

Faculti Summary

<https://faculti.net/the-importance-of-u-s-china-trade/>

The US-China trade relationship is vital for the global economy, influencing supply chains and economic growth. China is a significant market for US exports, while the US is the primary destination for Chinese goods. This trade has led to lower consumer prices in the US and increased profits for businesses, supporting over a million jobs. However, tensions have surged, particularly due to tariffs imposed between 2018 and 2019, which reduced the US's share in China's trade to less than 15%. In response, China has diversified its trade partners, increasing exports to Southeast Asia and decreasing dependence on US commodities like soybeans and wheat. Despite these challenges, trade remains essential for both countries, highlighting their economic interdependence amid changing policies and geopolitical issues.