

Research on the Impact of America's Trade Wars and Protectionism on the Global Economy and China's Coping Strategy

Jingjie Huang

The SWUFE-UD Institute of Data Science, Southwestern University of Finance and Economics,
Chengdu, China

chnalex@udel.edu

Abstract. The objective of this paper is to examine the influence of the US trade war and protectionism on the global economy and on the Chinese economy and to put forward recommendations for addressing these issues. The rationale for selecting this topic is that shifts in the global trade landscape have posed significant challenges for the Chinese economy, necessitating a comprehensive examination of these issues for informed policymaking. The paper commences with an account of the US-China trade war that commenced in 2018. This conflict has had a detrimental effect on China's exports in high-value-added sectors and has brought to light the Chinese economy's excessive reliance on a single market. Subsequently, an analysis is presented of the gradual development of the domestic economy, the dearth of consumer spending power, and the obstacles faced by small and medium-sized enterprises (SMEs) in pursuing industrial modernisation. In the problem analysis, three principal issues were identified: overdependence on the US market, weak domestic consumption capacity, and the challenges faced by SMEs. Specific solution strategies are put forth to address these issues, including diversification of export markets, enhancement of residents' income and promotion of consumption, and support for technological innovation and digital transformation of SMEs. The objective of this paper is to provide policymakers with effective recommendations for the stable and sustainable development of the Chinese economy. In addition to addressing current economic problems, these recommendations will contribute to the growth of related industries.

Keywords: US-China Trade War, Export Market Diversification, SME Transformation, Global Economy.

1. Introduction

1.1. Research Background

Since the outbreak of the U.S.-China trade war in 2018, the global economic landscape has undergone significant changes. The impact of tariff policies has not only disrupted trade between China and the US but also exerted a profound influence on global supply chains and economic order. As the world's second-largest economy, China has been particularly affected. Studies show that the imposition of tariffs by the US on China has directly led to a decline in economic activity in certain regions. For instance, a 1% increase in US tariff exposure correlates with a 0.59% reduction in nighttime light intensity related to China, indicating a slowdown in local economic activity [1]. In regions most severely impacted by the tariffs, per capita income (manufacturing employment) dropped by 2.52% (1.62%) compared to unaffected areas, demonstrating that the trade war has had varying degrees of negative effects on China's regional economies [1].

In response to these challenges, China has implemented a series of countermeasures, demonstrating considerable economic resilience. By expanding domestic demand, enhancing the autonomy of its industrial chains, and optimizing the business environment, China has gradually mitigated the negative effects of the trade war. Despite the increasing global economic uncertainty, China has managed to maintain relatively stable economic growth [2]. These measures have not only stabilized China's export market but have also injected new vitality into economic restructuring and industrial upgrading.

Meanwhile, other countries around the world have experienced significant changes due to the U.S.-China trade war. For example, Vietnam, as a “bystander,” benefited from the global market shift, with its exports to the US increasing by 14%, especially in sectors such as plastics, steel products, and machinery [3]. These developments indicate that the U.S.-China trade war is not merely a bilateral conflict but has deeply affected the global trade framework, underscoring the need for further research on this subject.

In this context, this paper will conduct an in-depth analysis of how China, within the framework of the U.S.-China trade war and rising global trade protectionism, has maintained its economic competitiveness and stable development by adjusting its economic policies and response strategies. This study is not only of practical significance for businesses seeking new opportunities in the global market but also provides critical insights for policymakers in addressing global economic uncertainties and optimizing industrial structures.

