

US-China trade dispute

US and China push back timing of possible trade deal

Trump says an agreement will be reached within 4 weeks as toughest issues resolved



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James Politi in Washington APRIL 4, 2019

The US and China have pushed back the timing of a possible trade deal until May at the earliest, dashing hopes that the presidents of the two countries could hold a summit meeting this month to end their [tariff war](#).

Donald Trump, the US president, said an agreement would be reached within four weeks with Beijing, with many of the biggest sticking points having been resolved, and that two more weeks would be needed after that to complete all the paperwork. However, he declined to set a date for a summit with Xi Jinping, his Chinese counterpart, to sign a deal.

Mr Trump spoke in the Oval Office on Thursday after [meeting Liu He](#), China's vice-premier, who led his country's delegation to Washington for a new round in the talks with Robert Lighthizer, the US trade representative, and Steven Mnuchin, the US Treasury secretary. The talks began on Wednesday and are expected to continue on Friday.

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The US president expressed confidence in a positive outcome, saying the two countries had “some way to go” yet remained “very close”.

“This is an epic deal, historic, if it happens,” Mr Trump said. “It’s the granddaddy of them all. It has a

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very good chance of happening.”

“If we have a deal, then we’re going to have a summit,” he added.

Mr Liu said “we have made great progress”, crediting the “direct guidance by two great presidents”,

according to a transcript of the discussions provided by the White House.

Mr Liu added that he hoped the two sides would complete trade negotiations as quickly as possible, according to China’s official news agency Xinhua.

The extension of the negotiations suggests both Washington and Beijing are inclined to reach an agreement, but are nervous about the backlash that might ensue if they are perceived to have made too many concessions.

“The optimism about prospects for a deal has run into the harsher reality that a gulf still exists between the two sides on a range of key issues,” said Eswar Prasad, a senior professor of trade policy at Cornell University.

“The issues range from whether or not existing tariffs will be rolled back to whether enforcement mechanisms will be mutual and reciprocal. China is clearly not willing to condone a deal in which review and enforcement mechanisms, along with potential retaliatory measures, are mostly one-sided and not reciprocal.”

Mr Trump said a “lot of the most difficult” points had been tackled, including how to enforce and implement a deal to ensure that China complied with its commitments. But Peter Navarro, the White House adviser on trade and manufacturing and a prominent China hawk, warned that the “last mile of the marathon” was the “longest and the hardest”.

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US business groups have been pushing the two sides to reach a deal but have also argued that it should be as comprehensive as possible.

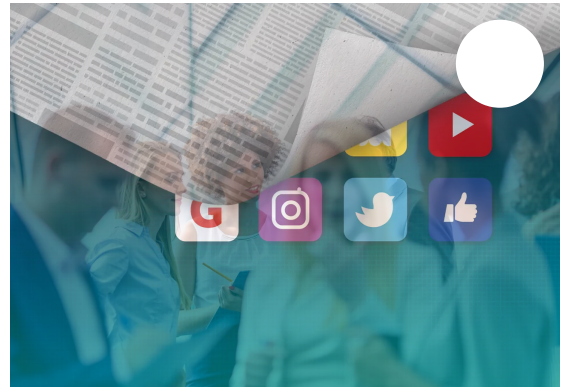
“Nobody thought these talks would be easy, but as they enter these final stages, we’re encouraged by the continued progress towards detailed text on both structural and enforcement issues,” said Linda Dempsey, vice-president of international economic policy at the National Association of Manufacturers. “Those issues are critical: manufacturers in the United States have long been harmed by China’s unfair trade practices.”

Additional reporting by Sue-Lin Wong in Hong Kong

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