

The Development Trend of China-US Relationship in the Trump 2.0 Era

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Abstract: This article systematically analyzes the evolution of Sino-US relations during Trump's second term. It points out that the Trump administration continued and escalated its strategic competition with China, adopting tough measures across trade and technology. However, policy implementation faces multiple constraints, including internal divisions within the US, Chinese countermeasures, and strategic overextension. Sino-US relations exhibit a complex state of "competitive coexistence," making fundamental improvement difficult. The 2026 midterm elections will be a crucial juncture, impacting the Trump administration's governing space but not altering the fundamental direction of US strategic competition with China. In the future, the competition between China and the US in areas such as technology and the economy will continue to deepen, while both sides will seek limited dialogue and risk management to avoid direct conflict. Overall, Sino-US relations will maintain a "tense but controllable" competitive state, progressing with difficulty amidst friction and probing.

Keywords: Trump's Second Term; Sino-US Strategic Competition; Policy Constraints; Competitive Coexistence.

1. Introduction

As the world's leading power, the United States' foreign policy has a wide influence and extensive reach. Trump, as a highly distinctive leader, may have a more solid power base and stronger policy execution in his second term than in his first. At the beginning of his second term, his governance philosophy and policy orientation will have a profound impact on the direction of Sino-US relations. In 2017, during his first term, Trump released the "National Security Strategy", positioning China as a "strategic competitor". Since then, the United States has launched a series of hybrid warfare measures, such as trade wars, technology wars, and financial wars, to compete with China. These measures are still being used by the Biden administration and will remain an important part of Trump's strategy towards China in his second term. Trump's foreign policy adheres to the "America First" policy and has a strong "anti-traditional" flavor in many diplomatic issues. On January 20, 2025, Trump officially took office and began his second term. Starting from April, the Trump administration initiated a tariff war against the world and expanded competition with China in areas such as technology and finance. Against this backdrop, how will Trump's foreign policy develop in his second term? What principles will it uphold? To what extent will it continue his first-term foreign policy, or will there be significant adjustments? These questions are worth paying attention to, especially as his administration approaches its first anniversary and his policies have clearly failed to ease the increasingly tense atmosphere between China and the United States. The future development of Sino-US relations is highly worthy of attention.

This article argues that although Trump's power is more consolidated than in his first term, the implementation of his policies in his second term may be stronger. However, his actions are still constrained by multiple factors. Regarding relations with China, Trump will continue to pursue an "America First" foreign policy framework and deepen his competitive strategy towards China during his second term,

but the implementation of his policies will be subject to numerous constraints, ultimately leading to a situation of "fighting while negotiating" in Sino-US relations, which will remain at a low point. Following Trump's first term and Biden's term, the US strategic competitive policy towards China has continuously evolved and been systematically constructed through strategic design, deep mobilization, and organizational guarantees. This trend is unlikely to change in the short term.

2. Trump's Diplomatic Policy Concepts Towards China

2.1. Trump's China Policy During His First Term and the Biden Administration's Approach

Since Trump's first term, the US government has continuously strengthened its strategic competition with China. Biden's strategic competition policy toward China during his term has not fundamentally changed from Trump's first term. The US government under his leadership has implemented the policy of "competing when it is appropriate, cooperating when it is possible, and confronting when necessary" [1]. This period marked the gestation of the US strategic competition policy towards China. From January 20, 2017, when Trump took office, until April 2018, before the US launched its trade war against China, the US defined China as a "strategic competitor" and a "major challenger," and its strategic competition policy towards China was in its gestation phase. During this period, the US government successively issued documents such as the "National Security Strategy", "National Defense Strategy", and "Nuclear Posture Review", viewing China as a "competitor," and its strategy towards China began to shift from "engagement" to "containment." [2]. The United States began to change its strategic perception of China, leading to a sharp deterioration in Sino-US relations and a shift in strategic competition to become the dominant theme of US policy toward China. In