1.2. Literature Review

He’s research suggests that the impact of the U.S.-China trade war on the Chinese economy is multi-faceted. In the context of globalization, the economic ties and trade relations between China and the US have far-reaching implications for the global economy. Since the onset of the trade war in 2018, friction has arisen not only in tariffs but also in the global economic order. He begins by analyzing the interdependence of the Chinese and US economies and the escalation of trade tensions, detailing the origins and evolution of the trade war. He focuses particularly on the direct impact of the trade war on the Chinese economy, covering several aspects such as export trade, industrial structure, employment, and financial markets. Based on this analysis, He proposes strategies for China to respond to the trade war, including expanding domestic demand, enhancing the autonomy of its industrial chains, strengthening international cooperation, and optimizing the business environment. His research finds that although the trade war has posed challenges to China’s economy, China has demonstrated considerable resilience and potential through active countermeasures. Future studies should continue to monitor the dynamic evolution of the trade war and its broader implications for the global economy [2]. Chor&Li’s research shows that the U.S.-China tariff war has had significant and regionally varied impacts on the Chinese economy. By utilizing high-frequency nighttime light data and evaluating trade exposure based on the geographical distribution of Chinese firms, they assessed the regional effects of tariffs. Through an analysis of spatiotemporal changes, combined with controls for contemporaneous trends, Chor&Li discovered that each 1% increase in US tariff exposure corresponded to a 0.59% decrease in nighttime light intensity. Using the statistical framework proposed by Henderson and colleagues, they linked nighttime light data to economic outcomes. The results revealed that the negative impacts were unevenly distributed across regions, with approximately 70% of the population living in areas largely unaffected by US tariffs, while in regions experiencing the greatest tariff shocks, incomes and manufacturing employment for 2.5% of the population declined by 2.52% and 1.62%, respectively. In contrast, China’s retaliatory tariffs had a comparatively smaller economic impact [1]. Lee & Nguyen explored the effects of the U.S.-China trade war on different types of Chinese firms by analyzing domestic enterprises and multinational corporations (MNCs). Using the Orbis database, they identified Chinese MNCs with at least 51% ownership. Through a study of firm data from 2011 to 2019, Lee & Nguyen found that following the trade war, the revenue of MNCs exceeded that of domestic firms by approximately 8%. This finding aligns with the “real options hedging” theory, which suggests that operational flexibility helps mitigate the impact of tariff shocks [4].

Fajgelbaum et al.’s research suggests that the U.S.-China trade war is not merely a matter of shifting trade flows but has also created net export opportunities for other countries. Some “bystander” nations increased their exports of tariffed goods to the global market, excluding both the US and China. By analyzing the tariff elasticity of different countries, they found that the variation in export growth was more dependent on a country’s specific tariff elasticity rather than its specialization patterns. Countries that substituted for US and Chinese exports benefited the most, while those whose

products complemented those from the US and China saw relatively smaller gains [5]. Dang et al.'s research focused on the impact of the U.S.-China trade war on Vietnam's exports. The study analyzed the effect of the trade war on exports. The findings revealed that Vietnam's total exports to the US increased by 14%, with significant growth in sectors such as plastics, steel products, textiles, and machinery. However, the effects on electronics, agricultural and forestry products, and furniture were less pronounced. This research is unique in that it provides a causal analysis of how developing countries responded to the trade war, with particular attention to the heterogeneous impacts across different export sectors [3]. Ilhomjonov&Yakubov's research concentrated on the broader implications of the U.S.-China trade war for the global economy. He found that the trade war led to increased bilateral costs, shifts in trade flows, and a weakening of trade liberalization, which negatively affected emerging economies, particularly in Southeast Asia, by increasing economic uncertainty. The study also suggested potential solutions to the trade war and analyzed its long-term impacts on the global economy [6]. Beckmann et al.'s research examined the influence of media on the macroeconomic outlook in several EU countries. By analyzing survey-based macroeconomic expectations, stock prices, and industrial output, Beckmann et al. investigated the role of media coverage in transmitting macroeconomic effects. The findings indicated that media reports had a significant negative impact on the economic outlook of Germany, Italy, and Spain, especially in terms of current account expectations [7]. Caliendo&Parro reviewed both theoretical and empirical research on U.S.-China trade relations over the past 20 years, analyzing the origins of the "China Shock" and its effects on different economic outcomes. The study found that the overall gains from U.S.-China trade had clear winners and losers. Additionally, the research indicated that China's trade expansion was not the primary cause of the decline in US manufacturing employment. Furthermore, the trade war resulted in welfare losses, and although its impact on employment was minimal, it did not succeed in reversing the distributive effects caused by the "China Shock" [8].

Vortherms&Zhang's research focuses on the relationship between political risks and business exits. His study reveals that foreign enterprises tend to be more sensitive to political tensions, particularly in non-violent conflict scenarios. By analyzing data on foreign enterprises registered in China from 2017 to 2019, Vortherms&Zhang found a significant increase in the rate of business exits during periods of rising political risk, with the exit rate of US companies increasing by 1 percentage point. His findings demonstrate a clear correlation between business exits and heightened political risks. Xu's research analyzes the impact of bilateral trade structures on the relationship between China and the US [9]. By examining import and export data from both countries between 2001 and 2020, Xu found that changes in the trade proportions of different categories of goods had a significant influence on bilateral relations. The analysis, based on SITC codes, offers a fresh perspective on U.S.-China trade relations and provides valuable insights for policymakers [10]. Kapustina et al. explored the causes and consequences of the U.S.-China trade war. She identified four primary reasons behind the trade war: reducing the bilateral trade deficit, limiting China's access to technology, curbing the growth of China's military power, and reducing the US federal deficit. Through scenario analysis, Kapustina et al. concluded that the trade war would lead to a slowdown in global production and international trade and that there are no winners in such conflicts [11].

