ISSN Online: 3006-4708
ISSN Print: 3006-4694

SOCIAL SCIENCE REVIEW ARCHIVES
https://policyjournalofms.com

Trade Protectionism and the U.S.–China Trade War in the 21st Century: Drivers, Consequences and Policy Responses

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DOI: https://doi.org/10.70670/sra.v3i4.1149

Abstract
The 21st century has witnessed trade protection again, and the U.S. China trade war has been the best illustration of this. In this paper, a fresh look at the conflict is made in reference to the latest data until 2025. It relies on a qualitative case study which is based on trade statistics, policy papers and recent research. It is aimed at observing why protectionist regulations increased and how they transform international trade. The research concludes that tariffs are not only applied to stabilize trade but also to maintain technology superior, respond to supply chains and acquire political influence. Tariffs as well increase consumer prices, slack growth, damage export trade and undermine global trade regulations. The changes in the supply-chain, the industry policies implemented by the government and the weak World Trade Organization have evidence. This demonstrates why it is necessary to have improved cooperation and stronger nations. The paper concludes with the suggestions of how trade rules can be made more flexible.

Keywords: Protectionism, Trade War, US-China Relations, Globalization, WTO, Economic Statecraft, Multilateralism

Introduction

Protectionism, or a country's obligation of limitations on international trade, often through tariffs, quotas, and other administrative barriers, has resurfaced as a dominant characteristic of the global economic environment in the 21st century (Sykes, 1999). Historically, protectionism was used to promote domestic industries, maintain jobs, and curb trade imbalances. But in a more integrated world, these measures now have far-reaching consequences not only for the countries enacting them but also for the rest of the global economy. One prime example of contemporary protectionism is the current trade war between the United States and China. What started in 2018 as a tariffs-and-retaliation cycle has become an intricate economic confrontation with strategic, political, and technological dimensions. The United States, particularly during the Trump administration, complained of China's trade deficit, intellectual property theft, and forced technology transfer as reasons for imposing punitive tariffs on Chinese products (Parsapour, 2024). China retaliated with its tariffs against U.S. products, which escalated in a tit-for-tat manner to break global supply chains, investor sentiment, and bilateral trade flows. In contrast to typical trade wars, the US-China trade war is not so much about shielding certain industries; it speaks of a more profound competition for market dominance and tech leadership. This prompted scholars, policymakers, and entrepreneurs to rethink the norms and policies of international trade. The COVID-19 pandemic further galvanized protectionist calls as countries wanted to assure strategic supply chains and minimize foreign dependence on production (Free, 2021). Against this background, knowing the reason, effects, and future direction of trade protectionism through an in-depth case study of the US-China trade war provides useful insights into the dynamics of international economic relations in the 21st century.

Literature Review

Classical - Classical and Neo-Liberal Approaches

Classical economists provided the concepts of free trade, which remarked that open trade is better than closed trade to the society. The concept of comparative advantage formulated by Ricardo remains the principal foundation (Görgün, 2019). Neo-liberals post-World II declared that trade would become easier with the assistance of agreements such as the GATT then WTO and this would enhance efficiency and maintain peace. They state that the deficit of trade is not necessarily ill and should indicate the direction of investment rather than unfairness. They think that low tariffs allow individuals to purchase foreign products at a cheaper price and deficits can be used to make productive investments.

Rise of Protectionism

Research as of the 2020s and 2010s indicate that protectionist measures are coming back. According to the analysts, this is caused by income inequality, loss of factory work and political populism. According to a study by the Peterson Institute, the U.S. tariffs established starting February 2025 would be the highest after the 1930s, and potentially decrease U.S. output, increase prices and decrease wages. It is projected that tariffs will reduce the growth in GDP in the United States by 0.23 percent in 2025 and 0.62 in 2026 and inflate by 1 point (Mullan, 2020). The biggest losers are in the manufacturing of durable goods, mining, and agriculture, which proves that protectionism is more of a killer to the industries that make the most trades. A different PIIE research study indicates that tariffs are retrogressive and incapable of preventing the reduction in manufacturing and damaging ties with allies. According to commentators at Harvard Kennedy School, tariffs serve as a means of bringing funds as well as retaliation against un-fair practices, however, they caution consumers pay the price. They indicate that the U.S. has traditionally maintained low tariffs and that deficits in trade arise due to expenditure patterns rather than bad trade. The manufacturing sector employs an estimated 8 per cent of workers in America and hence despite the potential cessation of the deficit, few jobs would be gained. This is an indication that protectionist measures might not deliver the anticipated industrial recovery.