August 2017, the US launched a "Section 301 investigation" against China, citing concerns that "the Chinese government's practices, policies, and actions in areas such as technology transfer, intellectual property, and innovation are unreasonable or discriminatory, and whether they impose burdens or restrictions on US businesses." This marked the beginning of the Sino-US trade war. Subsequently, Sino-US relations gradually deteriorated. From this point, the US intensified its suppression of China's high-tech industries through tariffs, export controls, and sanctions. Simultaneously, through a series of policy guidance and resource allocation, the US government attempted to shift key links in the global industrial chain to the US mainland and its allies, thereby creating a global supply chain centered on the US and supported by its allies, thus consolidating US dominance in the global economy and technology. American scholars Hal Brands and John Gaddis argue that the current China-US relationship has entered a prolonged competitive phase, marked by Cold War characteristics such as geopolitical confrontation, ideological opposition, and increased polarization. However, the intensity of tension and the scope of competition cannot be compared with the all-round confrontation between the US and the Soviet Union during the Cold War. Therefore, they use the term "New Cold War" to define and describe the current China-US relationship [3].

2.2. New Consensus on China Strategy

Against this backdrop, the United States has conducted a comprehensive mobilization to promote its strategic competition with China. In recent years, anti-China issues have gained traction in the United States. After continuous efforts by two administrations, strategic competition with China has become a consensus within the American strategic community and society. Firstly, the voices advocating the containment of China within the United States have become more prominent and have even devolved into a distorted form of "political correctness". In this atmosphere, voices advocating China-US cooperation have been marginalized and lost their proper scope for dissemination and influence. Meanwhile, the two major political parties in the United States have reached an agreement on China. Against this background, both parties are promoting strategies for strategic competition with China, and a series of competitive policies have been introduced across technology, trade, and politics. The formation of this consensus is likely to dominate Trump's second-term administration. Among the various policies implemented by Trump over the past few months, it is evident that his governance style has further exacerbated competition between China and the United States, and that political mutual trust between the two sides has reached a historical low. All of this will affect the future development of China-US relations.

2.3. Early Policies of Trump's Second Term

From his first term onward, "America First" has been a central tenet of his policies. Francis Fukuyama argues that Trump's second election "ushered in a new era in American politics and even world politics," and that his victory was a triumph for "neoliberalism" and "awakened liberalism"[4]." In Trump's ideology, state power is increasingly used to help specific groups achieve specific social outcomes rather than to pursue justice and fairness. Simultaneously, Trump identifies as a protectionist, stating that "tariff" is the most

beautiful word in the English language. He has proposed imposing tariffs of 10% or 20% on all goods produced abroad, without requiring congressional authorization [5]. On this basis, the Republican Party's campaign platform emphasizes a return to mercantilist trade policies, advocating the protection of domestic manufacturing by imposing benchmark tariffs on imported goods [6]. Trump emphasizes strength and highly admires the Reagan-era concept of "peace through strength". For the United States, advantage is indispensable, and a decline in advantage means "American decline". The United States believes that only by having an advantage can it ensure hegemony. As the hegemonic power in the current system, the maintenance and expression of hegemony constitute the core of the United States' national interests. The premise of hegemony is that the United States must maintain absolute advantage in all key areas and regions; if its absolute advantage is threatened or the gap with the challenger narrows, the United States will inevitably seek to suppress the challenger to maintain its position [7].

