Article

US-China Trade War - Opportunities for India

Maharshi Dayanand University
Research Journal ARTS
2020, Vol. 19 (1) pp.37-50
ISSN 0972-706X

http://www.mdu.ac.in/Journals/about.html

Neeta Rani
Assistant Professor, Dept. of National Security Studies, Central University of Jammu, Jammu & Kashmir (India)

Abstract

United States and China have been indulged in a war over the trade where increased tariff rates have threaten world economies. Trade war was initiated by U.S. President Donald Trump in January 2018; China reacted and reciprocated by implementing tariffs on imports. U.S. and China are one of the largest economies and turbulences in any of these economies can hamper the global trading system. Moreover trade war between these two will pose a threat to free trade system as many countries may opt for trade protectionist barriers where these are shielding their domestic industries from foreign competition by imposing taxes on imports. Trade war can have implications for India. To some extent India will suffer from the ongoing trade war; some evidences are clear such as decline in rupee value, downfall in the stock markets etc. Though there are several negative effects of trade war on India but it may have prospect and opportunities for herself if it takes proper steps and plan accordingly. India can fill the void created by U.S. and China in each other's trade markets. It needs to materialise U.S.-China trade war with a proper strategy in order to provide an impetus to its economy.

Keywords: Economy, Exports, Imports, Tariffs, Trade War, Trade deficit

Corresponding author:
Dr. Neeta Rani, Assistant Professor, Dept. of National Security Studies, Central University of Jammu, Jammu Raya Suchani (Bagla), Samba, Jammu-181143, J&K, India Email: neetam29@gmail.com

Introduction

The United States of America is the one of the biggest consumers of Chinese goods. For it China is the largest market in the world to sell its products. But the trade deficit for U.S. is more as compared to China as the later's imports are less from U.S. than U.S. imports from China. Moreover, China's policies are too strict to enter in its market e.g. a company which is willing to sell its goods or say enter China's market, it is mandatory that it has to provide China with its intellectual property rights; U.S. considers this policy as inequitable and against the law. As of now U.S. wants to cut the trade deficit with the same; President Donald Trump, since before he became president, accused China of unfair trade practices. In the beginning of 2018, President Trump warned China for its inequitable trade practices and the theft of intellectual property rights. He asked China to change these unfair practices and also to treat US fairly as well as the American companies. He was more concerned about U.S. trade deficit with China. Despite of several talk series, both countries have futile results to arrive sign an agreement which can resolve the U.S.'s concern.

The tensions between United States and China are on the rise while on the other end continuous tariffs implementation gives a picture of the possibility of a full-fledged/scale trade war between both the countries. When U.S. increases tariffs on trade, China in retaliation also raise its trade tariffs. U.S. has already declared that it will implement trade tariffs in phased manners and China's economy will have to endure the pain. Many countries will have to suffer as the trade war may impact their economies also; India in addition is one of these. India's positive and witty actions may decide whether it is going to suffer due to trade war or will take advantage by creating opportunities for itself. The present study will analyse the effects of U.S.-China trade war and examine the possibilities of cooperation and potential opportunities for India.

What is Trade War?

When countries implement raised tariffs (taxes) on imports/exports in order to attack each other's trade can be considered as trade war. This is a tit-for-tat process where if one country imposes increased tariffs, the other countries do the same to hurt other's economies. Trade war can also lead to increase in political tensions between the parties.

US-China Trade War

The year 2018 started with a hitch between world's two largest economies i.e. United States (U.S.) and China which wobbled the entire world. China was dazed; so were the other countries as it was going to hit their economies as well. According to International Monetary Fund (IMF) data, U.S. is world's largest economy with a value of \$20.4 trillion and China stands second with \$14 trillion followed by Japan and Germany with \$5.1 trillion and $4.2 trillion economy (Smith, 2018). The trade war between two giant economies in the world changed the international scenario.

