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For years, Donald Trump has inveighed against China, describing it as the root cause of all manner of ills in the United States. He has lamented Washington's huge trade deficit with Beijing and blames China for hollowing out the American industrial heartland. He has insisted that the COVID-19 pandemic was China's fault. More recently, he has pinned the U.S. opioid crisis on Beijing, accusing China of "attacking" the United States with fentanyl. China has appeared in Trump's rallies and press conferences as a monstrous adversary, a foe whom only Trump can subdue. During his first term, he upended decades of U.S. policy by initiating a trade war with China. As he prepares to begin his second term, his rhetoric and his cabinet appointments suggest that he will double down on that hard-line approach. The rocky relationship between the two countries is set to get rockier.

China's leaders, however, do not look at Trump with fear. They learned a great deal from his first term. His propensity for economic protectionism will lead to further disputes and rising tensions, but Beijing believes that it

can navigate such confrontations. Moreover, Trump's dubious commitment to U.S. allies will encourage other countries to hedge their bets, building ties with Beijing to offset the unpredictability of Washington. The likelihood of military clashes with the United States is also low. Since Trump's foreign policy has never evinced any deep ideological commitments, it seems unlikely that the competition between the two countries will take on the more destructive dimensions of the Cold War. Trump does not want to get enmeshed in wars and would much rather focus on domestic reforms. He will soon arrive in the White House with the intention of containing China, but Chinese leaders are not dreading his return.

UNFAZED BY TRUMP

Beijing does not believe that the outcome of the 2024 presidential election in the United States has much bearing on the overall trajectory of U.S. policy toward China. No matter who entered the White House, the next president of the United States would be backed by a bipartisan consensus that perceives China as a threat to U.S. global dominance and would keep trying to contain China. Of course, not everything will remain the same from one administration to another. In his second term, Trump's China policy will not only differ from that of U.S. President Joe Biden's but also from that of his own first term. For instance, Trump has filled important foreign policy and national security positions with right-wing extremists, some of whom are less than 50 years old, marking a departure from the kinds of senior officials he selected after the 2016 election. Unlike those figures, many of whom were military officials steeped in the experience of the late period of the Cold War when China and the United States were strategic partners, many of his new picks came of age during China's meteoric rise on the global stage. They see China as the primary threat to the United States, and they favor more extreme and coercive policies to suppress China's advances.

Such a hard-line approach may not work all that well in a geopolitical context that has changed significantly since Trump's first term. When Trump entered the White House in 2017, most countries thought he

would behave in office much like a conventional leader, an ideologically neutral and economically rational decision-maker. Major U.S. allies hoped that Trump would commit to their security. Beijing invited Trump to visit China in the first year of his term. Despite U.S. opposition to Russia's 2014 annexation of Crimea, the Kremlin invited Trump to Moscow in 2017 for Russia's annual celebration of the victory in World War II.

This time, leaders are keen to protect their countries from the uncertainty of a second Trump term. French President Emmanuel Macron invited Trump to Paris in early December, hoping to underline to the president-elect that Europeans will be the main decision-makers when it comes to their security. Germany and Japan worry that Trump will demand more financial payments to guarantee the U.S. military presence in their countries. South Korea's interim government fears that Trump will take advantage of its lack of authority to extract economic gains. Trump will have to grapple with the fact that Russia and the United States are now on opposite sides of the war in Ukraine. Washington's unwavering political support and military aid for Israel's brutal operation in Gaza—which many in the world consider an act of genocide—has further exposed the hypocrisy of U.S. claims to champion international law and human rights.

Since Trump took office eight years ago, Beijing has become more adept at managing its competition with Washington. This competition can be said to have begun in earnest in 2010 when U.S. President Barack Obama embarked on a “pivot to Asia.” In the succeeding years, Beijing has navigated the differing strategies of the Obama, Trump, and Biden administrations; Obama and Biden tried to contain China through multilateral approaches while Trump took a more unilateral path. With that experience, Chinese leaders are unfazed by the prospect of another Trump term, and even publicly released strategic guidelines on how to handle the president-elect's potential policies toward China in November. Beijing, according to the document published by China's consulate general in Los Angeles on November 17, will adhere to the “commitment to mutual respect, peaceful coexistence and win-win cooperation as

principles for handling China-U.S. relations.” “Mutual respect” suggests that China will retaliate against any provocative actions taken by Trump; “peaceful coexistence” means that China will seek to engage Trump in dialogue on managing differences and conflicts to stabilize bilateral relations; and “win-win cooperation” refers to joint work on those global issues in which China and the United States have shared interests, such as ending the war in Ukraine, developing regulations and guidelines for artificial intelligence, and curbing the flow of illicit drugs.

