted in April. The disputes threaten to end one of the U. S.'s most important trading relationships.

There are millions of canadian jobs that depend on their trade with America. Losing trade with the US due to Trump's vow will cost Canada 58, 000 jobs and increase income inequality. Increasing income inequality may diminish education opportunities for the poorer, if they cannot afford the tuition fees.

<https://assignbuster.com/trumps-china-policy/>

This may keep the level of human capital and the level of specialization lower than what would be optimal for economic growth. Trade is very important and very heavily relied on now-a-days. With president Trump looking to exempt the US from major trade agreements like NAFTA, it puts the US' neighboring countries (members of the agreement) in a bad place.