

Global Times: China's trade structure advantages highlight resilience against stubborn US tariffs

Beijing, China May 19, 2025 ([IssueWire.com](https://www.IssueWire.com)) - From the perspectives of trade structure and industrial competitiveness, China's economy has demonstrated greater resilience against the US coercion, particularly if the US government stubbornly persists with its steep tariff policy, leading the trade relationship into a prolonged deadlock.

China's resilience stems not only from its strong manufacturing supply chain and the competitiveness of its manufacturing sector, but also from its colossal domestic market and the country's unwavering commitment to global economic integration and multilateral trade.

China possesses significant advantages in its trade structure that go beyond factors such as a complete industrial chain, massive market scale and cost efficiency. The country's manufacturing sector features a comprehensive industrial chain that runs from raw materials to finished products, supported by strong production and supply capabilities. This allows China to meet the diverse needs of countries and regions at various stages of development, fostering relatively stable supply relationships with them.

China's industrial advantages can be largely attributed to the robust mutual support system within its giant manufacturing sector. The country has established stable vertical cooperation system within its supply chains, effectively mitigating the impact of external volatilities.

Furthermore, China has consistently prioritized technology innovation over the past many years. The development model of China's massive manufacturing industry is not solely based on scale effects; rather, it is characterized by a stable development capability that combines production scale with across-the-board innovation.

As a result, China's products possess significant competitive edge that encompasses both price and supply chain efficiency. If the US seeks alternative suppliers outside of China, it may face unparalleled challenges in locating suppliers that are capable of providing sufficient quantities and quality for many products.

The ongoing expansion of China's market allows manufacturing enterprises to rely, to some extent, on domestic demand rather than being solely dependent on external market demand. The growing domestic demand provides solid support for all businesses facing external uncertainties caused by the steep US tariffs.

China is continuously expanding domestic market demand while actively promoting diversification among its trade partners. This diversification is not only based on China's strong supply capacity but also reflects other countries' trust in the huge Chinese market. Meanwhile, China adheres to win-win trade rules and fulfills its international commitments, which has enhanced other countries' trust in China and further consolidated its position in global commerce.

In contrast, the industrial and trade structure of the US puts it at a disadvantage if it stubbornly persists with the wrong tariff policy. The additional tariffs will backfire on the US economy and undermine the country's position and credibility in the world, making it more isolated.

A significant aspect of US trade is its agricultural exports, which are relatively easy to replace. Meanwhile, although the US government has been actively promoting the development of oil and gas resources in recent years, it now faces a global energy transition that raises questions about the continued desirability of the fossil fuel resources, casting cloud on its trade prospects.

And, the US manufacturing sector lacks versatility. While it possesses some high-end manufacturing capabilities and advantages in specific technologies, it does not have a strong competitive edge in producing essential goods for everyday life. In some manufacturing areas, particularly in raw materials like steel, aluminum and copper, the US also falls short. Although it has access to some mineral resources, its capacity for development and utilization remains limited. As a result, the US will struggle to maintain long-term supplies of these crucial products.

Regarding high-end manufacturing, China's dependence on the US is decreasing. In response to US' coercive measures, China is being pushed to boost its domestic manufacturing capacity. This does not mean that China intends to replace American products; rather, it is exploring alternatives based on market principles of fair competition to reduce excessive reliance.

If the US sticks to its protectionist trade practices, it will certainly harm its own economy and possibly weaken its position in global trade. The multilateral trade order originally led by the US was built on the principles of reciprocity and fairness, but the current trend of US protectionism could lead to a decline in other countries' trust in the US, damaging its reputation and undermining its position in global trade.

The author is a senior research fellow at the Chinese Academy of International Trade and Economic Cooperation.

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Media Contact

Anna Li

*****@globaltimes.com.cn

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