



China Primer: U.S.-China Relations

Introduction

The second Trump Administration has shifted the framing of U.S. policy toward the People's Republic of China (PRC, or China) away from that of the first Trump and Biden Administrations. Rather than portraying the United States and China as engaged in strategic competition, the second Trump Administration has stated its desire for a “balance of power” and a “stable peace” with the PRC. At the same time, it has pursued actions in the trade and defense arenas to counter China that appear to align more with a conception of China as a competitor. In its oversight and legislative activities, the 119th Congress has focused on the competitive dimension of U.S.-China relations, including by re-authorizing a House Select Committee on the Strategic Competition between the United States and the Chinese Communist Party (H.Res. 5) first established in the 118th Congress (H.Res. 11).

Second Trump Administration Policy

The second Trump Administration outlined aspects of its approach to China in two major public documents, the National Security Strategy (NSS), released in December 2025, and the National Defense Strategy (NDS), released in January 2026. Language about China in those documents is in places conciliatory and in other places combative, which could reflect strategic framing, policy differences within the Administration, or both. The NSS pledges that the Administration will “[w]in the economic future” in Asia, in part through “a genuinely mutually advantageous economic relationship with Beijing.” The NSS also states that the Administration seeks to “rebalance America’s economic relationship with China, prioritizing reciprocity and fairness to restore American economic independence.” Nowhere does the NSS explicitly identify China as a competitor.

The NDS states that, “President Trump seeks a stable peace, fair trade, and respectful relations with China.” The NDS adds that the goal of the Department of Defense (which is “using a secondary Department of War designation” under Executive Order 14347, dated September 5, 2025) “is not to dominate China; nor is it to strangle or humiliate them,” but rather, “[t]o prevent anyone, including China, from being able to dominate us or our allies,” and to achieve “a balance of power in the Indo-Pacific that allows all of us to enjoy a decent peace.” The NDS explicitly states that U.S. defense strategy with regard to China “does not require regime change.” At the same time, the NDS states that the United States will “prioritize defending the U.S. Homeland and deterring China.” The NDS makes no explicit mention of Taiwan, the self-governing democracy of 23.3 million people over which the PRC claims sovereignty. It does, however, state the Department’s intention to “erect a strong denial defense along the First Island Chain,” a reference to the string of islands in Asia that include Japan, Taiwan, and parts of the

Philippines and Indonesia. (See CRS In Focus IF12481, *Taiwan: Defense and Military Issues.*)

In its reshaping of the executive branch, the second Trump Administration has reduced or ended the role of many entities previously involved in implementing China policy, and stood up some new entities. The Administration eliminated the White House National Security Council’s Technology and National Security Directorate, for example, and established a new Bureau of Emerging Threats in the Department of State focused on threats at the nexus of technology and national security, many involving China. The Administration ended the U.S. Agency for International Development’s (USAID’s) former role in administering foreign assistance and transferred some of its former functions to the Department of State. That Department is now the sole administrator of the Countering PRC Influence Fund, which USAID previously co-administered. The Administration has sought to reduce other China-related entities, such as the U.S. Agency for Global Media (USAGM), to “the minimum presence and function required by law.” Global broadcasters that USAGM funds include Voice of America and Radio Free Asia, both of which broadcast into China. Additionally, the Department of State eliminated the position of Under Secretary for Civilian Security, Democracy, and Human Rights and shrank the Bureau of Democracy, Human Rights, and Labor, as part of a larger reorganization.

U.S. and PRC Leader Statements

In his second term, President Trump has largely adopted a conciliatory tone in his public statements about China. On May 4, 2026, the President stated, “We’re adversaries, but we have a very good relationship.... And I think it’s better to get along with China than it is to fight with China, and they feel the same thing.” The President has stated that he has respect for China’s leader, Communist Party of China General Secretary and PRC President Xi Jinping.

At an October 2025 summit with President Trump in Busan, South Korea, Xi called for the United States and China to be “partners and friends.” According to a PRC readout, he stated that China has “no intention to challenge or supplant anyone,” and he called for the business relationship to “to serve as the anchor and driving force for China-U.S. relations.” In a February 4, 2026, call with President Trump, Xi called for “mutual respect, peaceful coexistence, and win-win cooperation.” Xi scheduled a video call with Russian President Vladimir Putin on the same day as his phone call with Trump, appearing to signal, at a minimum, an equivalency between China’s relationship with the United States and with Russia.

Upcoming Leader Engagements

Both the Second Trump Administration and the PRC government have appeared to prioritize leader-level diplomacy, with the PRC portraying such diplomacy as playing “an irreplaceable role in providing strategic guidance” for the relationship. President Trump and General Secretary Xi’s October 2025 summit in Busan was their first meeting of the second Trump term. They are scheduled to meet again in Beijing on May 13-15, 2026. This would be the first American presidential visit to China since President Trump’s last visit in late 2017. Sixteen U.S. executives are to accompany the President to Beijing.