As it turns out, Trump did just that after he officially took office. Trump had stated on several occasions before his election that he would use "tariffs" as a tool to restructure U.S. foreign trade, and this voice became stronger after he officially took office. Trump claimed that tariffs would help protect American businesses, move manufacturing to the United States, create jobs for American workers, and reduce the U.S. trade deficit. On February 13, 2025, U.S. President Trump signed a memorandum requiring relevant departments to determine "reciprocal tariffs" with each foreign trading partner. On April 2, 2025, U.S. President Trump signed two executive orders at the White House on so-called "reciprocal tariffs", announcing that the United States would set a "minimum base tariff" of 10% on its trading partners and impose higher tariffs on some trading partners [8]. The tariff rate against China was 34%, which directly triggered China's countermeasures and tensions in bilateral relations. Subsequently, the two sides immediately entered a quasi-war state. Tariffs between the two sides once reached 125%, and bilateral trade was almost halted. Unlike the last time, this tariff increase was a global action, not just targeting a single country. At the same time, when announcing the tariffs, the United States also stated its willingness to engage in bilateral trade negotiations. In analyzing U.S. foreign policy under President Trump, Druckman (2019) highlights the shift toward what he terms *unilateral diplomacy*, in which the United States leverages its sovereign authority and bargaining power to advance its interests in bilateral negotiations without deference to established multilateral norms or reciprocal concessions. This approach reflects a broader strategic posture in which hegemonic advantage and "maximum pressure" tactics are prioritized, enabling the United States to press its own terms and standards in negotiations, often at the expense of cooperative frameworks [9].

In terms of technological restrictions, the Trump administration inherited and intensified the policies of the previous two administrations, continuing them. The technological blockade and embargo against China were strengthened. During his second term, Trump significantly escalated the technological embargo and export controls against China, with the core objective of delaying, and even halting, China's rise in key frontier fields such as advanced computing, artificial intelligence, and quantum technology. In March 2025, the Trump administration massively expanded the "Entity List". The BIS added 54 Chinese entities to the list,

focusing on sectors such as artificial intelligence and semiconductors, and restricting their access to US technologies and products. It suddenly revoked the "Interim Framework on the Responsible Use of Artificial Intelligence" from the Biden era and simultaneously released three guidelines directly targeting China, attempting to define the use of advanced Chinese chips (such as Huawei's Ascend) or the training of Chinese AI models with US chips as violations, and implementing "supply chain penetration supervision". It abandoned the approach of revising regulations during the Biden era and instead frequently imposed case-by-case controls and exemptions on specific enterprises or items, making the policy more covert, flexible, and more conducive to negotiation leverage. The Trump administration aimed to shift from "technological blockade" to "ecological strangulation". The policy has three characteristics: 1. Weaponization of rules and maximization of "long-arm jurisdiction"; 2. Flexible and dynamic pressure model; 3. Shift in the focus of control from hardware to software and key "computing power equipment". The policy objective is no longer limited to blocking the inflow of individual technologies but has escalated to systematically destroying China's entire innovation ecosystem in advanced computing, artificial intelligence, and other fields. Its aim is to delay, and even halt, China's overall rise in the high-tech sector to maintain US technological hegemony.

3. The Constraints on the US Strategic Competition Policy Towards China

The implementation of the United States' strategy towards China has been restricted by both internal and external factors. Domestically, while the two major political parties in the United States generally maintain consistent stances on China-related policies, there are specific differences in their strategies, and American society's attitude towards China has gradually diverged. Internationally, the United States has endeavored to establish an "anti-China alliance" in the political, economic, and military domains; however, the substantial progress has not met expectations. Meanwhile, China's countermeasures have also limited the United States in formulating and implementing policies. Moreover, the decline of the United States' national power has made it challenging for the country to implement its policies smoothly.

3.1. Internal Checks and Balances Within the United States

The primary constraint stems from domestic issues within the United States. Although the two major political parties in the US have reached a fundamental consensus on strategy towards China, there remain disparities in their specific stances. Both parties explicitly define China as the "biggest competitor," yet their actual approaches diverge significantly. The Democratic Party manages Sino-US relations through a dual-pronged approach of competition and cooperation. During its term in office, it sustained contact and cooperation with China on global issues such as "climate change, public health, and food security." In contrast, the Republican Party exhibits more antagonistic behavior. Trump repeatedly condemned "climate change" as "the greatest con job ever perpetrated on the world", and his administration also demonstrated scant interest in global affairs[10]. This led the Trump administration to withdraw from multiple global organizations and to refuse to cooperate with them.