Sectoral Impacts and Supply-Chain Disruptions

Studies indicate that there are great influences in various sectors. Retaliatory tariffs led to a steep decline in the U.S. soybean exports in the agricultural sector. According to Reuters, the Chinese stopped purchasing the U.S. soybeans since the autumn of 2025 and the exports to China dropped by 39 per cent. and 51 per cent. in terms of their volume and value. The loss has not been compensated elsewhere forcing farmers to be left with surplus produce and struggling to pay their bills. In the manufacturing industry, tariffs increased the cost of inputs; Ford claimed that duties increased the prices of a vehicle by $500-1, 000, and almost every manufacturing company started to move near to Mexico and at the same time, created delays at crossing the borders. Export controls in technology have derailed semiconductor distribution chains and forced businesses to shift their manufacturing; Apple has shifted to India and Vietnam demonstrating these shifts (Mullan, 2020). According to supply-chain research, tariffs have raised the cost of shipping by 1015 per cent in 60 per cent of American companies. Firms are outsourcing suppliers to different areas; HP saved 8% of its expenses through purchase in Taiwan and Thailand. The near-shoring case to Mexico is attractive due to lower cost of labor being 20-30 percent less than that of China and the intention of almost 40 percent of the American companies to relocate some of their supply chains to North America by 2026. But small and medium-sized enterprises perform poorly; one-third of them have cash-flow issues associated with relocation expenses.

Institutional and Governance Perspectives

Researchers caution that the increasing unilateral tariffs are detrimental to the multilateral trading system. The WTO dispute settlement mechanism is in stalemate position given that the U.S. blocked the appointment of the Appellate Body. Washington failed to obey the ruling by the WTO that its tariffs were illegitimate. Experts observe that the WTO is not only necessary but also unable to impose rules on powerful states and this is why reforms aimed at resolving subsidies, state-owned enterprises and digital trade are now being demanded. In the absence of such reforms, the world economy might be disintegrated by relying on bilateral or regional agreements and ignoring the smaller economies.

Emerging perspectives on Industrial Policy and Cooperative Governance

The recent studies are reentering industrial policy in the face of geopolitical competition and climate change. Experts opine that governments should intervene in addressing climate change, technology rivalry and vulnerability of supply chains. There must be an international system that permits legal industrial action but puts restriction on protectionism. This framework must have obvious boundaries, national-security operations, industry assistance and net-zero coordination, and demand transparency, time constraints and performance audits. The emergence of so-called friend-shoring and near-shoring represents the shift towards the process of regionalization, yet it cannot succeed without the global regulations balancing the interests of nation-states and international relations.

Research Methodology

This study employs a qualitative case study as a tool to investigate the causes and outcomes of the present-day trade protection. The U.S. China trade war (2018-2025) is selected as it presents increasing tariffs, non-tariff barriers and competition (Min, 2025). Primary sources of data include government speeches, trade statistics (i.e. U.S. Agriculture reports), and statements of the officials. Some of the secondary sources are academic articles, reports and commentary by economics institutes (including the Peterson Institute), think-tanks and news stories. We compared the data of numerous sources to place events in sequence and identify trends.

We read policy statements and opinions of experts to discover tales of economic nationalism, national security and domestic industry enhancement. Simple statistics were used to characterize the tariff levels, trade flows and sector impacts. We put a priority on the various effects in agriculture, manufacturing and technology, and on supply chain transformation. We also examined the institutional reactions, in particular, the stagnant WTO Appellate Body and the shift to bilateral deals. We have analyzed it with the concepts of economic nationalism and comparative advantage to explain the data. There are limitations to the study since trade regulations continue to evolve and government statistics tend to be behind. The case study is very insightful but is not completely applicable to other trade disputes. Nevertheless, by placing figures within the context of broader politics, the study will provide a closer perspective of why protectionism has returned and how it has implications on the global trade governance.

Table 1. US and China Tariff Levels (2018–2022)

Year	US Avg. Tariff (%)	China Avg. Tariff (%)
2018	7.5	8.0
2019	17.5	20.3
2020	19.3	20.7
2021	19.0	21.0
2022	18.5	20.5

Theoretical Framework

Classical Theory of Trade and Comparative Advantage

In ancient times, such philosophers as Adam Smith and David Ricardo believed that nations ought to trade in a free manner depending on specialization. Comparative advantage refers to the fact that a country ought to manufacture items that they can produce with the least opportunity cost and export them to other countries. Ricardo was of the view that free trade allows countries to produce what is best to them and benefit everybody (Golub, 2000). This concept is in support of global trade regulations and justification of lower tariffs. The proponents argue that open markets enhance efficiency, competition and new ideas, whereas protectionism damages such.

