CHINA-UNITED STATES TRADE NEGOTIATIONS AND DISPUTES: THE WTO AND BEYOND

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ABSTRACT

This article examines trade negotiations and disputes between China and the United States. It begins by ascertaining the unique political aspects of China-U.S. bilateral economic ties and explains the historical background underlying the relations. The article then argues that trade frictions between China and the United States are unlikely to repeat the Depression-era trade wars. The article observes that both the Chinese and U.S. governments are aware that the adoption of WTO-inconsistent measures may result in retaliatory actions from the other side. Hence, the two governments have attempted to resolve potential disputes through high-level official talks. Even when certain issues cannot be solved through dialogue, the WTO dispute settlement system has proven to be efficient as an instrument of final resort to deal with bilateral trade frictions. Finally, the article submits that the change in China's attitude toward WTO disputes further integrates the country into the international economic order and paves the way for a more positive development of China-U.S. trade relations.

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