TURBULENCE AHEAD

Trump seems intent on engaging in economic protectionism in his second term, particularly when it comes to China. He has indicated that he might levy further tariffs on Chinese goods, impose more restrictions on U.S. investment in China as well as on Chinese capital in the U.S. stock market, place more constraints on technological cooperation, and reduce the number of Chinese students studying in the United States. These decisions will invariably lead to more friction between Beijing and Washington. The Biden administration extended the tariffs that Trump placed on Chinese products during his first term, but it focused principally on excluding China from technological supply chains; it did not seek to comprehensively decouple the U.S. economy from China. During Biden’s tenure, trade in other sectors between China and the United States continued even as cooperation on cutting-edge technology came to a halt. In his second term, however, Trump is likely to push harder for wider decoupling and try to drastically reduce the market share of Chinese products in the United States, including goods assembled outside of China but heavily reliant on Chinese investments and components. Beijing will likely retaliate. The tit-for-tat dynamic may drive the simmering trade war between the two powers to a new peak, with damaging consequences for the global economy as many other countries scramble to adopt protectionist policies of their own.

As Trump courts an escalation in the trade war, his administration will likely ramp up military pressure on Beijing. When confronting adversaries, Trump has often turned to bullying and bluffing tactics, such

as his threat to attack North Korea with “fire and fury” after Pyongyang tested midrange missiles in 2017. Marco Rubio, Trump’s nominee for secretary of state, and Pete Hegseth, the nominee for secretary of defense, are both considered China hawks with strong anticommunist beliefs. If the Senate approves their nominations, they may encourage Trump’s tendency to bluff when the United States seeks to address military tensions with Beijing, especially when it comes to maritime issues in the South China Sea and the conflicts about Taiwan. Through bellicose rhetoric and impulsive actions, Washington might provoke crises similar to that which followed the 2022 visit to Taiwan by Nancy Pelosi, then Speaker of the House, when China responded to U.S. provocation by stepping up its military activity in and around the Taiwan Strait. It would hardly be surprising if Trump or his officials end up sparking similar incidents and causing spikes in tensions between China and the United States.

Trump’s second term will almost certainly have a chilling effect on official dialogues between Beijing and Washington. Under the Obama administration, there were more than 90 official channels for dialogue between the two governments. By the end of Trump’s first term, there were none. Trump will likely suspend the close to 20 channels with China that the Biden administration has established, and he may replace them with new channels under his direct oversight rather than through high-ranking bureaucrats. But China will exercise extreme caution when reaching out to Trump, as leaders there still remember how Trump’s visit to Beijing in November 2017 led to a precipitous deterioration in bilateral relations in the next month when Washington denied China’s status as a developing country in the World Trade Organization.

Beyond the sparring of governments, animosity between China and the United States could grow at the societal level. Populism is gaining strength in both countries, fanning the flames of jingoism. If Trump carries through with his threat of targeting China with economic measures and engages in more saber rattling, the resulting political tension between the two states will inevitably encourage hostility between their respective

peoples. Both American populists and Chinese populists (groups that mainly consist of radical netizens who follow jingoist social media influencers) attribute the cause of their domestic problems to foreign malevolence, an argument that will be encouraged by those in power as it conveniently shifts blame to an outside agent. It may become harder to improve bilateral relations as cultural and social pressure keeps the countries at loggerheads.