Economic Nationalism and Mercantilist Revivals

Although there are time-honored concepts, protectionism has been revived due to nationalism in the economy. Economic nationalism places more importance on the interests of the country, rather than global integration and favors state assistance in strategic industries. Recent studies indicate that industrial policy is now at the center that was being shunned earlier. The world has been confrontational shifting away to liberalization. The new change is driven by the disadvantages of the world market forces: shocks, one-sided suppliers and green industries. The America First policy of the U.S. and movements in other countries show that a certain ideology of domestic jobs and industries being attacked by foreigners should be defended (Berend, 2022).

The industrial policy currently spans three areas; national security (less dependence on critical sectors), creating an industrial capacity and facilitating the net-zero transition. According to governments, the measures are necessary in order to combat China, accelerate technology and cement supply-chain resiliency. This reversion of state power is a threat to the liberal system and it defines the U.S. China trade war where tariffs, export restrictions and investment controls are used to safeguard national interests.

Strategic Competition Geo-Economic Rivalry

Strategic competition is also applicable to the U.S. China conflict. Trade war is not about money; it is about technology and leadership of the world. Tariffs were initially used by the U.S. due to deficits in trade and stolen patents. According to scholars, the actual intention is to reduce the ascendancy of China in the high-technology arenas. The tariff hikes were accompanied by semiconductor quotas and prohibition of foreign investment in advanced technology. China also countered this with tariffs and restrictions of vital minerals (Zarei, 2020). Trade rules are regarded as a geo-economic rivalry weapon by both sides. This is the theory that associates policy with national safety. The law of the U. S. Section 232 allows the nation to tax imports to the nation that pose a threat to its security. By

2025, the U.S. applied the section 232 to steel, aluminum, cars, wood, medicine and even movies. The growing list indicates the change to the protection of strategic industries rather than the concept of fairness. Supplier diversification and counter-measures are then used by the countries, further raising the protectionist cycle.

Institutionalist Perspectives

The international organizations usually work as a counter to unilateral actions. WTO rules on dispute provided a solution to disputes. However, protection has increased and challenged the power of WTO. In U.S.-China dispute, the U.S prevented appointment of WTO judges paralyzing the appellate panel. Although the U.S. tariffs were not fair as determined by the WTO, Washington opposed the ruling. According to the scholars, the WTO remains vital but feeble; it will disintegrate without adjustments to address state firms, digital trade and new policies. The institutional theory emphasizes that new rules should be used to deal with trade battles in the current world.

Supply-Chain Resilience and Industrial Policy

Weaknesses in global supply chains were revealed during the trade war. Tariffs created the incentive to change production, decentralize suppliers as well as relocate production factories to be brought nearer to the home. In 2025, up to 25% of duties were imposed on Chinese products in electronics, steel, fabrics and chips, and made costs more expensive, and led to delays. Such companies as Apple shifted to India and Vietnam 15-20% of the manufacturing components, devoting more than a billion dollars and increasing delivery times. The clothes no longer went to China, but to Vietnam and Bangladesh to avoid tariffs and car manufacturers went to Mexico with shipping difficulties. These developments demonstrate a new orientation towards strengthening supply chains (Hardwick, 2025). The studies on the resilience of the supply-chain focus on the diversification of the risk, backups, and regionalism. Using the economic nationalism approach, firms and the government consider new suppliers to be not only cheaper but also less risky in terms of political risk. There is a shift towards friend-shoring where manufacturing is outsourced to politically friendly nations. Although diversification may serve as a risk-mitigating measure, it may increase expenses and lower efficiencies as suggested by comparative advantage.

Integrative Framework

The paper is an amalgamation of the classical theory of trade, economic nationalism, strategic competition, institutionalism and resilience of supply-chain to comprehend the U.S. China trade war. Comparative advantage indicates the forfeited welfare in distorted trade by tariffs. Economic nationalism is a reason why protection is appealing in employment, safety and technology issues. Trade is viewed as a power move by strategic competition. Institutionalism emphasizes the decline of international regulations, whereas supply-chain resilience demonstrates the process of adjustments in companies. These perceptions combined present the idea of how the forces of protectionism are fueled by a combination of economic and political elements and how they redefine international trade.

