

Trade war affects both China and United States



Beijing, August 15 (RHC)-- A U.S.-led trade war against China will hurt the economies of both nations, experts in Beijing have warned.

Chinese academics and economists warned of the damage that finances of both Washington and the Asian nation will suffer due to the recent escalation of the conflict between the two powers.

Quoted by the local China Daily, Guan Tao, an advisor to Wuhan University in the center of the country, said the new tariffs imposed by the United States on Chinese exports will also affect the interests of American consumers.

Guan recommended the White House to adopt a more prudent approach in negotiations with China and abandon the rhetoric of threats.

President Donald Trump reported that as of September 1, he will impose rates of 10 percent on Chinese goods valued at \$ 300 billion.

Although the Republican president announced yesterday that he will delay until December 15 the application of these taxes, the decision considerably increased frictions, just as both countries resumed the path of trade dialogue. For his part, Lou Feng, a researcher at the Institute of Quantitative and

Technical Economics of the Academy of Social Sciences of China said at a seminar held in Beijing that imposing additional tariffs will lead to a slowdown in the economic growth of the United States.

Based on the analysis of his study team, Lou said that this measure will cause an increase in the consumer price index, social welfare losses and a reduction in exports and imports of the northern nation.

The Chinese government rejected the new tariffs imposed by Washington and announced countermeasures to safeguard its economic interests.

Despite criticism and requests from national businessmen, Trump defends his policy of tariff pressure on China and argues that taxes are paid by Beijing and not by his countrymen.

However, economists indicate that levy costs do transfer to businesses and consumers in the United States.

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