

U.S. Trade Talks Hit Wall as China Refuses to Halt Oil Deals with Russia and Iran

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The United States warns Beijing that continued purchases could trigger a 100 percent tariff on Chinese goods, aiming to cut off financial support for Moscow's military operations and Iran's regional influence. This development came after China rejected U.S. demands to stop importing oil from Russia and Iran, intensifying tensions amid ongoing trade

negotiations, adding that it has the right to secure energy supplies based on national interests and dismisses coercive tactics as ineffective.

The dispute arises as both nations seek to finalize a broader trade agreement, but the energy import issue remains a significant hurdle. China continues to import substantial volumes of crude oil from Russia and Iran, with Iranian imports reportedly exceeding one million barrels per day. U.S. officials assert that reducing these imports is essential to limiting funding for what they describe as destabilizing forces.

China's Foreign Ministry stresses that its energy policies safeguard sovereignty, security, and development priorities. The ministry criticizes attempts to pressure Beijing as unlikely to succeed, reinforcing the country's determination to protect its economic interests. This stance complicates U.S. efforts to leverage trade negotiations to curb Beijing's energy ties with sanctioned nations.

U.S. Treasury Secretary Scott Bessent acknowledges China's insistence on sovereignty but remains hopeful about achieving progress on other trade matters. The administration's strategy aims to balance economic cooperation with efforts to isolate Russia and Iran economically through punitive measures.

Experts observe that China may question the feasibility of U.S. tariff threats and regard the issue as leverage rather than an immediate trade barrier. The impasse reflects broader geopolitical challenges affecting trade relations between the two global powers.

The ongoing dispute carries potential repercussions for global energy markets, given China's role as a major oil consumer. Any shifts in energy

flows could influence prices and supply chains worldwide. Analysts note that sustained disagreement may prolong uncertainty in trade talks, affecting investors and businesses on both sides.