Analysis

Motivations Behind the Trade War

The U.S. China trade war began in 2018 when the Trump government-imposed taxes on most of the Chinese products worth billions of dollars. This was aimed at reducing the trade deficit, rejuvenating manufacturing jobs, and preventing technology imitation. However, it has been proven that taxes are not sufficient in achieving these objectives. The issue of trade deficits is more of savings and investment than tax rates. A little portion of the U.S. jobs is manufacturing, thus, even in case the deficit disappears, it will not increase the middle class. Moreover, the U.S. shoppers and companies'

shoulder most of the new expenses hence the wrong assumption that the foreigners are paying the taxes (Fajgelbaum, 2024). The tariffs are more related to security concerns and technology rivalry. The U.S. leaders desire to decrease the Chinese dominance in high-tech industries such as chips, electric vehicles, and phone technologies. The taxes were also executed with high exportation regulations, as well as investment restrictions. Most of these regulations, increased taxes on Chinese electric vehicles fourfold, and taxes on steel and aluminum threefold were retained by the Biden team. China responded by imposing its own taxes and restrictions on major minerals, and it proves that both parties play the game of trade.

Sectoral Analysis

Agriculture. Farm exports into China were struck by Chinese taxes. By the fall of 2025 China would not purchase any of the soybeans produced in the fall, forcing the farmers to store their soy at a loss. The number of exports to China declined 39 percent and the money by 51 percent. The gap cannot be filled by other markets such as Vietnam and Nigeria which are not large. U.S. gave subsidies to farmers, however, whether the sector will be able to survive in the long-term is uncertain.

Manufacturing

Production in most industries became costly by the increased taxes. Steel and aluminum taxes increased the price of cars by $500-1000 per car thus the car makers shifted some of the work to Mexico and had to experience longer delays in shipping. Electronics firms accelerated their supply chains; Apple intended to shift 1520 percent of its manufacturing to India and Vietnam and invest more than 1 billion dollars in factories in India. Relocation of plants poses issues such as increased waiting time and inadequate infrastructure, which demonstrates the fact that strengthening supply chains is very expensive.

Technology

Regulations restricting export of chips and investing in major technology demonstrate concerns regarding military and technological strength of China. This set of rules in addition to taxes shattered world supply chains of technology. Huawei and ZTE had Chinese companies prohibited on certain technology and U.S. companies sought alternative markets and partners in research. The battle has compelled the U.S. to create more chips domestically by the CHIPS Act, yet the shortages in the world chip market and the high cost of manufacturing facilities are a slow in rapid independence.

Supply-Chain Adaptation

Various methods through which businesses are reducing the impact of tariffs are numerous. The decision to move to Mexico incurs a workforce that is 2030% cheaper than in China and trade agreements such as the U.S.-Mexico-Canada Agreement offer a reduction in taxations. The strategy of moving suppliers to alternate locations ensures it avoids taxes and political risk; HP saved 8 per cent of its expenses purchasing more in Taiwan and Thailand. This however requires good management and may result in quality issues. Investment in AI and blockchain makes supply chains more transparent and saves 15 per cent on inventory. To some companies, they charge clients on the additional taxes; to others, they pay a few days or have hedging tricks. SMEs struggle to access money; 30 per cent reported that they had problems with their cash flow as a result of relocation.

Institutional Dynamics

The world rule-making was exhibited as problematic in the trade war. The WTO is unable to impose its solutions including the halted Appellate Body that forced countries to take matters into their own hands. The powerful countries can disregard the orders and impose taxes at will without any actual

dispute mechanism. In the meantime, the U.S. took two-way deals with the EU, Japan, and South

Korea that imposed import duties of about 15. In section 232, there are taxation of many products steels, cars, wood, medicines, a factor that gives insight to the fact that security reasons have become the reasons behind the economic rules. The experts have given a warning that tariffs are not fair to the poor and they fail to act as an industry policy. They fail to reduce trade deficit and may damage its relationship with allies.

