



Historical Trends: China & U.S. Relations

Cheat Sheet: What You as an OD practitioner need to know about China and the U.S.

Economy:

- China is on track to overtake the United States as the world's #1 economy by 2027
- China was admitted to the WTO in 2001. By 2003, about \$150 million a day in foreign investments were pouring into China, and foreign trade totaled \$850 billion annually.

Politics:

- Being blamed for an error can cost a Chinese negotiator his or her career.
- People tolerate official hypocrisy because it preserves the system.
- As of 2015, China's public opinion of the U.S. is at 44% positive, while the United States' public opinion of China is somewhat lower at 38%

Sports:

- In addition to popular US sports such as basketball and American football, golf is also becoming popular – first golf course was constructed in China in 1984. Chung Shan Hot Springs in Zhongshan

Media & Art:

- Kung-fu is a popular film genre in both China and the US. With Jackie Chan (1962 to present) being an example of a crossover star popular in both countries.
- Ai Weiwei is a recognized artist and also a champion of freedom of the press. Ai lived in the US from 1981 to 1993 and developed notoriety for his photography and blackjack skills. Ai has been a constant target of the Chinese government for his blog posts, documentaries and outspoken criticism of their government.

History:

- Tiananmen Square (aka June 4th incident) was (and still somewhat is) blamed on US influence from certain Chinese officials. Please don't mention this to locals while in China.

Fashion:

- American fashion brands are popular among the Chinese who perceive the ownership of these brands to be a representation of social status and lifestyle.
- In 2017, American street style brands became popular after a reality Chinese show, The Rap Of China. Brands like SUPREME and Off White quickly became a "must have" for trendy Chinese youth and young adults.
- While luxury and street style US brands are found in malls and stores for the middle class to upper class, these brand names can be found in the streets for a fraction of the cost making it available to anyone. However, these styles are not a genuine product, but rather a knock-off.

Religion:

- China to the US - Buddhism, Taoism.
- Buddhism came to America first by Chinese immigrants who settled in America in the 1840s.
- Eastern religions are growing in the USA very quickly.
- US to China - Christianity first came to China through US missionaries.
- It's important to note while Buddhist and Tao practices are in the rise in the US, Christianity is on the rise in China despite religion being regulated.

Historical Timeline:

1949	People's Republic of China is Established by Communist Mao Zedong – the U.S. had backed the defeated Nationalists led by Chiang Kei-shek , starting off a long history of limited relations between the U.S. and mainland China (defeated Nationalists flee to Taiwan)
1950	Korean War breaks out – North Korea invaded South Korea; U.S. backs South Korea, China supports the North
1954 – 1972	U.S. and China continue to have challenging relations due to the U.S backing of the Nationalist party in Taiwan; fights break out over areas such as the Quemoy and Matsu Islands, as well as Tibet; Sino-Soviet border conflict ensues, and mainland China is still not fully recognized by the U.S. diplomatically; Nixon also visits China
1979	Jimmy Carter visits China and grants full diplomatic recognition and recognizes China's One China principle; even so, U.S. Congress also signs Taiwan Relations Act, but this does not violate the U.S. One China policy
1982	Reagan era begins; maintains both Taiwan Relations Act and One China policy; tries to strengthen Beijing-Washington relations by allowing Beijing to purchase U.S. military equipment
1989	Tiananmen Square massacre; students protest corruption, and U.S. freezes relations and all military equipment sales to Beijing
1993 – 2000	Prominent dissidents are deported, China loses bid for 2000 Olympics, free presidential elections occur in Taiwan for the first time, President Clinton authorizes a visit by Taiwanese President (reversing 15-year policy to not allow this to happen), U.S. and NATO accidentally bomb Chinese embassy in Belgrade during Kosovo war, stirring protests

Resources:

US & China Relations:

<https://www.cfr.org/timeline/us-relations-china>

<https://www.pewglobal.org/database/indicator/24/country/233/>

Business:

McGregor, J. (2007). One Billion Customers: Lessons from the Front Lines of Doing Business in China. New York: The Free Press.

https://www.washingtonpost.com/outlook/2019/03/26/when-it-comes-negotiating-with-china-devil-is-details/?noredirect=on&utm_term=.383be07a056e

Economy & Trade:

<https://www.uschina.org/reports/understanding-us-china-trade-relationship>

<https://www.brookings.edu/research/the-us-china-economic-relationship-a-comprehensive-approach/>

<https://www.brookings.edu/testimonies/u-s-china-economic-relations-implications-for-u-s-policy/>

<https://www.cfr.org/backgrounder/uneasy-us-chinese-trade-relationship>

<https://www.theatlantic.com/international/archive/2019/03/us-china-relationship-trade/585745/>

<https://www.cfr.org/expert-brief/us-china-economic-relationship-separating-facts-myths>

<https://www.bloomberg.com/news/articles/2019-03-26/u-s-china-trade-talks-to-resume-as-trump-vows-excellent-deal>

<https://www.wsj.com/articles/u-s-trade-gap-narrowed-sharply-in-january-11553690145>

<https://www.globenewswire.com/news-release/2019/03/26/1768526/0/en/The-Impact-of-US-China-Trade-Conflict-on-the-Service-Industry-2019-Market-Study.html>

<https://piie.com/blogs/trade-investment-policy-watch/trump-trade-war-china-date-guide>

<https://www.economist.com/erasmus/2018/04/13/an-asian-religion-gains-popularity-in-the-new-world>

History:

<https://www.heritage.org/asia/report/the-complicated-history-us-relations-china>

<https://www.pri.org/stories/2014-05-01/25-years-later-china-still-blames-us-somehow-fomenting-tiananmen-square-protests>

South China Sea Escalation:

<https://www.scmp.com/video/asia/2158598/south-china-sea-dispute-explained>

China Industrial Espionage:

<https://www.cfr.org/report/threat-chinese-espionage>

<https://www.usnews.com/news/business/articles/2018-10-11/china-says-accusations-against-alleged-spy-out-of-thin-air>

China's commitment to overthrow US dominance around the globe (Belt and Road):

<https://www.scmp.com/news/china/economy/article/2157381/us-competes-chinas-belt-and-road-initiative-new-asian-investment>

US Universities Blocking Chinese Propaganda:

https://www.washingtonpost.com/news/monkey-cage/wp/2019/01/11/u-s-universities-have-shut-down-confucius-institutes-heres-what-you-need-to-know/?noredirect=on&utm_term=.63825d00f5da

North Korea:

<https://www.cfr.org/background/china-north-korea-relationship>

South China Sea:

<https://www.pri.org/stories/2017-02-15/north-koreas-trade-china-has-grown-tenfold-15-years-which-gives-china-more>

<https://www.reuters.com/article/usa-china-southchinasea-idUSW1N1DW01D>

Taiwan:

https://www.washingtonpost.com/business/why-the-south-china-sea-fuels-us-china-tensions/2019/02/13/6b283fb8-2fd2-11e9-8781-763619f12cb4_story.html?noredirect=on&utm_term=.242bef710e1b

<https://www.cfr.org/blog/reducing-risk-china-taiwan-conflict>

CyberSecurity:

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Thucydides Trap:

<https://foreignpolicy.com/2017/06/09/the-thucydides-trap/>