1.3. Research Gap

Most existing studies focus on the direct economic impacts of the U.S.-China trade war on both countries, particularly on how tariff policy changes have affected exports, employment, industrial structure, and regional economies. Many studies also address the benefits gained by certain "bystander" countries during the trade conflict. However, fewer studies have conducted in-depth analyses of the long-term disruptive effects of trade protectionism on global value chains, especially its profound impacts on emerging markets and economies in Southeast Asia. Additionally, there remains a lack of comprehensive research on how China systematically addresses global economic uncertainty. Existing literature tends to focus more on short-term responses, with limited exploration of medium- and long-term strategy formulation. Therefore, there is considerable scope for future

research, particularly in examining how to navigate changes in the global economic system, maintain competitiveness, and understand China's role in the restructuring of the global economy.

1.4. Research Framework

This paper's research framework aims to fill the aforementioned gaps by analyzing China's strategies for responding to global economic shifts. First, the paper will review existing literature to clarify the direct and indirect impacts of the U.S.-China trade war on both the global economy and the Chinese economy, particularly the effects on exports, industrial structure, and global supply chains. Second, the paper will explore the measures China has adopted in response to the trade war and rising global trade protectionism, with a focus on policy adjustments, industrial chain optimization, and international cooperation strategies. Third, through case studies, the paper will assess the actual effectiveness of these strategies, particularly their impact on China's competitiveness and future development potential in the global economy. Finally, the paper will propose China's strategic positioning and response paths in the evolving global economic landscape, offering recommendations for China's long-term strategy formulation amidst global economic uncertainty.

2. Case Description

This study focuses on the U.S.-China trade war that began in 2018, an ongoing economic conflict that has had a profound impact on the global economic landscape. Initiated by the United States, the trade war centered around the imposition of high tariffs on Chinese goods, with the primary goal of reducing the US trade deficit with China. Additionally, the tariffs were aimed at curbing China's rapid growth in high-tech and manufacturing sectors. In response, China quickly implemented retaliatory measures by imposing tariffs on US imports, leading to an escalation of bilateral trade tensions. This trade dispute extends beyond the economic realm, encompassing sensitive issues such as technology transfer, intellectual property protection, and national security.

The impact of the trade war on China's economy has been particularly pronounced, especially in export-dependent industries. The increased tariffs posed significant challenges for industries such as electronics, automotive, and machinery manufacturing. According to relevant research, regions most severely affected by tariffs experienced notable declines in income and employment levels, particularly in the manufacturing sector. The conflict not only led to a decrease in China's export share but also prompted companies to reconsider their global supply chain strategies. Meanwhile, the U.S.-China trade war has had widespread repercussions on the global supply chain. Many multinational companies, in an effort to avoid tariffs, gradually shifted portions of their production from China to Southeast Asian countries, such as Vietnam and Malaysia, turning these nations into key nodes in the global supply chain. For instance, Vietnam significantly benefited from the global trade shift, particularly in textiles and electronics, with its exports to the US surging during the trade war. Research indicates that Vietnam's exports to the US increased by 14%, further demonstrating how the U.S.-China trade war has reshaped global trade dynamics.

The impact of the trade war extends beyond China and the US, posing challenges to the stability of the global economic system. As tariffs increased and global supply chains adjusted, production costs rose, creating uncertainty for other nations reliant on the US and Chinese markets. At the same time, heightened technological competition between the two countries led the US to impose export restrictions on Chinese tech firms, further exacerbating risks in the global technology supply chain. In response to these challenges, China implemented a series of policies to mitigate the negative effects of the trade war and maintain relatively stable economic growth. The Chinese government pursued strategies such as boosting domestic demand, increasing the self-sufficiency of industrial chains, and investing in technological innovation. These measures successfully alleviated the adverse impacts of the trade war and expanded China's trade partnerships with other countries, helping to preserve its competitiveness amidst global economic fluctuations.