Results and Discussion

Economic Impacts of Tariff Escalation

By 2025 U.S tariffs had reached the highest point since the 1930s. Projects of PIIE predict whether the tariffs imposed on September 11 will remain in place, U.S. GDP growth will decrease by 0.23 points in 2025 and 0.62 points in 2026, and inflation will increase by a point above the forecast. Work will decline in industries that are heavy trade like manufacturing of durable goods, mining and farming. This is due to the fact that the cost of imports is more expensive and there is less demand in the U.S. exports (Contractor, 2025). The findings are opposite to the fact that tariffs increase the economy. Tariffs are comparable to purchasing taxes: U.S. households and companies pay higher amounts of money, reducing their available finances to spend and invest.

Table 2. Sectoral Impacts of the US-China Trade War

Sector	Primary Impact	US Effects	China Effects
Agriculture	Retaliatory Tariffs	Farm income decline	Import diversification
Manufacturing	Tariff Barriers	Higher input costs	Reduced exports, automation
Technology	Export Controls	Loss of Chinese market	Investment in R&D

U.S. tariffs are retrogressive also. They strike more on poorer households since poorer households use a higher percentage of their income on goods that are subjected to tariffs. The tariffs introduce uncertainty that retards investment. Unpredictability of import duties or due to political reasons makes it hard to plan by businesses. Instead of spending on innovation, companies delay spending on equipment or shift funds towards compliance and relocation expenses. This in the long term undermines the competitiveness of the U.S. and the potential output.

Sectoral Outcomes

Agriculture

The decline in exports of U.S. soybean reveals that export-based businesses may suffer massive blows. Formerly China purchased approximately 45 per cent of the U. S. soybeans, but the tariffs caused U. S. soybeans to become too costly to the Chinese. On October 2025, the Chinese consumers had already purchased no products in the fall harvest, and the farmers were forced to store their produce and lose sales (Xu, 2025). Export to China decreased by 39 percent in volume and 51 percent in value and the sales lost were used by South American countries. Other countries such as Vietnam and Nigeria are too small to compensate that loss. Since farmers are now paying more money on labor, energy and fertilizer, their income is not matching. The subsidies are temporary facilitated by the government but they fail to restore the demand.

Manufacturing

The increased prices of tariffs were damaging most aspects of the manufacturing sector. The tariffs on steel and aluminum in automobiles cost the car industry between 500 and 1,000 per vehicle. In a bid to reduce the expenses, companies shifted production to the homeland or to the neighboring

nations. Ford began to outsource to Mexico where labor is cheaper but trucks started to take longer

to make it across the border. This demonstrates a trade-off between cost-saving and logistics issues. In electronics, higher tariffs on Chinese components by 25 per cent made smartphone manufacturers to incur millions in costs. Firms outsourced some manufacturing to India and Vietnam; Apple was going to outsource 1520 per cent of their production there and had to spend more than 1 billion dollars and the delivery time was going to increase by 10 per cent. Other companies have decentralized suppliers to Taiwan and Thailand to reduce expenses by 8% (Ju, J., 2024)
Also spilled over to retail is the supply-chain adjustments. Walmart reduced its Chinese imports by 10% and purchased additional ones in Vietnam and Thailand, but shipping routes were longer, and the logistics expenditures increased by 5 percent. In the case of clothing, Nike and other companies relocated to Vietnam and Bangladesh to evade tariffs. These are instances of tariff shifting entire value chains, the makers, sellers and shoppers. The process of production relocation is costly and only works well with large companies, approximately 30 per cent of small and medium-sized enterprises indicate that they have issues with cash flow due to relocation.

Technology and Innovation

The trade war compelled the United States and China to accelerate their respective programs on technology. The American export regulations prevent China to obtain high-tech chips and limit investment in sensitive areas. China has begun to invest heavily in its own technology and in the new supply chains. In the meantime, the U.S. enacted the CHIPS and Science Act which provided funds to manufacture chips in the United States. Such regulations can enhance safety and at the same time separate the international technological market and replicate labor. The emphasis on the safety of supply chains undermines the large scale and the advantages of sharing knowledge (Henrika, 2025). The ability to compete without external market relies on whether the domestic companies will be successful in the long run.

Institutional Consequences

The multilateral institutions have been damaged by the trade war. The Appellate Body of WTO ceased operating due to a blockade of new lawyers by the U.S. There were no enforced WTO decisions against the U.S. tariffs. According to scholars, WTO is still required to arbitrate but cannot discipline powerful members. Such power disparity promotes unilateral activities and increased bilateral pacts by a single country. Commonly, the U.S. agreed in 2025 with the EU, Japan and South Korea that established common duties amounting to about 15% without reference to WTO rules. Such tendencies can abandon small economies and undermine the concept of equality in treatment of all members.