Trade war was initiated by the President of United States Donald Trump when he addressed the State of the Union on 30 January 2018. He said, "America has finally turned the page on decades of unfair trade deals that sacrificed our prosperity and shipped away our companies, our jobs and our nation's wealth. The era of economic surrender is over. From now onwards, we expect trading relationships to be fair and to be reciprocal. We will work to fix bad trade deals and negotiate new ones. And we will protect American workers and American intellectual property, through strong enforcement of our trade rules" (White House, 2018).

Last year's (2017) data records showed that US had huge trade deficit[1] with China which was about $375 billion (BBC, 2018). Its exports were nearly $242 billion in various areas such as travel and tourism, banking etc. The trade war between U.S and China is the result of Trump's belief that China has misused the World Trade Organisation (WTO) enabled global trade framework and has taken advantage. Moreover, before giving an access to its market, China forces those U.S. companies which are willing to do business there to transfer their technology and trade secrets to their Chinese counterparts. To evade penalties, China negotiates secretly in such affairs as WTO does not allow transfer of technology and sharing of trade secrets. If foreign car companies want to set up factories in China, they have to be in to 50-50 joint ventures with Chinese companies (Denyer, 2018). U.S. is referring Section 301 of the 1974 Trade Act to defend its claims which say China's involvement in the unfair trade practices and stealing intellectual property rights of American companies (Price, 2018). With this act the president has the power to unilaterally inflict penalties on the trading partner if it harms U.S. business interests in an unfair manner.

Nonetheless, China's President Xi Jingping during a speech at the Boao Economic Forum on 10 April at Hainan (the southern Chinese island), pledged to expand market access to foreign companies, to ease foreign equity restrictions in the automobile industry and lowering the import tariffs for vehicles (Denyer, 2018). Though, his pledges proved to be unsatisfactory and inadequate to resolve the trade dispute and China has also been failed to follow through on those pledges and promises (Denyer, 2018). Despite the fact and several warnings, U.S. felt that China did not seem willing to change its false practices in trade. Therefore, in order to counter this, United States imposed tariffs on solar panel imports from China. On 23 January 2018, U.S. President Donald Trump imposed a tariff of 30 percent on solar panels which will be reduced after four years to 15 percent. Since

1 Trade deficit refers to a situation when a country spends more money annually on imports than it receives from its exports.

China is one of the largest solar panel manufacturers, it deprecated the increased tariffs. Nevertheless, on the same day, 20 percent tariff was placed for the first 1.2 million units of washing machines imported. In retaliation, on 2 April, China placed tariffs of 25 percent and 15 percent on American imports which included 128 products such as automobiles, pork, cars, soybeans, nuts, and fruits, steel (Rauhala, 2018).

For further trade talks, in May, China's Vice Premier Liu He went to Washington after which on 20th May China decided to cut U.S.'s trade deficit significantly by increasing its imports from U.S. but in the month of July, US President Trump's administration released a list for which a tariff on $200 billion imports was proposed. The list was inclusive of food products, auto parts, construction material etc. China, immediately, reacted and said that in case U.S. implements the proposed increase in tariff, it would introduce counter measures to defend the country's dignity (Pong et. al, 2018). Further, 25 percent tariff on $34 billion worth of Chinese goods on 6 July 2018 was entailed by U.S. In a tweet President Trump said that he is not scared of increasing tariff against Chinese imports and surmised trade war as good and easy. His tweet is quoted as under-

"When a country (USA) is losing many billions of dollars on trade with virtually every country it does business with, trade wars are good, and easy to win. Example, when we are down $100 billion with a certain country and they get cute, don't trade anymore-we win big. It's easy!"

- Donald J. Trump (@realDonaldTrump) March 2, 2018 (BBC, 2018)

In response to that China too imposed tariffs on U.S. imports which the later considered as an endeavour to hurt U.S. economy. In August, U.S. again added on additional $16 billion of Chinese imports under its tariff policy. Here again China responded with similar sized tariff on U.S. products.