The U.S.-China trade war has exposed the vulnerabilities of the global trade framework and supply chain structure in the face of economic competition between major powers. By analyzing China's strategies in responding to the trade war, this study explores pathways for addressing global economic challenges, providing valuable insights for future economic policy formulation.

3. Analysis on the Problem

3.1. Analysis of the Impact of the U.S.-China Trade War

3.1.1 Impact on global supply chains and the shift in manufacturing

The U.S.-China trade war has had a profound impact on global supply chains, especially in industries heavily reliant on China as a primary manufacturing base. As the US imposed high tariffs on Chinese goods, many multinational companies were compelled to reassess their dependence on Chinese manufacturing, resulting in the relocation of some production lines to other countries. Southeast Asia, particularly Vietnam, emerged as the primary beneficiary of this supply chain adjustment. Data shows that Vietnam's exports to the US increased by 14%, especially in sectors such as textiles, electronics, and machinery manufacturing, as many manufacturers shifted production to avoid the rising costs of tariffs on Chinese goods. According to the statistics released by the General Department of Vietnam Customs on June 14 (Table 1), the total value of Vietnam's import and export goods reached USD 303.95 billion in the first five months of 2024, representing a year-on-year increase of 16%, equivalent to an increase of USD 42 billion compared to the same period last year. Of this, the import and export value of foreign-invested enterprises amounted to USD 205.44 billion, a year-on-year growth of 13.7%. The import and export value of domestic enterprises was USD 98.5 billion, a year-on-year growth of 21.1% [12].

Table 1 Total value of Vietnam's import and export goods in the first five months of 2024.

This shift in supply chains has led to uneven effects on the global economy. While some countries have benefited from absorbing China's manufacturing business, disruptions in global supply chains have resulted in increased production costs and delivery delays. Industries reliant on Chinese imports, particularly in sectors like technology and automotive parts, have been significantly affected. This change highlights the vulnerability of global supply chains to geopolitical conflicts and underscores the necessity of diversifying supply chains and reducing dependence on a single country to mitigate potential risks.

3.1.2 Impact on China's exports and manufacturing sector

The U.S.-China trade war has exerted immense pressure on China's export-driven economy, particularly in the manufacturing sector. US tariffs have led to a reduction in Chinese exports, with industries such as electronics, textiles, and machinery manufacturing being the hardest hit. Research indicates that in the areas most affected by US tariffs, which encompass 2.5% of the population, per capita income related to manufacturing employment decreased by 2.52% compared to areas that were less impacted, where it fell by 1.62%. These figures reflect the broad economic impact of the trade war on China's regional economies, particularly in sectors dependent on exports.

At the same time, the trade war has forced Chinese manufacturers to reevaluate their strategies, particularly in terms of increasing product value and advancing industrial upgrades. However, this transformation has been especially challenging for small and medium-sized enterprises, which often lack sufficient resources for innovation or product diversification. For many companies, the trade war exposed the risks of over-reliance on the US market, prompting them to seek new markets to reduce the potential impact of future trade conflicts.

3.1.3 Social and political impacts on China

The U.S.-China trade war has not only caused economic disruption but also had significant social and political ramifications in China. The central government has placed increased emphasis on reducing economic reliance on the US, driving internal reforms aimed at stimulating domestic

consumption. To counter external economic shocks, China has adopted a series of long-term strategies, particularly focused on enhancing domestic production capabilities in high-tech industries to build resilience against external challenges.

On a societal level, the trade war has raised concerns about job security and economic stability, particularly in export-dependent industries. As external demand becomes increasingly uncertain, China is facing urgent pressure to bolster domestic demand to sustain economic growth. While these internal reforms are critical, they will take time to produce tangible results, and the immediate impacts of the trade war have already made it difficult for certain industries to adapt to the changing economic environment.

3.2. Problem Analysis

3.2.1 Overreliance on the US market

The U.S.-China trade war has exposed the risk of China's overreliance on the US market. Prior to the conflict, the US was one of China's largest trading partners, particularly in high-value-added sectors such as technology, machinery, and consumer goods. The implementation of tariffs highlighted the vulnerability of this dependence, resulting in a sharp decline in exports and a significant reduction in the revenues of many Chinese companies. To mitigate future geopolitical risks, China urgently needs to diversify its export markets to reduce the impact of over-dependence on a single market.