The pressure of the midterm elections is also one of the factors influencing the government's China policy. The midterm elections will be held in the two houses of the United States at the end of 2026, and the results will affect the Trump administration's ability to govern for the remainder of its term. The fierce struggle between the Republican and Democratic parties has profoundly affected normal political life in the United States. As president, Trump has not tried to bridge this divide, but the result has been to make society more divided[11]. This allowed the Democratic Party and its supporters to obstruct the implementation of its policies from within on multiple occasions. This directly led to a US government shutdown beginning October 1, 2025, due to the deadlock over a temporary funding bill. This shutdown was the most severe since the 35-day shutdown of 2018-2019, ultimately lasting 43 days and setting a record for the longest government shutdown in US history. Under these circumstances, multiple economic and political factors in American society will directly affect the Republican Party's performance in the midterm elections. Therefore, if the Trump administration fails to handle relations with China effectively, it will inevitably have a negative impact on its election prospects.

Furthermore, Trump's caprice has directly influenced cooperation with allies. The United States has manifested a high degree of uncertainty in its foreign policy and the management of international affairs. In both technology and values, US allies have characterized China as a "competitor." However, on the economic front, China is an economic partner that they cannot evade and must collaborate with. This intricate relationship has led US allies to display duality, or even multifacetedness, when formulating policies towards China. On the one hand, they need to consider the uncertainties introduced by the United States; on the other hand, they are compelled to choose between competing with China and reaping substantial economic benefits. These are all intrinsic impediments to the US's endeavors to establish an anti-China alliance. Therefore, despite the US's continued attempts, most of its allies, driven by strategic autonomy, are reluctant to become tools in the US's competition with China and have not formed a robust anti-China political alliance[12].

3.2. Constraints Upon China's Countermeasures

In contrast to Trump's first term, in response to numerous policies implemented during his second term, China has opted for more direct countermeasures. At the onset of the first trade war, China favored dialogue and negotiation and adopted reciprocal countermeasures in a relatively passive manner. Nevertheless, when Trump imposed additional tariffs for the second time, China chose a more direct reciprocal response. Similarly, in the face of the United States' technological sanctions and embargoes, China also implemented its own countermeasures. For example, when the United States introduced a bill to regulate the equity penetration of technology companies, stipulating that any enterprise with a certain amount of Chinese investment be subject to its control, China correspondingly initiated a rare-earth embargo. When the United States passed a bill mandating Chinese cargo ships to pay special fees for docking at US ports, China reciprocated by introducing a bill charging shipping companies with US participation for docking at Chinese ports. Meanwhile, in the case of some traditional imported products, China also temporarily suspended the import of related

agricultural products from the United States. For instance, from August to September, China's imports of soybeans from the United States declined to an extremely low level, and it instead purchased related products from Brazil, Argentina, and other countries[13]. These measures have inflicted significant losses on the relevant industries in the United States, and the majority of affected workers are from the red states that support Trump. If the situation continues to worsen, it may directly affect these groups' support for the Republican Party in the mid-term elections. These countermeasures, distinct from those during his first term, have constrained the Trump administration's implementation of policies towards China during its remaining tenure.

3.3. Strategic Over-extension of the United States itself

Another crucial reason for the United States' policy dilemma lies in the deterioration of its hegemonic position. The attenuation of its global influence is among the key factors that contribute to this dilemma. The United States is no longer able to rally its allies to participate in its strategic alliances as it could at the end of the Cold War with its robust national power. Additionally, Trump's policies frequently impose higher costs on allies to sustain their alliance relationships. This circumstance inevitably leads to the waning of the United States' influence and a further divergence of interests between the United States and its allies. The substantial improvement of China's economic strength has enabled it to achieve remarkable advancements in industrial capacity and military research and development, and has strengthened its countermeasures outside of conflicts. This compels the United States to take China's countermeasures into account when formulating policies, inevitably constraining its decision-making freedom. To uphold its hegemonic status, the United States has overutilized its strategic assets, resulting in strategic overstretch. In its competition with China, it also confronts numerous geopolitical conflict hotspots, such as the Russia-Ukraine conflict. This further undermines the United States' influence and limits its ability to implement policy.