A list of 279 Chinese products worth of $16 billion was published by the Office of the United States Representatives (USTR) on 6 August and a tariff of 25 percent was imposed on 23 August 2018 for which China responded with similar value tariffs (Wikipedia, 2018). China went to World Trade Organisation (WTO) on 16 August with a complaint that United State had implemented tariffs on foreign solar panels which clashes with the WTO ruling and it is harming China's legal trade interests.

President Trump justified his stand on imposing tariffs on Chinese imports as he said, "We are taking this action today as a result of the Section 301 process that the USTR has been leading for more than 12 months. After a thorough study, the USTR concluded that China is engaged in numerous unfair policies and practices relating to United States technology and intellectual property - such as forcing United States companies to transfer technology to Chinese counterparts. These practices plainly constitute a grave threat to the long-term health and prosperity of the United States economy" (Pramuk, 2018).

U.S. served seven weeks public notice and after several rounds of hearings as well as opportunities given to comment, United States Trade Representatives were asked to proceed with a tariff of 10 percent on imports from China worth $ 200 billion. The implementation of the same took place on 24th September 2018. Half of the products under tariff on the list are consumer goods such as cutlery, suitcases, handbags etc (Vaswani, 2018).

The tariffs will be going to increase to 25 percent from 1st January 2019 onwards. Even in his statement Donald Trump stated said that phase three of the tariffs implementation (i.e. $267 billion of tariffs on imports) will begin immediately if China takes any kind of retaliatory measures against American businessmen, farmers and industries (Pramuk, 2018).

Impacts on US and China

During a speech on the U.S. administration's policy towards China at the Hudson Institute, U.S. Vice President Mike Pence said, "Beijing is employing a whole-of-government approach, using political, economic, and military tools as well as propaganda, to advance its influence and benefit its interests in the United States" (Vaswani, 2018). U.S. believes that for decades it suffered due to China's unfair trade dealings and trade war is an opportunity to correct erroneous practices; on contrary China considers trade war an effort of U. S. to restrain China's growth (Vaswani, 2018). Like China, European Union too retaliated to U.S. which led to the implementation of heavy tax duties on Harley-Davison motorcycles (in Wisconsin), orange juice (Florida) and on bourbon (Kentucky) (Sasi, 2018).

Due to purchasing of steel and aluminium from other countries, US may face hike in prices of products made out of these two. The US companies will have to buy local steel which, definitely, will boost the steel and aluminium industries in US, but shortage/lack of these goods due to less import and more local demands will also increase their prices. Therefore the local consumers will be the worst affected ones. The companies which make products out of aluminium and steel will have to put the entire onus on to the consumers to cover the costs and to get the profits. The rise in the products prices may lead to less spending by the consumers which can further lead to inflation hike (Bryan, 2018). A nationwide campaign against the tariffs that are hurting the several families and communities (such as farmers, small businessmen and global trade sectors) has already been launched under title "*Tariffs hurt the Heartland*"[2]. It is not only U.S., but China will also suffer when the goods become costly as the tariffs go up due to trade barriers.

1 *The campaign is backed by nearly 150 largest trade organisations in America.*

The United States trade deficit with China reached highest in July as the Chinese stopped purchasing agricultural products from U.S. due to trade war. American farmers purchase 60 percent of soybean from China imports. There is a possibility that the higher trade tariffs may cut the American farmers off from China completely. Moreover, China can hit U.S. more since its imports from U.S. are very less as compared to U.S. imports from China (Johnson, 2018). Till now, tariffs of worth $110 billion of U.S. products has been either imposed or proposed by China since the beginning of trade war (Chen & Lawder, 2018). The trade war is a massive gamble where, U.S. has much more than China to lose (Vaswani, 2018). In 2017, China exported goods worth $506 billion to the U.S. On contrary U.S exported only $130 billion to China. Approximately 20 percent of China's exports go to U.S (Borzykowski, 2018). A data shows that trade war is hurting American economy badly as the exports are declining, prices of the goods are increasing and the jobs vacancies are fading away (Draho & Payne, 2018). Moreover, U.S. has already paid additional $100 million because of the tariffs imposed by China in retaliation.

