

US, China still ‘very far apart’ on trade: ambassador Terry Branstad

US envoy Terry Branstad’s comments come as Chinese Vice-Premier Liu He arrives in Washington on Tuesday for more talks aimed at averting a trade war.



The United States wants China to give a timetable on how it will open up its markets to US exports as the two countries are still “very far apart” on resolving trade frictions, US Ambassador to China Terry Branstad said on Tuesday.

Washington and Beijing have proposed tens of billions of dollars in tariffs in recent weeks, fanning worries of a full-blown trade war that could hurt global supply chains and dent business investment plans.

A US delegation led by Treasury Secretary Steven Mnuchin presented China earlier this month with a list of demands to tackle allegations of intellectual property theft and other trade policies Washington considers unfair.

The two countries failed to reach an agreement on the long list of US demands and decided to resume talks in Washington.

Branstad, who was present at the meeting, said the Chinese appeared to be “taken back” by the significance of the list.

“The Chinese have said ‘we want to see the specifics.’ We gave them all the specifics in terms of trade issues. So they can’t say they don’t know what we’re asking for,” he said.

“We’re still very far apart,” Branstad said, adding that China has not met pledges to open up its insurance and financial services area, as well as reduce car tariffs.

“There are many areas where China has promised to do but haven’t. We want to see a timetable. We want to see these things happen sooner than later,” he said at a conference in Tokyo.

Branstad also said US President Donald Trump would like to see a “dramatic increase” in food exports to China.

“We’d like to see China being just as open as the United States,” he said.



The Trump administration has drawn a hard line in trade talks with China, demanding a US\$200 billion cut in the Chinese trade surplus with the United States, sharply lower tariffs and advanced technology subsidies.

The United States has proposed tariffs on US\$50 billion of Chinese goods under its “Section 301” probe. Those could go into effect in June following the completion of a 60-day consultation period, but activation plans have been kept vague.

China has said its own retaliatory tariffs on US goods, including soybeans and aircraft, will go into effect if the US duties are imposed.

Branstad said the United States could rescind the “Section 301” tariffs if China moved forward on opening up its agriculture and car markets.

“I think it could be adjusted,” he said. “It’s possible, depending upon how the trade talks go.”

Increasing US exports of liquified natural gas could also be an area the two countries could agree on as trade talks resume in Washington this week, he said.

“The United States and China are the two biggest economies in the world. The more we can work things out, the better it’s going to be not just for US and China, but for the entire world economy,” he said.

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