4. The Potential Development of Trump's China Policy during the Remaining Term of His Office

The Trump administration maintained certain relatively stable parameters in managing its relations with China. This provided a somewhat discernible trajectory for Sino-US relations throughout the rest of its tenure and facilitated a predictive assessment of the development trend of Sino-US relations in the upcoming period.

4.1. The Midterm Election Represents a Critical Juncture

The midterm elections will directly impact the Trump administration's ability to govern for the remainder of its term. If the Republican Party loses control of the Senate and the House of Representatives, or even just one of them, in the midterm elections, it will effectively weaken Trump's power in the United States. As the analysis above shows, China's countermeasures against the United States can genuinely affect the domestic economic and political environment. Therefore, Trump has always left room for negotiation or compromise with China after his actions against the US.

These constraints will likely lead the Trump administration to adopt a relatively stable, moderate approach to relations with China in the period leading up to the 2026 midterm elections. For the US, this stable relationship with China will help the Trump administration gain more points in diplomacy and economics. For China, a stable Sino-US relationship will also help reduce uncertainty in the international community and create a stable external environment for China's foreign trade and other aspects. After a year of confrontation, both sides have a relatively strong willingness to maintain a relatively stable bilateral relationship during this period. The US, as the more proactive party, will help secure this stability.

This situation may change after the midterm elections. If the Republicans retain control of both the Senate and the House of Representatives, it means the Trump administration can pursue its political agenda with impunity for the remainder of its term. This implies a more aggressive foreign policy stance and greater resilience in the face of potential losses. Consequently, the Trump administration might launch more specific policies targeting China, inevitably plunging bilateral relations into instability. If the Republicans fail to gain full control of both houses, it will weaken the Trump administration's power, and the internally divided political climate might lead them to attempt to divert attention through anti-China rhetoric. Even so, the Trump administration will likely devote more energy to managing its domestic affairs and relations with the Democratic Party. Therefore, the relatively stable relationship between China and the US after the midterm elections is likely to change.

4.2. The "Strategic Competition" Initiated by the United States Against China Will Remain Unchanged

Regardless of the outcome, Trump 2.0's China policy will maintain its policy inertia. The Trump administration will continue to firmly implement the "America First" policy and promote the political agenda of "Make America Great Again". Trump has publicly stated that he "does not want a hot war with China" [14]. Therefore, he will exert greater pressure on China in areas such as trade and technology, while adopting a more cautious, conservative approach to geopolitical issues, such as Taiwan. The technology war will remain a core element of the US strategic competition policy with China. That is to say, the US may increase embargoes and technological blockades against China across more sectors, especially in the field of artificial intelligence. At the same time, in the financial field, there may be more restrictions on Chinese capital investment and restrictions on Chinese investment in other countries.

5. Conclusion

In conclusion, despite the Trump administration possessing a more robust power foundation and persisting, even intensifying, its strategic competition with China in domains such as trade and technology, its policy implementation has been restricted by internal divisions within the United States, China's resolute countermeasures, and its own strategic overreach. This "fighting while talking" interaction model will maintain Sino-US relations in a prolonged state of "competitive coexistence" at a low level, making it difficult for fundamental improvement to occur. Looking forward, the 2026 mid-term elections will serve as a crucial turning point. The outcome will influence the Trump administration's scope

of governance and policy assertiveness, but it will not alter the overall tenor of the US "strategic competition" with China. It is foreseeable that during the remaining tenure of the Trump administration, the competition between China and the US in the technological and economic fields will continue to intensify. Nevertheless, both sides will also pursue limited dialogue and risk management on specific issues to advance their respective interests, thereby avoiding direct confrontation. Ultimately, Sino-US relations will sustain a "tense yet manageable" competitive normalcy, advancing with difficulty amidst dynamic frictions and exploration.

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