China could retaliate in another way too which could make the operations of U.S companies more difficult within China. There are several U.S. companies which operate in China but do not contribute to the products trade between China and U.S. e.g. Starbucks which has thousands of cafes in the China, though it generates revenue for United States (Ross & Slee, 2018). Another onus China can put on to U.S. economy is by delaying the approval for U.S. investments. It has many countries as options to buy products other than from U.S. Crude oil can be taken as an example which China purchased from Iran. Despite U.S. sanctions on Iran, China imported a huge amount of crude oil from Iran in the month of August. Besides, China has alternate markets like West Africa for buying crude oil. Conversely, it will be difficult for U.S. to find a big market like China to sell its products/ goods (Jethmalani, Pengonda, 2018).

China has already set an example by boycotting goods from South Korea during its disputes with the later; it can do the same with U.S (Johnson, 2018). The anti-American sentiments among Chinese can harm U.S. products in Chinese markets. In 2012, Chinese boycotted Japanese cars due to its territorial dispute with Japan which hurt the sale of Japanese goods. Moreover, the trade war can harm U.S.-China's overall relationship too which are equally important.

In future there are chances that the Chinese exporters may probably face lower orders for their products which will result in economic growth rates under pressure (Vaswani, 2018). Although, at present, some of the companies are getting advantages from trade war for a time being as many customers in U.S were purchasing goods from China as much as they can before the tariffs were being imposed (Vaswani, 2018).

The currency in China fell to its lowest level since May 2017 (Pong et. al, 2018). Although even before trade war, the Chinese economy was already dawdling down, the current quarterly report showed that China's economy is growing at an annual rate of 6.5 percent which is less than previous quarter. Its economy has been under more pressure since the commencement of trade war with U.S. and the result of tariff encompassing $250 billion of Chinese products (Vaswani, 2018). However there are speculations that China's growth will be reduced by 0.5 percent as a result of U.S. tariffs (Jasani, 2018). Even several investment banks and the International Monetary Fund (IMF) have predicted China's growth at the rate of 6.2 percent in 2019 (Vaswani, 2018).

Along with trade war, China has another serious problem such as massive debt. Last year the United States contributed only 19 percent of China's exports (Ross & Slee, 2018). A decade ago, China's debt levels were about 160 percent of GDP which has now been increased to 280 to 300 percent (Ross & Slee, 2018). China is trying to manage with such a major risk. The non-reported debts of China in the year 2013 were estimated around $1 trillion. A report by the Chinese Academy of social Sciences in March 2018 estimated that LGFV (local government financial vehicle) shadow debt has reached to $ 4.3.trillion (Economic Times, 2018).

China has tried many channels, both conventional and unconventional, to comprehend U.S. President Trump's intent. They contacted various officials, think tanks personalities, prominent business leaders, but the U.S. is firm in its claims of China's unfair trade practices and asked it to not to force American companies to give up on their technology and sharing their trade secrets (Lunch & Shih, 2018). Former Ambassador to Beijing, Max Baucus said (quoted), "The Chinese felt that they could maybe control this Trump guy a bit using Henry Kissinger, Steve Schwarzman, Hank Paulson and so forth, but China has realized they don't have near as much influence over Trump as they anticipate" (Lunch & Shih, 2018).

Moreover, China's reform and opening up has completed 40 years in 2018 which was headed by one of the top leaders Deng Xiaoping. China launched its ten year plan under the title 'Made in China 2025' in May 2015 which is a state led industrial policy in order to make China dominant at global level with its upgraded high-tech manufacturing industries (McBride, 2018). The aim of this industrial policy is to develop China's high-tech sectors as well as its advanced manufacturing base. The ongoing trade war will have a greater impact both in mid and long run on China's industries which are linked to the "Made in China 2025" strategy. The consumer goods and labour intensive industries will largely suffer with immense impact (Jiming, 2018).