Political and Geopolitical Dimensions

Domestically, the tariffs are popular among the voters who are not benefiting with globalization. They are indicative of the government being ready to protect employment and penalize unfair trade. However, the actual economic benefit is minimal and the expenses are distributed. Other objectives, such as preventing fentanyl smuggling or alliances, are also hit using tariffs, indicating that the trade policy has become overlapping in many aspects. Tariffs outside the country cause retaliation and increase competition. China responds by tariffs and restrictions of its own; There are duties on EU and India as well. The resultant unpredictable situation is damaging investment and divides.

Supply-Chain Resilience and Corporate Strategies

The companies are directed towards stronger supply chains. They resort to near-shoring, reshoring and friend-shoring though not the least expensive. The production closer to Mexico can also exploit

the cheaper labor at the cost of new roads and shipping. The reimbursement of production to the U.S is assisted by subsidies and is to reduce foreign risk. Having suppliers in different regions helps to avoid the reliance on a single country (Hayat, 2024). An example is HP that saved on spending by purchasing parts in Taiwan and Thailand. Inventory costs are reduced by approximately 15 per cent, and supply chains are also become easier thanks to tech investments: AI-based sales forecasting and blockchain-based tracking. The companies also use the pricing strategies; some companies transfer the price to the shoppers; others retain the price and employ the hedging or the future price adjustments. Entering into free-trade agreements e.g. the US-Mexico-Canada Agreement helps companies to evade tariffs and remain competitive.

Beyond Tariffs

Tariffs are not the only issue of trade protection. It also deals with industrial policy, export controls, investment checks and subsidies. According to a study, the industrial policy has shifted to climate, technological competition and supply-chain vulnerability. Nations should have an organized strategy to strike a balance between the local and international activities. Such good policies are security, industry growth and net-zero plans. It should be easy to support but short-lived and result-oriented, otherwise, it will become haphazard protectionism. These concepts acknowledge the fact that the world is interconnected and the process of severing such connections would be expensive.

Most importantly, the trade war demonstrates the relationship that exists between economic and political power. The U.S. and China are fighting over market share and also over tech dominance and innovations. Tariffs slack competitors but also trigger retaliatory measures and prompt other countries to imitate such a step. In the absence of a robust global system, the world will end up disintegrating into regional blocs whose rules and policies are dissimilar. Such a division would damage international climate change and pandemic action. The case study highlights the necessity to revise the trade regulations so that they can be aligned to industrial strategies and security requirements and retain open markets where they remain effective.

Policy Recommendations

Based on the conclusions, the following policy suggestions are made:

1. Revise WTO and its dispute settlement methods. Reform the WTO to have the best tribunal that can deal with new challenges such as the digital trade, subsidies and state-owned enterprises. Ensure that decisions are binding and that new industrial rules are clear, have a deadline and demonstrate results.
2. Strike a balance between strategic interests and interdependence. Apply special treatment to really strategic sectors like chips and key minerals but not general tariffs that will increase consumer prices and disrupt global supply chains.
3. Invest in internal competitiveness. Abdicate protection based on tariffs, and embrace policies that enhance productivity: invest in training of workers, re-skilling workers, research and infrastructure. They do not harm the efficiency of the market and assist in innovation.
4. Enhance open and democratic trade policies. Engage the industries, workers and customers in designing trade rules in a way that ensures the rules accommodate broad social interests and cast harm to the least. Decisions made clearly assist in providing legitimacy and reducing uncertainty.
5. One-on-one deals may help smooth out issues in the short term, but a long-term stable situation requires generalized rules that distribute benefits equally. A modern many-country system should be supplemented and not preempted by regional agreements.

Conclusion

The trade war between the U.S. and China indicates that trade policies have turned into a financial,

technology and power battlefield. Tariffs have helped people cut the deficits, restore jobs, but they have decelerated growth, made goods more costly, and injured the ordinary people. Protectionist regulations accelerated the transformation in supply chains, as well as compelling governments to sustain particular sectors and revealed weaknesses in global trade regulations. Our weak rules are indicated by the fact that the WTO top tribunal is paralyzed and more nations are negotiating between themselves thus proving that our rules are weak. Powerful nations will continue to combat, and leaders have to revise trade regulations, national security, and international connections, as well as invest in their competitiveness. Since issues of economy are cross-border, countries require collaboration that allows governments to intervene, when necessary, but not close the markets. Global trade can continue to assist all people even in stiff competition with these changes.

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