3.2.2 Slow domestic economic development

Despite China's efforts to compensate for the decline in exports by promoting domestic consumption, its domestic market has yet to mature sufficiently to withstand external economic shocks effectively. For many export-reliant industries, domestic demand remains insufficient to offset the full loss of the US market share. Although sectors such as electronics and automobiles have seen growth in the domestic market, overall industrial growth has not returned to pre-trade war levels. This suggests that further economic reforms and policies aimed at enhancing domestic market resilience remain crucial, including increasing income levels, stimulating consumer demand, and further opening up the market.

3.2.3 Challenges in industrial upgrading

The trade war has also revealed the difficulties faced by Chinese companies, particularly small and medium-sized enterprises (SMEs), in the process of industrial upgrading. While large corporations and state-owned enterprises (SOEs) have the resources to invest in research and development and transition to high-value-added sectors, many SMEs struggle to keep pace with the rapidly changing demands of the global market. These smaller enterprises are particularly vulnerable to the financial pressures caused by tariffs, lacking the capital to innovate or adapt to new market environments.

China's macro-industrial strategy focuses on promoting the development of high-tech and advanced manufacturing sectors. However, achieving this transformation requires significant capital investment, infrastructure development, and technological innovation—conditions that not all enterprises can meet. As a result, the gap between large SOEs and SMEs continues to widen, further complicating the landscape of China's economy.

3.3. Analysis of Problem Causes

3.3.1 Dependence on export-oriented growth model

China's economy has long relied on an export-oriented growth model, particularly in the global manufacturing sector. While this model has driven decades of rapid economic growth, it has also made China highly sensitive to external shocks. The U.S.-China trade war has made it clear that when global trade relations deteriorate, China's economic structure is severely impacted. The overreliance on exports has led to a high dependency on external markets, underscoring the need for China to

develop a more balanced growth model that places greater emphasis on domestic demand and technological innovation.

3.3.2 Lagging domestic market development

Although China has implemented numerous measures to promote domestic consumption, the growth of the domestic market remains insufficient to offset the losses caused by declining exports. The income gap between urban and rural areas, along with issues of income inequality, has limited the purchasing power of much of the population. Additionally, the development of the social security system and healthcare infrastructure has lagged behind economic growth, further constraining consumers' ability to spend. To address these structural issues, China urgently needs to enhance domestic consumption capacity to better balance internal and external market demands.

4. Suggestions for the problems

4.1. Diversification of Export Markets

Given its heavy reliance on the US market, China urgently needs to implement a strategy of diversifying its export markets. For many years, the United States has been China's largest trading partner, especially in sectors such as high-value technology, machinery, and consumer goods. However, the intensification of the U.S.-China trade war has exposed the vulnerability of China's economy due to its dependence on a single market, leading to a sharp decline in exports and significant losses for many businesses.

To mitigate these risks, the Chinese government should actively promote trade cooperation with other countries and regions, particularly emerging markets such as Southeast Asia, Africa, and Latin America. These regions exhibit rapid economic growth and possess substantial market potential, presenting new opportunities for Chinese companies. For example, Southeast Asian countries not only enjoy geographical advantages but also have strong complementarities with China in the global supply chain. By strengthening trade ties with these countries, China can effectively disperse market risks. Specific measures include establishing and refining free trade agreements, simplifying export procedures, and reducing trade barriers to enhance the competitiveness of Chinese products in these markets. Moreover, the government should provide financial and policy support to encourage enterprises to build brands and sales networks in new markets. Participating in international exhibitions and organizing trade promotion activities can further increase the visibility of Chinese brands in overseas markets, thereby realizing the diversification of export markets. This diversification strategy will not only help mitigate the impact of economic fluctuations but also enhance the international competitiveness of Chinese enterprises.

4.2. Promoting Domestic Consumption and Economic Reform

Addressing the issue of sluggish domestic economic growth, enhancing domestic consumption should be prioritized as a key strategy. Although the government has implemented several measures, such as tax cuts and increased public spending, to stimulate consumption over the past few years, many households still lack sufficient purchasing power due to income inequality and an inadequate social security system. This not only restricts the development of the domestic market but also weakens China's economic resilience in the face of external shocks.

