

US-Japan Trade Agreement Sparks China's Call for Fair Global Trade Environment

July 23, 2025

— Categories: *Economics*



Download IPFS

China has urged the creation of a “sound environment” for international trade and economic cooperation in response to a significant new trade agreement between the United States and Japan. The deal, outlined as a \$550 billion investment plan announced by President Trump on July 22, 2025, led Beijing to reiterate its preference for resolving trade disputes through dialogue.

In a press conference in Beijing, Chinese Foreign Ministry spokesman Guo Jiakun emphasised the importance of equitable solutions. “China consistently advocates that all parties address economic and trade disagreements through equal-footed dialogue and consultation, fostering a stable environment for international trade and economic cooperation,” he stated.

The agreement, described by Trump as a “massive” deal, positions Japan, the world’s fifth-largest economy, to invest heavily in the United States. Writing on his Truth Social platform, Trump declared, “We just completed a massive Deal with Japan, perhaps the largest Deal ever made. He described the US-Japan deal as historic and beneficial to American economic interests. Trump also highlighted reduced trade barriers under the agreement, framing it as a strategic win for American interests.

Beijing’s response underscores its broader concerns about global trade dynamics, particularly as major economies forge new bilateral agreements. Guo’s comments reflect China’s preference for multilateral approaches to trade disputes, contrasting with the US’s assertive bilateral negotiations under Trump’s leadership. The deal could reshape economic ties in the Asia-Pacific, potentially affecting supply chains and trade balances across the region.

While the UK government has not commented directly on this development, its Labour-led administration has been vocal about prioritising domestic economic challenges over international trade negotiations. Critics argue this inward focus risks sidelining Britain in a rapidly evolving global trade landscape, especially as powerhouses like the US and Japan strengthen their economic alliances.

The US-Japan agreement marks a bold step in Trump’s trade policy, which continues to prioritise American economic dominance. For China, the deal serves as a reminder of the need for vigilance in maintaining what it sees as a balanced and cooperative international trade framework.