

## ***On the Special Feature: The U.S.-China Economic Friction***

**NAKAJIMA Tomoyoshi**

*Senior Research Fellow, Research Division, ERINA*

The relationship between China and the U.S., which has emerged in terms of both economy and military, has become increasingly tensioned in recent years. In particular, economic friction between the superpowers has intensified under the Trump administration that was launched in 2017. President TRUMP's personal grievance is the existence of the U.S. trade deficit with China, while the Congress, including the Democratic Party, emphasizes institutional issues such as intellectual property rights and preferential treatment of state-owned enterprises. All of these are sources of U.S.-China economic tensions.

In this special issue, we will elucidate the actual situation of friction between the U.S. and China from three perspectives and delve into its impact on the global economy and neighboring countries including those in Northeast Asia.

KIMURA's paper points out that the Trump administration's trade policy, represented by the U.S.-China friction, undermines the international trade system after the Second World War, characterized by the WTO. As a specific direction, it is expected

to play a role in mega FTAs such as TPP and RECP as a complement to the increasingly dysfunctional WTO.

MAIE's paper analyzes the details of friction between the U.S. and China, pointing out that U.S. and Chinese interests are causing serious conflicts in policies aimed at the advancement of Chinese industrial technology. From here, a convergence of this friction is unforeseeable in the short term, and the battle for supremacy will continue in the medium to long term.

NAKAJIMA's paper makes clear that institutional elements such as intellectual property rights and state-owned enterprise policies were promoted by the Obama administration during earlier stages of the U.S.-China friction, and were also in view of TPP. It suggests that by avoiding conflicts due to tariff competition and making rules between countries as outlined in TPP, a potential solution for the U.S.-China conflict can be found.

I hope that these papers will deepen readers' understanding of economic friction between the U.S. and China.