

# *US, China Say Beijing Commits to Buying More American Goods*

By The Associated Press

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WASHINGTON — Just-ended U.S.-China trade talks produced a commitment by Beijing to "significantly increase" its purchases of American goods and services, according to a joint statement Saturday from the rival economic powers trying to lower trade tensions.

They also agreed on "meaningful increases" in U.S. exports of agriculture and energy products and greater efforts to increase trade in manufactured goods and services.

The statement, however, provided no dollar amounts on how much China might boost its purchases of American products.

The statement also was silent on whether the talks had made progress in easing the trade standoff between the world's two biggest economies. Washington and Beijing have threatened to impose billions of dollars in punitive tariffs on each other.

The statement said they did agree on the need for "effective measures" to reduce America's trade deficit, and to strengthen cooperation on protecting intellectual property. The statement said the United States would send a team to China to work out further details.

One of the Trump administration's goals has been to get China to take steps that would lower America's goods trade deficit with China by at least \$200 billion by the end of 2020. Outside analysts said it was highly unlikely that China would ever agree to a U.S. demand for a specific deficit reduction target.

Eswar Prasad, an economist and trade expert at Cornell University, said that Saturday's statement seemed to be an effort to de-escalate for the time being the growing tensions.

"The Trump administration seems eager to engineer at minimum a temporary peace with China to ensure a smooth runup to the Kim-Trump summit in June," Prasad said, referring to the June 12 meeting between Trump and North Korea's leader.

"It is likely that this agreement, weak and vague though it is, will serve as grounds to at least delay the imposition of tariffs" that the United States and China have threatened to impose, Prasad said.

"There was a consensus on taking effective measures to substantially reduce the United States trade deficit in goods with China," the joint statement said.

The two days of talks were led on the Chinese side by Vice Premier Liu He and on the American side by Treasury Secretary Steven Mnuchin. The U.S. delegation included Commerce Secretary Wilbur Ross and U.S. Trade Representative Robert Lighthizer.

Trump campaigned in 2016 on a pledge to get tough on China and other U.S. trading partners. He views the massive U.S. trade deficit with China — \$337 billion last year, the biggest with any country — as evidence that Beijing is engaged in abusive trading practices and has outmaneuvered previous U.S. administrations.

Last August, Lighthizer began an investigation into Beijing's strong-arm tactics to challenge U.S. technological dominance. These include outright cybertheft of U.S. companies' trade secrets and China's demands that American corporations hand over technology in exchange for access to the Chinese markets.

Last month, the administration proposed tariffs on \$50 billion of Chinese imports to protest the forced technology transfers. Trump later ordered Lighthizer to seek up to an additional \$100 billion in Chinese products to tax.

China responded by targeting \$50 billion in U.S. products, including soybeans — a shot at Trump supporters in America's heartland. The prospect of an escalating trade war has shaken financial markets and alarmed business leaders.

In a separate controversy, the Commerce Department last month blocked China's ZTE Corp. from importing American components for seven years, accusing the telecommunications company of misleading U.S. regulators after it settled charges last year of violating sanctions against Iran and North Korea.

The ban amounted to a death sentence for ZTE, which relies heavily on U.S. parts, and the company announced that it was halting operations. Chinese officials complained loudly about the ZTE sanctions when a high-level U.S. delegation, led by Mnuchin, visited Beijing this month.

Trump waded into the fray last Sunday, tweeting that he was working with Chinese President Xi Jinping to put ZTE "back in business, fast." Media reports suggested that the U.S. was offering to swap a ZTE rescue for an end to proposed Chinese tariffs on U.S. farm products.