Global Impact

The exaggeration of trade war between U.S. and China is a worrisome issue among the experts. Christian Lagarde, head of International Monetary Fund (IMF), said that the trade war between U.S. and China could hurt the economic prospect across the developing countries (Johnson, 2018). The trade war can have direct impact on consumer products.

Increased tariffs often lead to elevation in the costs of products for the consumers. Not only U.S. and China, many countries in the world could be affected by the US-China trade war. Souring of trade relations between them means economic implications for many nations including Asian countries. China is world's second largest economy and has already retaliated by imposing tariff on U.S. goods such as pork, soybeans, cars, aeroplanes and steel pipes. Further, China can impose heavy tax duties on U.S. companies such as Apple which is renowned worldwide. The increased tax may lead to higher prices of Apple products in order to cover their costs and the consumers at global level will be affected. The companies may find it difficult to operate with huge taxes and in response to that these will increase their product prices which will put a burden on consumers when they buy any products.

A trade war could weaken investment, depress spending, unsettle financial markets and slow the global economy. It could also result in other countries raising protectionist barriers. Not only the emerging markets, it will reduce the overall global economic growth. Moreover, the trade war between U.S and China will have implication for many emerging economies like India both for the equity and debt markets due to increase in tariffs.

Opportunities for India

The trade war can impact the global economies at large. There is a possibility that the Indian economy may also suffer as the trade war has have wider implications. Therefore, it becomes important to analyse all possible effects in order to plan and act accordingly. Trade war may also impede the positive sentiments of Asian stock markets. The erosion of positive sentiments encourages trade protectionist policies in Asian as well as world markets.

The trade may impact the economy of India more adversely as it may find changing dynamics in its economy. The overall economic growth of all countries would slow down leading to decline in the Indian exports due to less demand of goods reason being higher prices of finished products which cause an increase in the prices of consumer goods. This could imbalances the basic principle of economics i.e. demand and supply. India's export and imports constitute nearly 42 percent of its gross domestic product (GDP) and it already has current account deficit as there is less investment flows in India.

The value of Indian currency i.e. rupee has already dropped down to its lowest against the U.S. dollar. The trade war will further impact the rupee. A senior economist at Rabo bank, Hugo Erken has a belief that the pressure on Indian economy has been created due to trade war even though India's internal market is huge and large. Such kind of disturbance is not either good for Indian currency (Financial Express, 2018).

The high tariffs on imports lead to the possibility of an increase in the costs of consumer products in United States as the prices of raw material go up. This would, further, encourage the Federal Reserve to increase the interest rate in the U.S. which will have implications for economies like India which are emerging (Sasi, 2018). Moreover, the hike in tariffs includes such items which are being exported from India to U.S. e.g. parts of military aircraft, valve bodies, pumps, passenger vehicles of 1500-3000 cc etc. India's exports were $50 million in 2017 (PTI, 2018). The exports potential of vehicles and auto parts, transitional parts for the machinery in defence as well as aerospace sector etc have more for India to U.S. India can encourage its exports to U.S. in various other sectors such as cell phones manufacturing, apparel and textiles, games, toys and footwear (PTI, 2018).

There is an opportunity for India to be a substitute to U.S. by replacing Chinese exports. It can become competitive and grasp a hold in textile, garments, gems and jewellery sectors (Jethmalani, 2018). Moreover, 15 to 25 percent of tariffs have been imposed on U.S. exports of products by China, whereas the Most Favoured Nations (MFN) have been given concessions from 5 to 10 percent on imports duty. India has more opportunities of competitive trade as it has been benefitted with additional 6 to 35 duty concessions under Asia Pacific Trade Agreement (APTA) which it signed in 1975 (Suneja, 2018).