MIND THE GAP

Trump's second term may create rising tensions between China and the United States as he tries to use economic and military pressure to constrain Beijing. But in practice, a Trump presidency may benefit China in several ways. For one, Trump's relative disinterest in ideological issues may soften some of the edges of the rivalry with Beijing. With his eyes firmly fixed on the bottom line, Trump has never really cared to advocate for human rights, for instance. He has no interest in shaping China's political system to conform to its Western counterparts, and he is therefore unlikely to be keen to intervene in China's domestic affairs. Beijing has no plan to spread its ideology internationally, with the Chinese Communist Party focused on maintaining political stability at home. Economic and strategic conflicts may increase between Beijing and Washington during Trump's second term, but they will not escalate into ideological conflicts that place the two states on a direct collision course.

Trump's political isolationism—the diplomatic counterpart of his economic protectionism—may lead the United States to reduce its investments in protecting traditional allies. The president-elect has long berated U.S. allies for riding on the coattails of U.S. power and largesse. These complaints may drive U.S. allies, both European and East Asian states, to see the merits of hedging between China and the United States. Consider, for example, the case of Singapore. In 2010, with the U.S.-Chinese competition growing, Singapore adopted a strategy of hedging between the two great powers. It leaned into its economic ties with China while relying on the United States for security. Many other countries

followed suit, including Japan, Germany, France, the United Kingdom, and the other ASEAN member states.

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Since 2022, the war in Ukraine has shaken many Western countries and compelled them to align more closely with the United States. But if Trump reduces military aid to Ukraine, as he promised on the campaign trail, then confidence in U.S. security promises may wane. To shore up their economies so that they can better support Ukraine's war effort,

European countries may become more forthright hedgers, allowing China fresh opportunities to build economic cooperation with the United States' traditional allies. Trump also sees himself as a peacemaker and would like to be able to say that he brought the war in Ukraine to an end. China could play a constructive role in helping Trump achieve that goal. The war has only negative consequences for the Chinese economy, and Beijing would be happy to see the back of it. China has a close relationship with Russia. It could leverage that influence in working with Trump to find an effective peace deal.

Trump will also seek to avoid overt conflict with China, no matter his strident rhetoric. The issue of Taiwan's independence has been and will remain a source of friction between Beijing and Washington, but China and the United States are unlikely to go to war over it. In the next four years, Beijing's attention will be significantly occupied by the task of reviving the country's slowing economy. China is not about to draw up a timetable for reunification with Taiwan when it is concerned primarily with its own GDP growth. For his part, Trump wants to go down in history as one of the greatest U.S. presidents, on par with the likes of George Washington and Abraham Lincoln. To that end, he will focus on domestic reforms and building a strong economy at home. He will not want to get entangled in the matter of Taiwan and risk entering a war between great powers—after all, he is very proud of not having started a single war during his first term.

Those who anticipate a darkening cold war between China and Trump's United States are misguided. The United States' competition with China is not over ideology—as it was with the Soviet Union—but over technology. In the digital age, security and prosperity depend hugely on technological progress. China and the United States will battle over innovation in fields such as artificial intelligence and wrestle over markets and high-technology supply chains. They will not—and certainly not under Trump—seek to convert others to their preferred governing ideology. The Soviet Union and the United States used proxy wars to spread communism and capitalism, respectively. The global South, in particular, still feels the echoes of the devastation and upheaval these wars unleashed around the world. Today, however, proxy conflicts between the great powers serve little purpose. Beijing has no interest in changing another country's ideology. Similarly, Trump has no interest in spreading American values, whatever he thinks them to be. He sees the war in Ukraine as a proxy war against Russia and finds the endeavor wholly objectionable. There is no reason for him to stoke a proxy war against China across the Taiwan Strait or in the South China Sea. After all, China has far more economic and military resources than does Russia.

In great power competition, foreign policy can often play second fiddle to domestic policy. Although Trump's isolationism certainly creates opportunities for Beijing to improve its relations with U.S. allies, reforms at home will really determine the course of the competition between the two powers. Currently, both Chinese leaders and Trump's team are preoccupied by domestic matters more than foreign ones. If Chinese leaders do a better job of implementing reforms than Trump does in the next four years, China will narrow the power gap with the United States. But if Trump does a better job than China in this aspect—and eschews damaging foreign conflicts and entanglements—the power gap between the two countries will get bigger.