To tackle this, the government should adopt more proactive policies to raise household income levels, particularly in rural and low-income areas. Improving living standards and consumption capacity can be achieved by increasing the minimum wage and expanding the coverage of social security. Additionally, strengthening education and skills training to enhance employability is another crucial means of boosting income. At the same time, the government should further open up markets, encourage innovation and entrepreneurship, and invigorate market dynamics. By lowering the barriers to entrepreneurship, providing financial support, and offering preferential policies, more young people and small and medium-sized enterprises can be motivated to participate in market

competition, thereby fostering domestic demand growth. Facilitating consumer credit is another effective approach. Financial institutions can offer more flexible loan and payment options to encourage consumer spending. Moreover, the government should promote green consumption and sustainable development by guiding consumers to choose environmentally friendly and healthy products. This will not only raise the overall level of consumption but also drive the upgrading of industrial structures, creating a positive economic cycle.

4.3. Strengthening Support for SMEs and Promoting Their Transformation

When facing the challenges of industrial upgrading, small and medium-sized enterprises (SMEs) often lack sufficient resources and capabilities to cope with rapid market changes. Therefore, the government needs to enhance support for these enterprises to help them overcome difficulties in technological innovation and market transformation. For example, special funds and service platforms can be established to provide financial and technical support for SMEs. Innovation funds can be set up to subsidize the research and development (R&D) projects of SMEs, reducing their innovation costs. Additionally, policies such as tax relief should be implemented to ease the financial burden on these businesses.

The government should encourage collaboration between SMEs and large enterprises to achieve mutual development through technology transfer and resource sharing. Large enterprises possess extensive experience in technology R&D and market expansion, while SMEs are characterized by flexibility and innovation capabilities. Through cooperation, both parties can leverage their respective strengths, driving the overall upgrade of the industrial chain. Furthermore, the government should establish training and consulting services to enhance the managerial and technical capabilities of SMEs. Regular training sessions and seminars can be organized to help businesses stay informed about market dynamics, technological advancements, and management practices, enabling them to maintain their vitality in a competitive environment. Additionally, SMEs should be encouraged to engage in international markets actively, leveraging exports to enhance their competitiveness.

These measures will help narrow the gap between large state-owned enterprises and SMEs, fostering balanced economic development. The government should also focus on the digital transformation of SMEs by encouraging them to adopt new technologies for intelligent manufacturing and online sales. Promoting the application of industrial internet and cloud computing can enhance the production efficiency of SMEs, reduce costs, and strengthen market competitiveness. This approach not only contributes to the growth of SMEs but also drives innovation and upgrades across the entire industry.

5. Conclusion

This study conducts an in-depth analysis of the impact of US trade wars and protectionism on the global economy, as well as China's corresponding coping strategies. The analysis identifies several key issues: First, China's excessive reliance on the US market has rendered its economy vulnerable, especially in high-value-added industries where exports face considerable risks. Second, domestic economic growth has been sluggish despite government measures to stimulate consumption. Due to income inequality and an underdeveloped social security system, many households still lack sufficient purchasing power. Third, the challenges of industrial upgrading have placed considerable pressure on small and medium-sized enterprises (SMEs), as many lack the resources and capabilities to adapt to market changes. In response to these issues, appropriate solutions have been proposed. To diversify export markets, it is recommended that the Chinese government actively expand trade cooperation with emerging markets such as Southeast Asia, Africa, and Latin America to reduce reliance on a single market. At the same time, the government should boost domestic consumption capacity by raising household incomes, strengthening social security, and facilitating consumer credit to build greater economic resilience. In terms of industrial upgrading, the government should establish special funds and service platforms to encourage collaboration between SMEs and large enterprises, improve

managerial and technological capabilities, and drive digital transformation. These strategies can effectively address current economic challenges and promote sustainable development.

The proposed market diversification strategies will help Chinese companies mitigate risks and enhance competitiveness, thus driving the development of the industry. The suggestions to boost domestic consumption capacity will not only improve living standards but also support the sustained growth of the Chinese economy, ensuring stability amidst global economic uncertainties. Furthermore, the support strategies for SMEs will help narrow the gap between large and small enterprises, promoting balanced economic development. This is crucial for optimizing China's overall economic structure and achieving long-term stability and growth.

This study has certain methodological limitations, mainly due to the insufficient use of primary data. The research primarily relies on secondary data, which, while providing a macro perspective, lacks an in-depth understanding of specific enterprises and market conditions. Future research could incorporate methods such as surveys and interviews to obtain primary data, thereby offering a more comprehensive view of market dynamics and the actual situation of enterprises. Additionally, further studies could explore regional and industry-specific differences to assess the applicability of the proposed strategies, thereby providing more targeted policy recommendations. Through these approaches, the depth and breadth of the research could be enhanced, offering more substantial and detailed empirical support for related fields.

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