China is India's largest trade partner but later's trade deficit with China is growing continuously. India's exports to China in the last fiscal year were Rs. 86, 015 crore whereas China's imports to India stood at Rs 4.91 lakh crore (Agarwal, 2018). India's total trade deficit is of $51.08 with China (Srivasatave, 2018). However, it can be benefitted with trade war if it occupies U.S. place in Chinese trade market. It will further contribute to decrease in India's trade deficit with China (Agarwal, 2018). India can replace U.S. exports to China with atleast 100 products. U.S. is selling goods worth $10 million which are flue cured tobacco, cotton linters, lubricants, fresh grapes, chemicals like benzene etc. India has various options of products such as corn, almonds, cotton, sorghum, wheat which it can export to China in large quantity and replace U.S. in Chinese market; though it is already exporting some of these to China (Suneja, 2018). India exports of corn stood at $143.6 million to other countries of the world except China. China's corn imports were $600 million during the same period. In emancipation to APTA, the member countries can be given maximum of 100 percent concessions on corn export to China (Agarwal, 2018).

India can take advantage of that.

Soybean feeds China's huge food processing industry which is used for the soybean oil production as well as for the export of meal. It imports 100 million metric tons of soybeans annually for domestic consumption; India can enlarge its soybean exports to China (Sasi, 2018). China has already reduced tariffs from 3 percent to zero percent on soybean imports from Bangladesh, India, Laos, South Korea and Sri Lanka (Sputnik, 2018). Other products with which Indian government can broaden its trade (export to) with China are walnuts, oranges, durum wheat etc; India is not exporting these to China and has a great scope for trade.

The increased prices of oil threatens India's current account deficit which can have an impact on India's macroeconomic stability. But the trade war between U.S. and China can benefit India as the oil prices will go down due to this providing a great relief to the Indian government as well as Indian macro industry. U.S. being one of the major oil producers will find it hard a giant market like China. Here India can potentially fill the void for U.S. by becoming an alternate (Sputnik, 2018).

After the commencement of U.S.-China trade war, China has taken a much liberal stance on imports from India. China lifted a ban on the imports of rapeseed meal from India on 22 October 2018 which is a positive sign for Indian economy. China agreed over this because of the requests made by Indian government. Rapeseed is a key ingredient in animal feed which was banned in 2011 by China due to quality concern. India can export the same over 5 lakh tons to China (Sputnik, 2018). Another opportunity India has got due to trade war is the re-opening of Chinese markets for Indian no-basmati rice after a ban over safety and quality concern.

Findings/Results

U.S.-China trade war is a serious issue which cannot be resolved within a stipulated time. However, the two countries needs to cooperate with each other as there is a huge potential for trade between them. Moreover, both are well established trade markets for each other. U.S.-China long term relations may hurt badly and it will imperil the future relations too between these especially when President Trump is gone. The global trade system has been hurt due to ongoing trade war. U.S. and China are world's two largest economies and it is their responsibility to negotiate amicably by using multilateral mechanism and bring the trade war to an end. This will not cause a threat to free trade as it is suffering now. Moreover, it is rightly said that no country wins a trade war. India also needs to be perceptive and cautious too as her relationship with both U.S. and China are important and needs to be fostered.

Conclusion

The world is witnessing unprecedented growth which is dynamic in nature. U.S. and China are competing with each other when it comes to impose tax duties on imports and exports. The U.S. initiated trade war when it implemented first phase of tariff duties in order to reduce its trade deficit with China. China first approached World Trade Organisation to solve the issue through negotiation. Many of its leaders also met several prominent people in U.S. and tried to create its influence. But its all efforts could not get positive responses and results. Therefore, later China responded U.S. by imposing same tariffs rates as U.S. and created trade barriers. There is no doubt that some of the economies and asset markets in the world will be harmed and several countries are opting protectionist trade policies due to trade war. Before it reaches and dismantles India brick by brick, India needs a proper plan and strategy to materialise the US.-China trade war which can possibly provide an impetus to Indian economy. India should take advantage of the situation and understand the need of implementing right measures. India has opportunities which it can grab easily by replacing U.S. export to China. A number of products have been identified which India can export to China and reduce its trade deficit. Moreover, China is also opening its markets for India by lifting previous bans on several Indian products which India now can export to China.