The Beijing summit could be the first of as many as four meetings between the two leaders in 2026. President Trump has stated that he and the First Lady intend to host Xi and his wife for a visit to Washington, DC, “in November or so.” The two leaders also might meet at this year’s Asia-Pacific Economic Cooperation (APEC) Leaders’ Meeting in Shenzhen, China (November 18-19), and at the G-20 Summit in Miami (December 14-15).

Trade and Investment Issues

Since 2017, the U.S. government has stepped up its use of tariffs, export controls, and other tools to address PRC practices of concern, to promote and protect U.S. competitiveness vis-a-vis China, and to reduce U.S. trade reliance on China. Since spring 2025, U.S. and PRC officials have engaged in talks over tariffs that President Trump imposed on China under the International Emergency Economic Powers Act (IEEPA, 50 U.S.C. §§1701 et seq.). After the Supreme Court ruled in early 2026 that President Trump cannot use IEEPA to impose tariffs, he lifted such tariffs and imposed a 10% global tariff for 150 days under Section 122 of the Trade Act of 1974 (19 U.S.C. § 2132). In May 2026, a panel on the U.S. International Court of Trade found that President Trump could not legally impose the Section 122 tariff on most imports. The U.S. Trade Representative (USTR) also initiated an investigation of 16 trading partners, including the PRC, under Section 301 of the Trade Act of 1974 (19 U.S.C. §2411) related to structural excess manufacturing capacity. The second Trump Administration separately has imposed sectoral tariffs under Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. §1862, as amended), which apply to certain U.S. imports from China. U.S. non-IEEPA tariffs remain in effect. Since 2018, the U.S. government has strengthened export controls on exports to China, particularly for semiconductors. In 2025, the Trump Administration appeared to reverse this trend, at least in part, in approving the export to China of California-based Nvidia Corp.’s advanced chips. Some former U.S. officials have said the decision appears to have traded U.S. national security decisions for trade concessions, which would be a shift from past practice.

The PRC has responded to U.S. actions by imposing tariffs, export controls, and market restrictions, and by canceling orders of U.S. goods. It also has expanded the scope of its export controls to cover more trade and require disclosure about the end-use of PRC inputs. Such actions appear to have fostered a dynamic in trade talks in which U.S. officials have sought to delay PRC measures in exchange for delays in U.S. trade actions on China. This could shift

the focus of talks away from addressing systemic issues in the PRC economy that the United States had previously prioritized. U.S. Trade Representative Jamieson Greer says he is seeking a “managed trade” arrangement with China, an approach that typically sets import and export quotas. PRC offers to make purchases the PRC typically makes but has withheld during talks (e.g., aircraft, beef, and soybeans) raise questions about the extent to which PRC commitments will boost U.S. exports to China above normal levels. (See CRS In Focus IF11284, *U.S.-China Trade Relations*.)

Taiwan

In the February 2026 Trump-Xi call, Xi identified Taiwan as “the most important issue in U.S.-China relations” and urged the President to “handle the issue of arms sales to Taiwan with prudence.” The 1979 Taiwan Relations Act (P.L. 96-8; 22 U.S.C. §§3301 et seq.) stipulates that “the United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.” PRC scholars have suggested that Xi may use the May 2026 summit to renew his call for the United States to limit Taiwan arms sales, and to request that the President state his opposition to Taiwan independence and his support for China’s quest for “peaceful unification” with Taiwan. Such statements would be a departure from longstanding U.S. policy. (See CRS In Focus IF10275, *Taiwan: Background and U.S. Relations*.)

Iran

China maintains partnerships with Iran and the Arab Gulf states and is the largest importer of Iranian crude oil. On May 4, 2026, Secretary of the Treasury Scott Bessent called on China to “step up with some diplomacy and get the Iranians to open the strait,” a reference to the Strait of Hormuz. On April 24, 2026, the Department of the Treasury’s Office of Foreign Assets Control designated five China-based oil refineries for sanctions, arguing that such refineries “play a vital role in sustaining Iran’s oil economy.” On May 2, China’s Ministry of Commerce publicly ordered PRC companies not to comply with the U.S. sanctions, the first time the PRC has taken such an action. Earlier in April, the *Financial Times* reported that Iran has used a satellite purchased from a China-based company in 2024 to target U.S. military assets in the Middle East during the U.S.-Israel conflict with Iran.

The 119th Congress and China

The 119th Congress is considering legislation to strengthen export controls and protect the U.S. market vis-a-vis China. The FY2026 National Defense Authorization Act (P.L. 119-60) includes provisions on U.S. outbound investment to China. The Consolidated Appropriations Act, 2026 (P.L. 119-75) appropriates not less than \$400 million for the Countering PRC Influence Fund. It also appropriates funds for entities related to competition with China that the second Trump Administration has sought to defund, including the USAGM. Congressional Member travel to China has resumed at a low level in the 119th Congress. This Congress accounts for three of the four Member delegations to visit China since 2019.

Susan V. Lawrence, Specialist in Asian Affairs

Karen M. Sutter, Specialist in Asian Trade and Finance

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.