References

Agarwal, S. C. (2018), How India's Exports may benefit from US-China trade war, August 28, https://www.businesstoday.in/current/economy-politics/how-indian-exports-may-benefit-from-us-china-trade-war/story/281711.html accessed 28 October 2018.

BBC (2018), Trade wars, Trump tariffs and Protectionism explained, July 26, retrieved from https://www.bbc.com/news/world-43512098 accessed 28 October 2018

Borzykowski, B. (2018), Trade war with US could be the tipping point for China's $14 trillion debt-ridden economy, April 24, CNBC, https://www.cnbc.com/2018/04/24/trade-war-with-us-may-be-tipping-point-for-chinas-debt-ridden-economy.html accessed 24 October 2018.

Bryan, B. (2018), Trumps newest economic move could cause the price of everything from cars to beer to rise, March 3, https://www.businessinsider.in/Trumps-newest-economic-move-could-cause-the-price-of-everything-from-cars-to-beer-to-rise/articleshow/63141496.cms accessed 28 October 2018.

Chen, Y., Lawder, D. (2018), China says Trump forces its hand, will retaliate against new U.S. tariffs, September 18, Reuters, https://www.reuters.com/article/us-usa-trade-china-tariffs/china-says-trump-forces-its-hand-will-retaliate-against-new-u-s-tariffs-idUSKCN1LX2M3 accessed on 21 October 2018.

Denyer, S. (2018), Facing Trade War with U.S., China's Xi renews vow to open markets, import more, April 10, *The Washington Post*, https://www.washingtonpost.com/world/chinas-president-pledges-to-reduce-investment-restrictions-tariffs-on-auto-industry/2018/04/09/e3012ffa-3c39-11e8-955b-7d2e19b79966_story.html?utm_term=.f1ad3c7314b9 accessed 25 October 2018.

Draho J. & Payne R. (2018), Tariffs take toll on markets, June 27, CNBC, https://www.cnbc.com/video/2018/06/27/tariffs-take-toll-on-markets.html accessed 12 November 2018.

Economic Times (2018), China's murky problem with debt is partly due to this 25-year law, October 26, https://economictimes.indiatimes.com/markets/stocks/news/chinas-murky-problem-with-debt-is-partly-due-to-this-25-year-law/articleshow/66372017.cms accessed 26 October 2018.

Financial Express (2018), U.S-China Trade War: What it is, how it impacts India, July 6, https://www.financialexpress.com/economy/us-china-trade-war-what-it-is-how-it-impacts-india/1233408/ accessed 29 October 2018.

http://tariffshurt.com/tariffs-taking-a-toll-on-markets-with-rough-2019-instore/#more-93 (8 November 2018) accessed on 9 November 2018.

Jasani, D. (2018), How will the U.S-China trade war affect global markets and Indian equities, August 29, *Business Standard*, https://www.business-standard.com/article/economy-policy/how-will-the-us-china-trade-war-affect-global-markets-and-indian-equities-118082900212_1.html accessed 29 October 2018.

Jethmalani, H., Pengonda, P. (2018), How US-China Trade war will affect India, June 20, https://www.livemint.com/Money/0WIWRQ9nkfT7G1W5P1juqO/How-USChina-trade-war-will-affect-India.html accessed 26 October 2018

Jiming, H. (2018), China-U.S. trade conflict: causes and impact, 2018 CF40-PIIE Joint Report, June 11, *China Finance 40 Forum*, https://piie.com/system/files/documents/ha20180611ppt.pdf accessed 29 October 2018.

Johnson, K. (2018,), Trump's trade war with China is about to get surprised, September 12, *Foreign Policy*, https://foreignpolicy.com/2018/09/12/trumps-trade-war-with-china-is-about-to-get-supersized-tariffs-301/ accessed on 28 October 2018.

Lunch, D. J., Shih, G. (2018), Crossed Wires: Why the U.S. and China are struggling to reach a trade deal, October 24, *The Washington Post*, https://www.washingtonpost.com/business/economy/crossed-wires-why-the-us-and-china-are-struggling-to-reach-a-trade-deal/2018/10/24/69f859e6-d2dc-11e8-8c22-fa2ef74bd6d6_story.html?noredirect=on&utm_term=.3400e558b3e0 accessed 28 October 2018.

McBride, J. (2018), Is 'Made in China 2025'a threat to Global trade, August 2, https://www.cfr.org/backgrounder/made-china-2025-threat-global-trade accessed 2 November 2018.

Pong, J., Tilford, C., Joanna, S.K., Crooks, Ed, Kwong, R, Hancock, T. (2018), What's at stake in US-China Trade War, July 19, *Financial Times*, https://ig.ft.com/us-china-tariffs/ accessed on 28 October 2018.

Pramuk, J. (2018), Trump will slap 10% tariff on $200 billion in Chinese goods-and they will go to 25% at year end, September 17, https://www.cnbc.com/2018/09/17/trump-puts-new-tariffs-on-china-as-trade-war-escalates.html accessed 27 October 2018.

Price, E. (2 April 2018), China tariffs 128 US products, April 2, *Fortune*, http://fortune.com/2018/04/02/china-tariffs-128-us-products/ Retrieved May 28, 2018.

PTI (2018), U.S.-China Trade war can make Indian products competitive, August 6, //economictimes.indiatimes.com/articleshow/65280457.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst accessed 29 October 2018.

Rauhala, E., Lynch, D. J. (2018). "China fires back at Trump with the threat of tariffs on 106 U.S. products, including soybeans". April 4, *The Washington Post*, https://www.washingtonpost.com/world/asia_pacific/china-fires-back-at-trump-with-tariffs-on-106-us-products-including-soybeans-cars/2018/04/04/338134f4-37d8-11e8-b57c-9445cc4dfa5e_story.html?utm_term=.1b22dd0fadec accessed 28 October 2018

Ross, M., Slee, A. (2018), China has bigger problem than trade war- a mountain of debt, August 8, https://www.abc.net.au/news/2018-08-08/chinas-view-of-trumps-trade-war-is-massive-debt-a-bigger-problem/10055192 accessed on 26 October 2018.

Sasi, A. (2018), How a U.S.-China trade war can hit Indian market, April 6, *The Indian Express*, https://indianexpress.com/article/explained/how-a-us-china-trade-war-can-hit-indian-market-5125446/ accessed 29 October 2018.

Smith, R. (2018), The World's biggest economies in 2018, (April 18), *World Economic Forum*, retrieved https://www.weforum.org/agenda/2018/04/the-words-biggest-economies-in-2018/ accessed 2 November 2018.

Sputnik, (2018), U.S.-China Trade war Impact- China removes 7 year old ban on Indian Livestock Feed, 22 October, *Sputnik International*, https://sputniknews.com/asia/201810221069104418-china-removes-ban-indian-livestock-feed/ accessed 30 October 2018.

Srivastava, A. (2018), Here are five most common myths about India-China bilateral trade, April 29, https://economictimes.indiatimes.com/news/economy/foreign-trade/india-china-bilateral-trade-deflating-the-five-most-common-myths/articleshow/63954787.cms accessed 28 October 2018.

Suneja, K. (2018), India can replace US exports to China amid trade war, says study, August 28, *The Economic Times*, https://economictimes.indiatimes.com/news/economy/foreign-trade/india-can-replace-us-exports-to-china-amid-trade-war-finds-study/articleshow/65568130.cms accessed 30 October 2018.

Vaswani, K. (2018), US-China trade war: a tale of two Chinas, September 18, *BBC News*, https://www.bbc.com/news/business-45556345 accessed on 24 October 2018.

White House (2018), President Donald J. Trump's State of the Union Address, January 30, https://www.whitehouse.gov/briefings-statements/president-donald-j-trumps-state-union-address/ accessed on 23 October 2018.

Wikipedia (2018), 2018 China-United States Trade War, October 20, https://en.wikipedia.org/wiki/2018_China%E2%80%93United_States_trade_war accessed 28 October 2018.